The AI Times

SUPPLEMENT OF ENTERPRISE CHANNELS MEA

INSIGHTS FOR A SMARTER WORLD

PRIOTIZATION

INFERENCE

RECOMMENDATION

ACTION

THE CASE FOR SOVEREIGN AI

WHY GOVERNMENTS ARE RACING TO BUILD AI ON THEIR OWN TERMS

SPOTLIGHT ⟩ THE RISE OF THE ROBOTS

CONTENTS

The case for sovereign AI

WHY GOVERNMENTS ARE RACING TO BUILD AI
ON THEIR OWN TERMS

> "This is where sovereign AI becomes essential. Its strategies are developed locally, with models trained within regional borders, enabling governments to better understand their own capabilities and deploy AI with greater confidence."

AVINASH GUJJE, PRACTICE HEAD AT CLOUD BOX TECHNOLOGIES

Sovereign AI has moved from policy talking point to strategic imperative. As artificial intelligence begins to shape national competitiveness, economic growth and even geopolitical influence, governments are rethinking who controls the models, the data and the outcomes.

What was once an argument about cloud residency has evolved into a far deeper debate about innovation, intellectual property and long-term autonomy. From drug discovery and advanced materials to public services and critical infrastructure, nations are asking a fundamental question: if AI is becoming the engine of future value creation, should it really be built, trained and governed somewhere else?

WHAT IS DRIVING THE GLOBAL SHIFT TOWARD SOVEREIGN AI, AND WHY NOW?

According to Stefan Leichenauer, Vice President of Engineering at SandboxAQ, sovereign AI is accelerating as nations come to terms with a hard truth: artificial intelligence has become one of the primary engines of domestic value creation and intellectual property generation. In industries such as pharmaceuticals, chemicals and advanced materials, the real breakthroughs are driven by AI systems grounded in fundamental scientific principles. This means relying on large quantitative models, rather than general-purpose large language models that can be prone to hallucinations.

For Haider Amjed, Head of Technology for the UAE at NTT DATA, the shift toward sovereign AI reflects a deeper change in how AI is being deployed. As AI systems move into core public services, regulated industries and critical infrastructure, they

"As AI systems move into core public services, regulated industries and critical infras tructure, they are no longer peripheral techno logies."

HAIDER AMJED, HEAD OF TECHNOLOGY, UAE AT NTT DATA

are no longer peripheral technologies. They are shaping outcomes at a national scale, bringing questions of control, accountability and jurisdiction sharply into focus.

What makes this moment different is that concerns around governance are now being driven by those furthest ahead, not those struggling to catch up. In NTT DATA's 2026 Global AI Report, nearly 60 percent of AI leaders identify cross-border data privacy and sovereignty as a top governance concern. The signal is clear: sovereignty is increasingly becoming a prerequisite for scaling AI responsibly, rather than a defensive response to regulation.

For Levent Ergin, Chief Strategist for Climate, Sustainability and AI and Global Head of ESG Strategic Alliance Partnerships at Informatica, the shift reflects a broader change in mindset. Governments no longer want to be passive consumers of AI developed elsewhere; they want to shape it, govern it and deploy it in ways that align with national priorities. Nowhere is this more evident than in the Middle East, where there is a clear ambition to lead rather than follow.

Initiatives such as Stargate and Saudi Arabia's planned US$40 billion AI investment fund point to a long-term commitment to building domestic capability, not simply importing technology. Timing is critical. AI is moving rapidly from experimentation into systems that influence public services, defence, healthcare and economic policy. As its impact becomes more profound, questions around data ownership, security and cultural alignment are unavoidable. Sovereign AI has emerged as a natural response to this inflection point.

From a data perspective, Sofiane Benna-Chief Operating Officer at Ankabut, notes that

"Governments no longer want to be passive consumers of AI developed elsewhere; they want to shape it, govern it and deploy it in ways that align with national priorities."

LEVENT ERGIN, LEVENT ERGIN, CHIEF STRATEGIST FOR CLIMATE, SUSTAINABILITY AND AI, GLOBAL HEAD OF ESG STRATEGIC ALLIANCE PARTNERSHIPS AT INFORMATICA

information is the foundational asset driving AI innovation and value. Many governments are increasingly uneasy about how sensitive national datasets and culturally specific, language-rich data are handled. When this information is processed on infrastructure beyond local control, accountability and oversight become difficult to enforce in

practice.

Concentration risk adds another layer of concern. When model training, inference or data storage depends on a small number of foreign platforms, governments lose control over critical stages of the AI lifecycle. Access terms can change, pricing can shift and services can be restricted by decisions made outside national borders. These risks are no longer hypothetical. As AI systems are deployed across healthcare, infrastructure and public services, tolerance for this level of dependency has narrowed. Sovereign AI has therefore emerged as a practical response to these constraints, driven as much by operational realities as by national interest.

HOW DOES SOVEREIGN AI DIFFER FROM GENERIC AI AND TRADITIONAL SOVEREIGN CLOUD STRATEGIES?

Avinash Gujje, Practice Head, Cloud Box Technologies, explains that generic AI models are trained differently. They are built on global datasets designed for scale and broad applicability. As a result, they often lack a deep understanding of regional languages, cultural nuances, local regulations or sector-specific requirements. This is where sovereign AI becomes essential. Its strategies are developed locally, with models trained within regional borders, enabling governments to better understand their own capabilities and deploy AI with greater confidence.

Fine-tuning processes, enhanced inference logic and closer alignment with national priorities make sovereign AI more suitable for enterprises than traditional sovereign cloud strategies alone. The most significant advantage is absolute control over data and decision-making, a factor that can determine the success or failure of critical systems.

Sofiane adds that generic AI is designed to serve multiple markets simultaneously, averaging language, law and social norms. Sovereign AI, by contrast, is shaped around specific domains, cultures and operational profiles. A generic language model used in government services may accurately summarise regulations, but it will not reflect how those rules are interpreted or enforced locally. A sovereign model can be trained on national languages, local laws, court rulings, official documentation and archived decisions, producing outputs aligned with domestic legal practice rather than global defaults. By shifting focus to the model

itself, with supervised training and updates, sovereign AI delivers greater accuracy and contextual relevance.

WHAT FOUNDATIONAL ELEMENTS DOES A NATION NEED TO BUILD SOVEREIGN AI CAPABILITY?

Levent argues that data is the linchpin. Without disciplined data management, sovereign AI remains an aspiration rather than a functioning asset. Nations need clear visibility into what data exists, where it originated and how it can be used. Metadata, provenance, lineage, versioning and interoperability must be embedded from the outset, supported by robust governance. This foundation allows countries to adapt as regulations evolve across jurisdictions. Compute, talent and regulation all matter, but they are only effective when powered by trusted, well-managed data. With this in place, nations gain agility: the ability to train new models, change technologies and respond to geopolitical or regulatory shifts without rebuilding from scratch. In practice, sovereignty starts with data discipline.

ARE ENTERPRISES READY TO ADOPT LOCALLY TRAINED, DOMAIN-SPECIFIC SOVEREIGN AI MODELS AT SCALE?

Stefan notes that in critical industries such as pharmaceuticals, catalysts and advanced materials, leading enterprises are already co-developing domain-specific models on trusted infrastructure using proprietary data. These organisations recognise that the next wave of intellectual property will emerge from this approach. Startups are often leading innovation, with scale following as the technology proves its value.

Avinash adds that readiness varies by sector and organisational scale. Large enterprises with high-quality data, internal AI expertise and dedicated compute resources are better positioned to experiment and deploy sovereign models. Smaller organisations may face challenges due to limited resources or skills. However, the growing availability of open-source frameworks, AI-as-a-service platforms and public-private partnerships is lowering these barriers. When business objectives align with sovereign AI strategies, adoption at scale becomes achievable, delivering regulatory compliance and robust operational frameworks for managing domain-specific data.

WHAT PRACTICAL, HIGH-VALUE USE CASES WILL DEFINE SUCCESS OVER THE NEXT TWO YEARS?

According to Haider from NTT Data, sovereign AI will be judged by tangible outcomes in areas where trust and accountability are paramount. Early success will emerge in citizen services, where digital assistants and case management systems must handle sensitive data transparently

> "Many governments are increasingly uneasy about how sensitive national datasets and culturally specific, language-rich data are handled."
>
> **SOFIANE BENNA,** CHIEF OPERATING OFFICER AT ANKABUT

and fairly. Healthcare operations will follow, particularly in clinical documentation, capacity planning and claims integrity.

Critical infrastructure spanning energy, transportation and telecommunications will increasingly rely on sovereign AI for monitoring, prediction and response, often at the edge. Public safety and regulatory enforcement will also benefit, especially where auditability is mandatory. What unites these use cases is not experimentation, but repeatability. Sovereign AI will succeed where it becomes dependable infrastructure, quietly improving service quality, reducing risk and earning trust through consistent,

> "In industries such as pharmaceuticals, chemicals and advanced materials, the real breakthroughs are driven by AI systems grounded in fundamental scientific principles."
>
> **STEFAN LEICHENAUER,** VP ENGINEERING AT SANDBOXAQ

governed performance.

Stefan concludes that over the next two years, quantitative sovereign AI will power AI-driven pipelines that generate new national intellectual property in pharmaceuticals, catalysts, batteries and other strategic industries. The greatest economic upside lies in compressing multi-year R&D cycles into weeks or months, using infrastructure fully controlled by the nation itself.