

Governing with AI

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Our work



OECD work on **AI** in the Public Sector



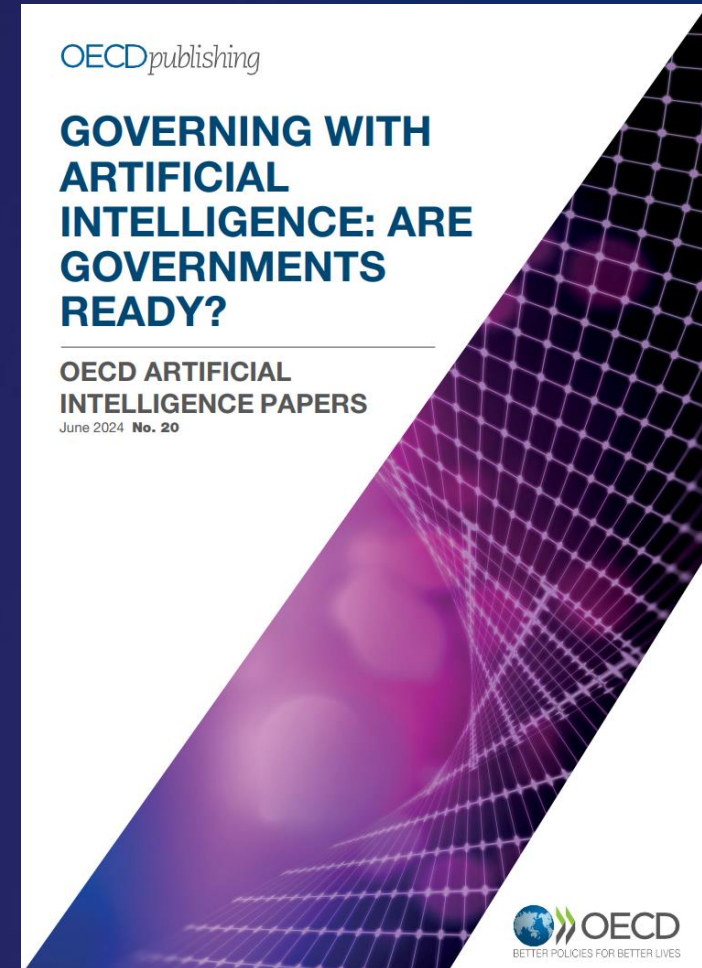
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Policy paper on Governing with AI

The policy paper discusses:

- The potential **benefits** and specific **risks** associated with AI use in the public sector.
- How AI in the public sector can be used to improve **productivity, responsiveness, and accountability**.
- **Key policy issues** across the policy cycle and examples of how countries are addressing them.



oe.cd/il/GwAI



G7 Toolkit for Artificial Intelligence in the Public Sector

- Helps policymakers and public sector leaders translate AI principles into actionable policies.
- Provides practical insights, shares good practices, integrates ethical considerations, and provides an overview of G7 trends.
- Showcases public sector AI use cases, detailing their benefits, as well as the implementation challenges faced by G7 members.
- Highlights key stages and factors characterising the journey of public sector AI solutions.





The case for AI



Why **AI** matters for the Public Sector



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AI for responsive, productive, and accountable government

Governments as:

- ◆ Regulators
- ◆ Financers
- ◆ **Users**
- ◆ **Developers**



Enhanced engagement with citizens



Efficient capturing and responding to user needs



Improved speed and quality of services



Improved decision-making



Targeted public spending



Free up public servants' time & lead to higher-value work



AI

case studies



Improving operational efficiency

To move beyond manual mapping processes of the state's large land mass, the Queensland Government Department of Environment & Science adopted ML to automatically **map and classify land use** (e.g., agriculture, housing) in satellite imagery. This provides for more efficient emergency response, disease outbreak readiness, and biodiversity conservation.

oe.cd/aus-ml-map



Enhancing external oversight

Alice, a bidding and contract analyzer, ensures **proactive and timely responses in public procurement**. It continuously gathers data from key government procurement platforms, conducts risk assessments, and **issues alerts**. This helps auditors and managers focus on non-compliant situations, streamlining oversight and compliance.



Designing effective policies

The Korean Disease Control and Prevention Agency developed an AI convergence system to address emerging infectious diseases. The system uses AI to analyze medical data, quarantine data, spatial data, among others, to **develop policy responses to infectious diseases**.



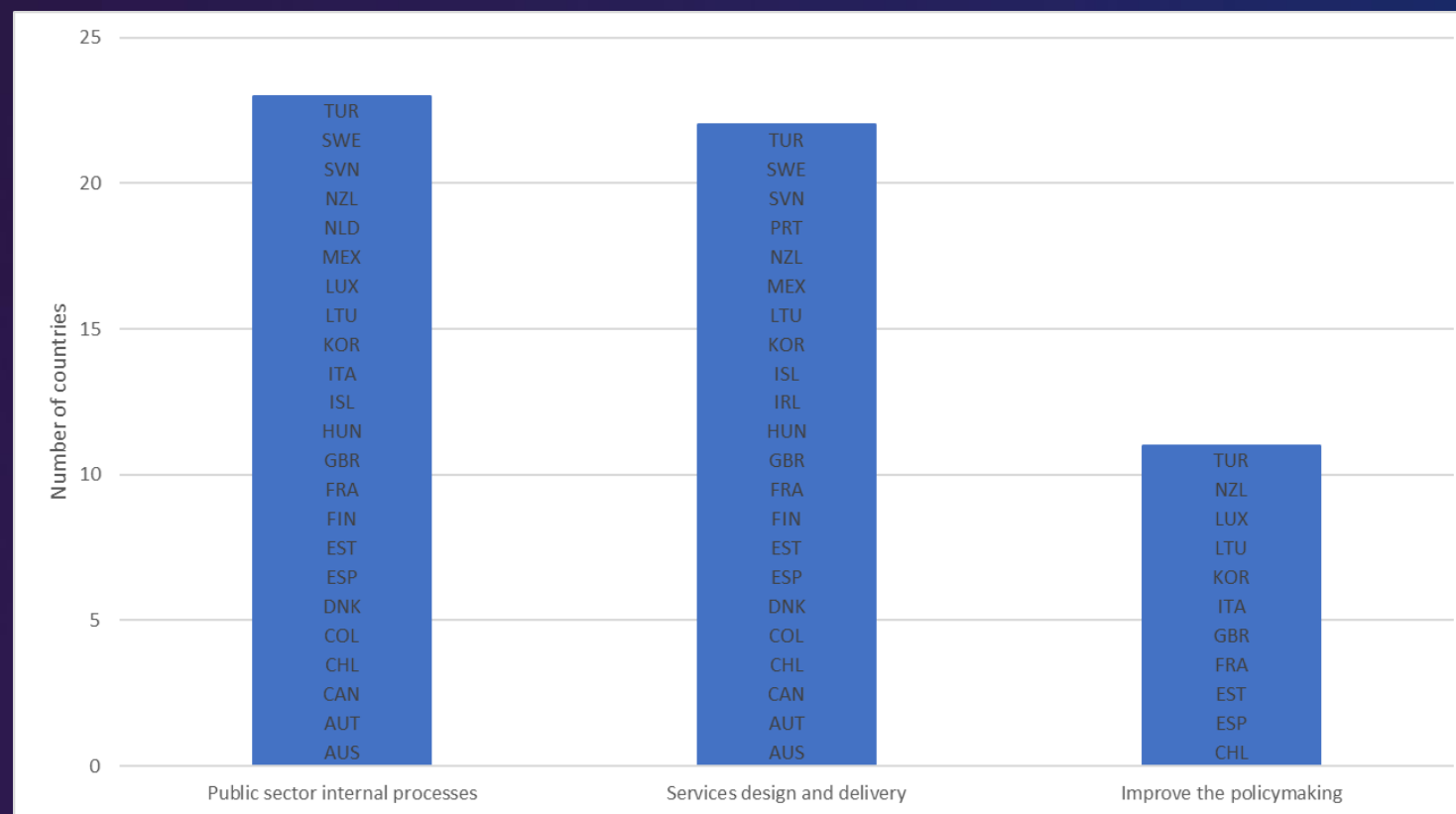
Offering more responsive services

To overcome disjointed and cumbersome public services, the Finland Ministry of Finance's AuroraAI programme uses AI to **simulate potential service paths and proactively offer citizens services** based on life events (e.g., marriage, beginning university, retirement).



Most **AI** use cases target efficiency of internal operations and responsiveness of services

Existence of at least one AI use case in the central/federal government per country and per category (2022)



Note: The data collection period for this edition of the DGI is from 1 January 2020 to 31 October 2022. Data for Germany, Greece, Slovakia, Switzerland, and the United States are not included.

Source: OECD Survey on Digital Government 2.0 (2022) and OECD 2023 Digital Government Index.



Understanding AI use cases in the public sector

Tasks

Recognition
Event detection
Forecasting
Personalisation
Interaction support
Goal-driven optimization
Reasoning with knowledge structures
Others

Function

Internal operations

Policymaking

Service delivery

External and internal oversight

Impact

Productivity (*efficiency and effectiveness*)

Responsiveness

Accountability



Issues and trends



Key policy issues and trends

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Emerging policy issues and challenges

- ◆ Securing political support from decision makers and the public.
- ◆ Anticipating and managing associated risks linked to respect of human rights, privacy, algorithmic transparency, accountability and explainability.
- ◆ AI use in the public sector remains experimental and few solutions scale.
- ◆ Understanding the effectiveness and impact of AI use.

Emerging responses

- ◆ Managing AI coherently across the public sector (AI strategies, data governance, institutional structures) ----- Australia's AI in Government Taskforce
- ◆ Designing dedicated policies, guidelines, frameworks, tools and legislations to steer the ethical and responsible development and use of AI systems ----- Colombia's Ethical Framework for AI
- ◆ Supporting implementation through core digital public infrastructure, sharing of knowledge, competences and capacities development, and partnerships. ----- Finland's Elements of AI free and open course
- ◆ Monitoring AI in the public sector and measuring the impact to foster trust and long-term viability. ----- Canada's Algorithmic Impact Assessment tool



EU AI Act, a risk-based approach

The EU AI Act, approved in March 2024, establishes obligations for AI based on risk and impact levels. It [reforms institutional structures](#) at national and European levels, fostering responsible AI use by identifying [different risk levels](#) relevant to government applications.



Providing direction to government officials

Australia developed policy tools, such as the “[Artificial Intelligence Ethics Framework](#)” and the “[Automated decision-making Better Practice Guide](#)”, aimed at providing direction to government officials for the ethical use and management of algorithms

Instruments and policies for trustworthy AI in the public sector



Trustworthy AI at the sub-national level

Some cities have been adopting standards on digital rights, such as the [Cities Coalition for Digital Rights](#), representing over 50 cities worldwide. These standards are being put into practice through projects like [open registries of public algorithms](#), a Global Observatory of Urban AI or a Digital Rights Governance Project.



Securing oversight by accountability institutions

Norway's Office of the Auditor General (OAG) has been [auditing AI use in central government](#) since 2023 as part of its new performance audits. The OAG's Strategic Plan 2018-2024 envisions [using AI for service delivery](#), stating that "problem solving will become more automated, and [AI] will gradually take over tasks in public administration and the OAG."



Strengthening AI governance in government agencies

The United States requires federal agencies to designate [Chief AI Officers](#), responsible to coordinate the use of AI across their agencies, and to establish [AI Governance Boards](#), chaired by the Deputy Secretary or equivalent, to coordinate and govern the use of AI across the agency.



EU AI Act, a new governance framework

The Act introduces a new governance framework at national and European levels. Member states must designate [National Competent Authorities](#) to enforce the Act. The [European Artificial Intelligence Board](#) will ensure uniform application across member states, supported by an [advisory forum](#), a new [European AI Office](#) within the Commission, and a [Scientific Panel of Independent Experts](#).

Oversight and ethical
advice for
trustworthy **AI**
in the public sector



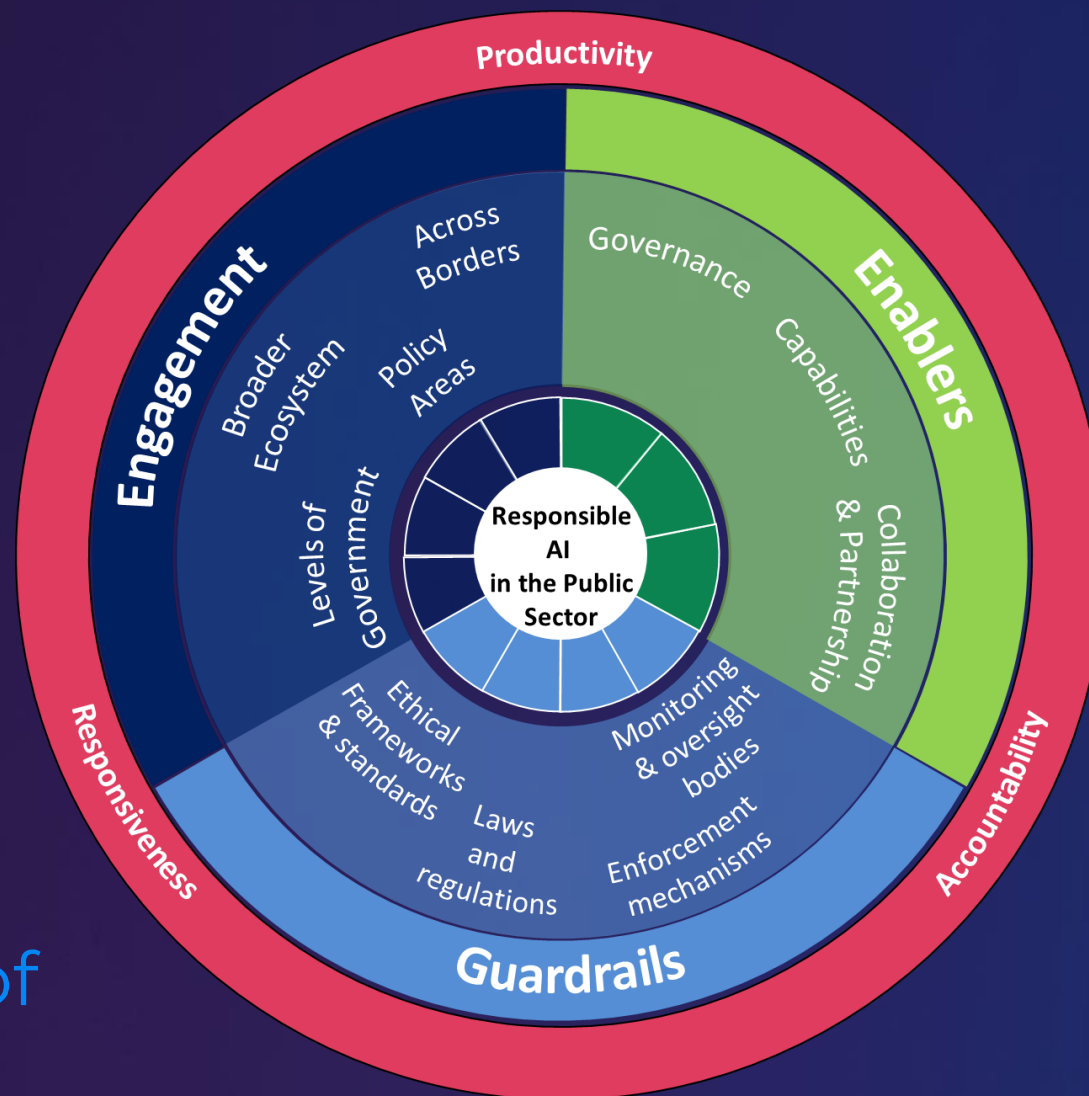
Supporting
governments

Supporting governments for
trustworthy and responsible **AI** use in
the public sector

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Towards a framework to enable a trustworthy use of AI in the public sector



Engagement – Where key actors need to be involved to implement actions targeting specific challenges

Enablers – areas where policy actions can be prioritised to establish a solid enabling environment and unlock the full-scale adoption of AI in the public sector

Guardrails – options for policy levers governments can consider to secure a trustworthy and responsible use

Impact – governments can consider three potential impacts to align AI use with relevant public policy objectives.



Governing with AI – Key Messages

- Establish clear **objectives** and **action plans** that align with the expected benefits.
- Prioritise the needs and experiences of **users**.
- Optimise organizational **structures** for efficiency.
- Implement strong **frameworks** at both the regulatory (hard) and ethical (soft) levels.
- Identify and replicate **successful implementations**.
- Determine and address factors that need improvement for more **systematic AI use**.
- Adopt an **incremental** and **experimental** approach to the deployment and use of AI in and by the public sector



Upcoming: Governing with AI - Global Report

Objective and approach

- Based on the analysis of **+100 use cases** across selected policy domains.
- **Highlights** concrete applications.
- Outline recent **trends, opportunities** and **risks** for the use of **AI in the public sector**.
- **Identify challenges** that are hindering optimal implementation.
- Emphasize **benefits** and potential outcomes.
- **Propose a policy framework** with **practical options** for governments.

Chapters

- Making the case for AI in the public sector.
- A deep dive in AI use cases.
- Understanding opportunities and risks.
- Towards an OECD policy framework.
- Insights and recommendations.

Publication: Q1 2025



Questions for discussion

- *Is your Parliament making use of AI to increase its productivity, enhance responsiveness to stakeholders, or improve its accountability? If not, where do you see the most potential?*
- *Parliaments are important actors in the development of appropriate guardrails for AI in the public sector. What type of instruments do you think your national context requires and what can the parliament do to develop them?*
- *What do you think should be the key components of a regulatory framework for the use of AI in the public sector?*
- *Has your parliament been engaged in monitoring the use of AI in the public sector and how?*

Thank YOU

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