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European Association of Public IT Service Providers

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EURITAS POSITION PAPER: AI IN THE PUBLIC ADMINISTRATION

v1.0

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1. Introduction

Euritas is a network of European public ICT service providers, which aims at creating better ICT services for public administrations, businesses, and citizens in European society. Euritas considers itself as the voice of public IT service providers. In this role, Euritas presents position papers on topics of concern for public IT service providers. The last two such papers dealt with digital sovereignty and cloud services.

This time, Euritas wishes to focus on artificial intelligence (AI) given its great potential especially for public administrations. The Commission proposes a legal definition of AI based on a definition used by OECD, being '... software that is developed with [specific] techniques and approaches and can, for a given set of human-defined objectives, generate outputs such as content, predictions, recommendations, or decisions influencing the environments they interact with'.[1] However, Euritas wishes to adopt a more practical definition based on 'AI as the ability of a machine to augment human intelligence, learn from data, make decisions, and automate tasks in various applications for real-life impact'.

In today's rapidly evolving technological landscape, AI stands at the forefront, not only in Europe but across the world. The global adoption of AI is transforming economies, industries, and social structures, positioning it as an indispensable tool for modernisation and advancement. Countries from Asia to the Americas are increasingly investing in AI research, development, and deployment to gain a competitive edge and address societal challenges. This global momentum is shaping international norms, standards, and frameworks, thus making it crucial for Europe to be proactive, responsive, and aligned with the worldwide trends. By understanding the global context, we ensure that Europe's approach to AI is not only locally relevant but also internationally competitive and collaborative.

AI systems can be of great help in analysing large amounts of data for specific patterns, as they can process data better, more accurately, and faster than humans can. It is important to realize that AI systems cannot ascertain the reliability, quality, and accuracy of the data input into them. If that data is compromised, the AI will deliver inaccurate outcomes. While in certain areas AI and automation are increasingly being used to perform tasks that were previously done by humans, in other areas AI is used to support professionals in executing their work. At the same time, new business areas and therefore jobs are created centred around AI development, maintenance, and application. That is why AI is seen to have a huge potential for innovation.

[1] https://www.europarl.europa.eu/RegData/etudes/BRIE/2021/698792/EPRS_BRI(2021)698792_EN.pdf

The EU has recognised the importance of AI and set several initiatives in this field with the aim to ensure that AI is human-centric and trustworthy. To keep the risks and dangers of this new technology low, the EU plans to regulate this through the EU AI Act, which has not yet been passed at the time of writing this position paper. The AI Act aims to classify and regulate AI applications based on the level of risk they pose to cause harm. Euritas supports this EU initiative as it provides a reliable basis for the work of IT service providers.

Purpose of the Position Paper

Euritas members deliver solutions solely to public administrations within their respective country, therefore the scope of the document is focused on AI use-cases within respective public administration. This includes solutions for improvements within the public administration itself, as well as processes to benefit citizens and businesses. The specificity of public administrations lies in their requirement for legal certainty as well as the need for a high level of confidentiality, reliability, and protection of personal data.

Objectives of the Position Paper

As AI becomes an integral part of future digital solutions, it is critical to identify, discuss and implement specific conditions for its use in public administration. The focus of this paper is for Euritas to contribute towards the establishment of a common European position for the implementation of AI within public administrations. The continued development of technology should be geared towards benefiting both the administration and citizens, with a focus on maximising opportunities while mitigating risks. To facilitate the seamless establishment and cross-border utilisation of services across Europe, it is imperative for public administrations to harmonise and standardise the framework conditions for AI usage. Consequently, an initiation of the process for defining harmonisation measures is essential.

2. AI use within the Public Administrations

In recent years, we have seen a significant uptake in the research and real-life application of AI. This is equally applicable within public administrations, where AI has the potential to drive innovation and become a significant catalyst for transformation. The application of AI within a public administration can bring about several benefits to the administration itself, but also to citizens and businesses who are its ultimate clients. Such benefits include:

- ***Enhanced Decision-Making:*** AI-driven data analytics and predictive insights enable public administrators to make informed and data-driven decisions.

- ***Improved Service Delivery:*** Public administration can offer timely responses to queries, streamline service requests, and deliver better customer experiences, leading to increased client satisfaction.

- ***Process Automation:*** AI can automate repetitive and time-consuming tasks, freeing up human resources to carry out more strategic responsibilities. Automated processes that result in increased productivity, reduced operational costs, and minimised errors.

- ***Smart Governance and Policy Evaluation:*** AI facilitates simulations and real-time scenario analyses, allowing public administrations to assess the potential impact of policies before implementation.

- ***Data Security and Privacy:*** AI can strengthen cybersecurity measures by identifying and responding to potential threats in real-time. Additionally, AI algorithms can be used to enhance data privacy compliance and protect sensitive information.

- ***Enhanced Accessibility***: AI facilitates inclusive public services by overcoming physical, cognitive, or language barriers. Through voice and language processing, AI can translate content in real-time, catering to the hearing-impaired and non-native speakers.

Besides establishing adequate legal and ethical frameworks, and promoting proper awareness and education, both of which will be addressed later in this paper, the realisation of these benefits depends on several critical success factors, notably:

- Public administrations should establish ***clear objectives***, identify areas where AI can add value, and outline a roadmap for implementation. Aligning AI initiatives with the goals of the administration ensures that AI is used to address specific challenges.

- ***High-quality data*** is the backbone of AI applications. Public administrations need to ensure that their data is accurate, relevant, and accessible for AI analysis. Data governance practices, data sharing agreements, and interoperability measures are essential for making data available while maintaining data security and privacy.

- AI initiatives in public administration should be scalable and flexible to accommodate future growth and changes in requirements. Availability of the necessary ***digital infrastructure and tools*** is key for the success of such initiatives. To successfully deploy AI-driven information systems, public administrations and/or their IT service providers must invest in robust hardware, scalable cloud computing resources, and high-performance computing capabilities.

- Adequate ***budget allocation*** for AI initiatives is crucial for their success. Public administrations need to prioritise AI investments and allocate resources wisely to support the introduction of AI-driven systems.

Typical areas of application that have the potential to unlock extended benefits include:

- AI-driven ***chatbots and virtual assistants*** enhance citizen engagement and service delivery. These conversational agents can handle routine inquiries, provide real-time information, and guide citizens through government processes.

- AI-driven ***personalisation*** allows public administrations to tailor services and information based on citizens' data and preferences. This targeted approach fosters a stronger sense of engagement and trust between citizens and the government.

- In administrative-intensive areas, AI can ***automate repetitive and rule-based tasks***, streamlining processes, hence redirecting efforts towards higher-value tasks, leading to increased efficiency and cost savings.

- In domains where **large amounts of data** need to be processed, AI can assist by efficient search engines, automated extraction of content from unstructured data or automated translation of documents.

- AI algorithms can be employed to identify ***fraudulent activities and detect anomalies*** in financial transactions or benefit claims. By automating fraud detection, public administrations can safeguard public resources and ensure fair distribution.

- ***Domain specific areas*** such as health, taxation, climate change and transportation offer specific use cases where the potential of AI can be explored.

Euritas Position

- The sharing of best practices amongst Euritas members must be organised through a digitally transparent network.
- For use cases that can be applied across multiple public administrations, an exchange should be established.
- Collaborative projects aimed at developing re-usable AI components should be initiated utilising EU funds. A catalogue of these components should be published.
- The methods employed for sourcing of AI systems are a crucial aspect of implementation. Successful experiences in this regard should be shared and adopted.
- The establishment of AI sovereignty, particularly in the context of Cloud sovereignty, is essential.
- Building communities of best practices for the exchange and application of AI at the community level.

3. Ethics and responsibility

Given its scope, the use of AI raises question about where and under what conditions it should be applied. The challenge in the public sector is to ensure the security of a significant amount of personal data, even when deploying AI.

Risks and opportunities of AI

If the underlying data and algorithms guiding AI lead to unintended outcomes, deviating from purely objective criteria, it creates an unpredictable risk of influencing decisions within the public administration. Therefore, AI will only be employed as a tool to support professionals and public officers in their operations and for decision making. Humans must retain the ability to assess and evaluate the functional aspects of the results. In order to anticipate possible AI faults, humans using AI must understand how AI applications work and, hence, how possible mistakes might evolve from the AI algorithm.

One critical aspect that cannot be overlooked is the potential for AI systems to exhibit or amplify biases. Biases in AI can arise from historical data or skewed training datasets, which can inadvertently perpetuate existing prejudices. In the context of public administrations, biased decisions can have far-reaching implications, impacting the equitable treatment of citizens and potentially perpetuating systemic injustices. To avoid such outcomes, it is imperative that AI systems employed in the public domain undergo rigorous testing for biases and that datasets are continually assessed, adjusted to ensure representation and fairness and kept secure from malicious manipulation. Transparent algorithms, frequent assessments, and third-party audits are just some steps that can be undertaken to detect, address, and mitigate biases.

Ethical considerations

In the proposed AI Act, the EU has adopted a risk-based approach and categorises AI applications into four levels: (i) unacceptable risk, (ii) high risk, (iii) limited risk, and (iv) low or minimal risk. AI applications should be regulated strictly as necessary to address specific risk levels. Furthermore, implementation of AI solutions should align with the European value system. Consideration should also be given to the security classification of data, the trustworthiness of the algorithms to be used and the explainability of the results to ensure, amongst others, non-discrimination, transparency, and fairness when developing AI solutions.

Such considerations require the use of trustworthy and explainable AI in the building of AI systems.

- To implement the solutions in a transparent and comprehensive way, it is essential to design the foundation of the data and algorithms in a manner that allows for the results to be explainable. The central question here is how and on what basis AI arrives at its results. Only by doing so can the implementation remain assessable and evaluable.
- During implementation and application of AI Systems regular checks and evaluation of the used data, algorithms and created results is needed to ensure trustworthiness and ethical aspects.

Euritas Position

As providers of AI solutions to public administrations, Euritas members bear a special responsibility for the services they deliver. Consequently, it is of parament importance for Euritas to implement these developments jointly and in a harmonised way at a European level. This entails:

- Establish a harmonised EU-wide catalogue of criteria for the assessment of AI applications. Only by harmonising these criteria one can enable synergies in the use and application of services throughout Europe and, especially across borders.
- A risk-based approach alone is insufficient for the public administration. When applying AI, a transparent and comprehensible approach regarding databases and algorithms must be adopted.
- Exchange best practices and ensure the exchange of knowledge through open platforms and networks for those developing AI solutions.
- Validate trustworthy and comprehensible AI applications against pre-defined criteria during the conception phase. These basic foundations should be embedded in the architecture.
- Promote knowledge exchange related to the assessment of trustworthy AI services.
- Foster knowledge exchange on raising awareness of ethical aspects in the dialogue between service providers and administrative staff.
- Create a Euritas AI service catalogue for public administrations comprising all member states.

4. Education and workforce

As AI continues to shape the future of work and governance, public administrations must take proactive steps to contribute towards addressing the awareness gap among the general population and improve the education and awareness within their workforce. Critical aspects in this regard include addressing the skills gap; the potential increase in the digital divide; and the knowledge of discerning real from fake information. The public administration must also secure the availability of technical resources to be able to implement, support and maximise AI-driven information system. By prioritising AI education and awareness, and fostering a culture of learning, public administrations can empower their workforce and citizens to navigate the AI landscape effectively and ensure that AI-driven initiatives lead to equitable and societal/socioeconomic inclusive outcomes.

- ***Public Administration workforce**:* The integration of AI technologies within the operations of the public administration demands a workforce that is equipped with the relevant skills to maximise the potential of AI. Public administrations must invest in comprehensive AI training programs to upskill their employees, preparing them for an AI-driven ethos and environment. Establishing partnerships with educational institutions and industry experts can facilitate the development of specialised AI courses and certifications tailored to the needs of the public administration. By bridging the skills gap, public administrations can create a competent and agile workforce, ready to harness the transformative potential of AI. Furthermore, AI can offer benefits to technology experts engaged in ICT operations, cyber security, analytics, and other domains, provided that they undergo appropriate technical training and internal process modifications.

- ***Addressing the Digital Divide**:* AI adoption has the potential to worsen the digital divide if not managed thoughtfully. Public administrations should take measures to ensure equitable access to AI-related training and resources within the Public Administration and for citizens, regardless of their socioeconomic backgrounds. Initiatives aimed at enhancing digital literacy and offering affordable access to AI tools and technologies can help bridge the digital divide. Additionally, as AI-generated content and misinformation spread, the ability to distinguish real from fake information becomes crucial. Further promotion of media literacy and critical thinking skills can enhance the ability to identify and effectively respond to misinformation.

- ***Technical resources**:* The availability of technical resources to implement and operate AI-driven information systems is a critical consideration for public administration in the digital era. As governments embrace the transformative potential of AI technologies, ensuring access to the necessary technical infrastructure and expertise becomes paramount. Additionally, cultivating a skilled workforce proficient in AI development, data science, and machine learning is essential for the effective implementation and maintenance of these systems. By prioritising the availability of technical resources, public administrations can pave the way for streamlined processes, data-driven decision-making, and improved citizen services, thus enhancing governance and public service delivery in the AI-powered landscape.

Euritas Position

- A standardised training programme for non-technical staff needs to be developed and made re-usable by all public administrations.
- Efforts to raise awareness about the potential of AI and its associated risks should be conducted and shared.
- The establishment of a taskforce to address the skills gap is essential.

5. Conclusion

The relentless advance of technology has always exerted a profound influence on public administration, and AI emerges as one of the most transformative catalysts for change in recent memory. As witnessed, AI adoption offers the prospects of enhanced efficiency, improved decision-making, and unparalleled service delivery. Nevertheless, with this promise come inherent challenges, ranging from ethical considerations to the recruitment of specialised talent.

It is imperative for public entities to not only embrace AI but to do so with careful consideration, ensuring that technology enhances human capability without compromising fairness or transparency. The future of public administration is undeniably intertwined with AI, and its prudent application can pave the way for a more inclusive, responsive, and effective government.

However, a large number of precautions and measures are needed to ensure the framework conditions for the use of AI in the public sector. The AI Act will answer essential regulatory questions, and even more far-reaching measures by operators of AI applications in public administration are required for a secure application. In addition to a comprehensive exchange of experiences and solutions of AI in public administration, harmonisation is necessary in many areas. Only by building on common ethic frameworks that provide for a minimum set of criteria will we be able to achieve the exchange of solutions. Therefore, the measures proposed by Euritas cover a wide range from exchange platforms to harmonisation efforts.