

**DIRECTORATE FOR SCIENCE, TECHNOLOGY AND INNOVATION
DIGITAL POLICY COMMITTEE**

Thriving with AI: harnessing AI's potential across key sectors

Revised Draft

This document is a revised draft of one of two reports summarising key insights of the 2025-26 horizontal project, “Thriving with AI: Empowering Economies, Societies and Citizens.” The outline of this report [DSTI/DPC(2025)22] and the first draft [DSTI/DPC(2025)22/REV1] were shared for feedback with participating OECD bodies in the Fall of 2025 and Spring 2026 respectively. This revised draft incorporates input from delegations.

The horizontal project on “Thriving with AI” concludes at the end of 2026. This report is put forward for approval and declassification. It is accompanied by the report “Harnessing AI’s potential for the economy” for which comments are requested with a view to approval and declassification at the DPC’s December meeting following forthcoming updates to key data.

Action requested: The Digital Policy Committee is invited to approve and declassify this report via written procedure by 19 October 2026. This document is also shared with OECD bodies contributing to the Horizontal Project for information.

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Abstract

The development and adoption of artificial intelligence (AI) are reshaping key sectors of the economy, transforming how people engage with public services and institutions, learn, access health care, interact with financial markets, conduct science and consume goods and services. This report draws on OECD data and insights to analyse these shifts across the public sector, education, healthcare and financial markets, as well as their implications for science systems and consumers, amid the emergence of advanced AI. It explores how AI can be most effectively deployed and adopted across these areas and highlights key policy implications.

Executive summary

1. **Artificial intelligence (AI) is reshaping key sectors of the economy, transforming how people engage with public services and institutions, learn, access healthcare, interact with financial markets, conduct science, and consume goods and services.** Drawing on OECD evidence, this report brings together insights on AI's progress and potential to improve outcomes across key sectors. It demonstrates the need for deliberate action to address issues related to skills, data access and handling, infrastructure and governance to advance and expand the benefits of AI. The OECD Recommendation on Artificial Intelligence underpins the analysis, as the first intergovernmental standard that aims to foster innovation and trust in AI based on shared values.
2. **In the public sector, governments are deploying AI across thousands of use cases, but scaling responsibly remains challenging.** 97% of OECD countries use AI in core government activities, spanning service delivery, fraud detection, procurement and urban management tasks including land-use, housing and infrastructure planning. Yet barriers remain in moving from experimentation to impact, including gaps in skills, data quality, legacy systems and unclear governance. This is particularly acute for subnational governments and smaller cities, which face greater constraints in digital infrastructure, technical expertise and resources. The OECD Framework for Trustworthy AI in Government provides a roadmap organised around enablers, guardrails and engagement, helping governments move from fragmented experimentation to responsible deployment at scale.
3. **Countries are experimenting with generative AI in education.** There are promising early examples, with most countries still developing governance frameworks and infrastructure to facilitate AI adoption in the education system. The use of generative AI presents both opportunities and challenges for teaching and learning: generative AI tools can facilitate personalised education, expand access to knowledge and support teachers, but can also undermine the development of critical thinking and foundational skills if not deployed purposefully.
4. **AI holds tremendous potential for health systems and healthcare delivery.** AI promises better diagnostics, faster medical research and precision drug discovery. While AI is increasingly embedded in administrative, clinical and operational workflows, more advanced applications such as personalised care remain less widespread and few applications move beyond pilots to system-wide scale. Concerted policy attention is needed to for secure and trustworthy deployment in health systems. An encouraging trend towards dedicated AI-in-health strategies is emerging across OECD Members, with seven OECD Members having established such strategies as of June 2026. Yet gaps remain, with less than one-third of OECD Members having policies that enable AI in health, programmes to build human capacity to work with AI in health, or dedicated governance structures to oversee its evolution.
5. **AI is transforming financial services across banking, insurance, asset management and fintech,** supporting activities ranging from fraud detection and underwriting to customer support and workflow automation. While existing technology-neutral regulatory frameworks have adapted quickly and are being applied in many jurisdictions, the complexity of advanced AI systems can create practical supervisory challenges (e.g. lack of explainability). At the same time, combining AI with Open Finance data-sharing frameworks could unlock financial inclusion, innovation and competition by providing access to high-quality, standardised data. This could also expand SME access to credit, provided appropriate

safeguards are in place to address bias, explainability and cybersecurity vulnerabilities, as well as potential financial stability risks.

6. ***AI is beginning to transform scientific research, accelerating productivity and enabling new approaches to experimentation, data analysis and knowledge discovery, but also raising new questions for research governance.*** Realising AI's full potential in science requires high-quality data, access to computing infrastructure and interdisciplinary skills spanning science, computing and engineering. Scientific training will also need to adapt to allow researchers to effectively use AI models, automated platforms and data infrastructure. Publication and peer-review systems must also adapt, and effective safeguards are needed to address the potential for misuse, particularly in bioscience and chemistry. Evidence suggests scientists using large language models are producing significantly more research publications, with the largest gains among non-native English speakers. This highlights AI's potential to broaden global participation in science, even as questions about research integrity and governance require continued attention.

7. ***Consumer markets are responding to AI.*** AI is enabling more personalised and relevant product recommendations to consumers, enhanced services and improved product safety. However, it may also lead to misleading claims about AI's role in products, deceptive generative content, unpredictable product behaviour and potential mental health impacts, which may pose challenges for traditional regulatory approaches.

8. ***Agentic AI, referring to systems of co-ordinated AI agents capable of pursuing complex objectives autonomously, is attracting growing attention,*** though adoption remains at an early stage and further progress is needed toward more trustworthy systems.

9. ***New resources aim to help businesses and policymakers navigate an increasingly complex and rapidly evolving regulatory landscape as these technologies continue to evolve.*** The OECD Due Diligence Guidance for Responsible AI translates the OECD AI Principles and the Guidelines for Multinational Enterprises on Responsible Business Conduct into practical recommendations for AI value chain actors, helping them meet multiple regulatory expectations simultaneously to ensure that the benefits of AI are widespread. These tools are complemented by broader risk-management and accountability frameworks that support governance across the AI system lifecycle and promote greater interoperability across jurisdictions. The Hiroshima AI Process Reporting Framework provides a widely recognised tool demonstrating how voluntary reporting mechanisms can support transparency and help build public trust in AI, with reports available on the OECD.AI Policy Observatory.

Harnessing AI across key sectors

Unpacking AI's sectoral impacts to harness its benefits

10. Artificial intelligence (AI) is a transformative force across sectors, reshaping citizens engage with public services and institutions, how people work and learn, how healthcare is delivered, how financial services are provided, how science systems generate new knowledge, and how consumers buy goods and services. To harness AI's potential across sectors, policymakers need a clear view of its impacts and of the opportunities and risks that follow. This report supports this objective by bringing together OECD data, trends, and policy insights as part of the 2025/26 Horizontal Project on AI *“Thriving with AI: empowering economies, societies and citizens”*, and it builds on the OECD AI Principles.

11. The **OECD AI Principles**, adopted in 2019 and updated in 2024, establish the foundational framework for responsible stewardship of trustworthy AI (OECD, 2024^[1]). They are comprised of five values-based principles (inclusive growth, human-centred values, transparency, robustness and accountability) and five actionable recommendations for policymakers on governance, international co-operation, capacity building and sustainability. This report draws on these Principles to guide analysis that contributes to a deeper understanding of AI's impacts across sectors, so that its benefits can be harnessed and widely shared.

12. The first section of this report analyses **how governments are adopting AI** to improve efficiency and service delivery. The second section focuses on **education**, exploring how AI can transform teaching and learning and the policies needed to maximise benefits while managing risks. The third section offers a deep dive into **AI in health** systems. The fourth section analyses **AI's evolving role in financial markets and services**, including Open Finance¹ and AI's impacts on SME access to capital. The fifth section discusses **advanced AI systems** and their implications, examining governance frameworks, agentic AI, consumer markets and the transformation of scientific research. A companion report covers AI and the economy (OECD, Forthcoming^[2]).

What is Artificial Intelligence?

13. The OECD Recommendation on AI (OECD, 2019, revised in 2024) (OECD, 2024^[3]) provides a widely adopted definition of an AI system that underpins analysis of economic impacts and provides a common reference point: *“an AI system is a machine-based system that, for explicit or implicit objectives, infers, from the input it receives, how to generate outputs such as predictions, content, recommendations, or decisions that can influence physical or virtual environments. Different AI systems vary in their levels of autonomy and adaptiveness after deployment”*. AI is a general-purpose digital technology with transformative potential across sectors, encompassing a broad range of methods, from early logic-based or symbolic systems to statistical AI approaches, including generative AI such as large language models (LLMs). These have more recently helped enable agentic AI uses whereby AI systems plan, execute tasks and adapt with increasing autonomy.

14. Topics typically encompassed by the term “AI” and in the definition of an AI system include categories of techniques such as machine learning and knowledge-based approaches, and application areas such as computer vision, natural language processing notably in the form of large language models, speech recognition, intelligent decision support systems, intelligent robotic systems, as well as the novel application of these tools to various domains (OECD, 2024^[4]) (Box 1). AI technologies are developing at a rapid pace and additional techniques and applications are emerging constantly. For example, “AI agents” and “agentic AI” are increasingly embedded in organisational workflows, with potential implications for productivity and giving rise to distinct policy considerations (OECD, 2026^[5]; OECD, 2026^[6]). An explanation of key terms used in this report can be found in Annex.

Box 1. Types of tasks performed by AI systems

Outputs generally reflect different tasks or functions performed by AI systems.² They include, but are not limited to:

- **Recognition** (identifying and categorising data, e.g., image, video, audio and text, into specific classifications as well as image segmentation and object detection),
- **Event detection** (connecting data points to detect patterns, as well as outliers or, anomalies or imputing missing data),
- **Forecasting** (using past and existing behaviours to predict future outcomes),
- **Personalisation** (developing a profile of an individual and learning and adapting its output to that individual over time),
- **Interaction support** (interpreting and creating content to power conversational and other interactions between machines and humans, possibly involving multiple media such as voice text and images),
- **Goal-driven optimisation** (finding the optimal solution to a problem for a cost function or predefined goal) and reasoning with knowledge structures (inferring new outcomes that are possible even if they are not present in existing data, through modelling and simulation).

AI systems frequently perform several tasks, such as event detection, forecasting and personalisation, before producing an outcome that influences the environment. Notable examples include:

- **Generative AI or content generation:** which includes generating new images, video, text, assessment and audio. This task combines forecasting and recognition tasks. However, the output often combines several existing elements such as images, text and audio to generate an object that was never seen before. This task tends to use structured learning. Examples of content generation include machine translation, generative art, news stories – including fake news – and “deep fake” videos.
- **Autonomous systems:** Robots and robotic systems increasingly embed different tasks (e.g. recognition, goal-driven optimisation) to perform real world actions. Similarly, autonomous systems can perform recognition tasks to try to find an optimal solution path and then act accordingly. In an autonomous vehicle, this could be a recommendation to turn to minimise travel time, followed by the execution of the action. This system is autonomous in the sense that it does not require human supervision to act on its environment, but the way in which it performs its task (recognition) is not autonomous, as it relies on supervised learning.
- **Monitoring and control systems:** These systems manage, command, direct or regulate the behaviour of other devices or systems using control loops. Control systems generally assess environments through recognition, event detection or forecasting and propose a goal-driven action. They range from domestic heating controllers to large industrial control systems that use

reinforcement learning to manage processes or machines. Control systems are common in the context of robotics or factories. One example of a control system is a fraud detection system with an event detection task combined with an action (e.g. freezing a bank account).

Source: OECD (2024), "Explanatory memorandum on the updated OECD definition of an AI system", <https://doi.org/10.1787/623da898-en>.

AI in government

15. Governments are rapidly seeking to deploy AI across public administrations and services at all levels of government (OECD, 2026^[7]). However, scaling remains below potential as public bodies balance potential gains with the requirements of trustworthy governance, alongside practical constraints, such as skills and financing gaps or data challenges. Additionally, subnational governments are increasingly experimenting with AI solutions to improve access to public services or strengthen administrative capacity and policy targeting to places. Cities and regions are emerging as testbeds for innovative AI applications, with some urban leaders integrating AI into urban IoT systems and deploying digital twins to support land-use, spatial planning, housing and infrastructure delivery and maintenance.

16. This section examines how and where governments are using AI across functions and levels of government, what benefits they are seeking and what risks must be managed, and what is holding them back from moving beyond pilots to scale. It also considers what governance approaches support trustworthy, human-centred AI adoption aligned with the OECD AI Principles.

AI offers significant opportunities to improve government performance and service delivery, but adoption may also introduce risks that require careful management

17. AI offers a wide range of benefits across public operations, decision making and service delivery. AI can help make governments more productive, efficient, responsive and accountable, benefits that are both mutually reinforcing and applicable to internal and external operation. Accessing these benefits depend on trustworthy design and deployment. The following four key areas show how AI is making a difference for public governance (2025^[8]):

- **Automated, streamlined and tailored processes and services.** AI systems can automate and augment routine tasks and analytical work, streamline workflows, improve consistency and quality, support 24/7 and more tailored services, shorten administrative and planning procedures related to document processing and screening, improve information management and accessibility, and free public servants to focus on higher-value work.
- **Decision-making, sense-making and forecasting.** AI systems can provide data-driven insights to support decision making across the policy cycle, detect emerging issues, analyse large datasets, improve targeting and resource allocation, and enable faster, more informed forecasting, risk management and regulatory activity.
- **Accountability and anomaly detection.** AI systems can help uncover fraud, detect improper transactions, flag anomalies and assess integrity risks, strengthening oversight in tax, procurement, public financial management and regulatory compliance, and supporting regulators' inspections, market monitoring and enforcement activities, for instance by screening procurement data for patterns that may indicate collusion.
- **Stakeholder engagement.** By opening AI tools, infrastructure and data to non-governmental actors, governments can spur innovation, support economic development, help meet underserved needs and create value beyond government itself, including through broader ecosystem benefits over time.

18. Yet, like with any AI deployment, AI in government presents risks (OECD, 2025^[8]; Kergroach and Héritier, 2025^[9]) (OECD, 2025^[10]; Kergroach and Héritier, 2025^[9]) and can have far-reaching implications. Because AI is deployed within interconnected public sector systems and processes, incidents or harms may not remain isolated, but can propagate across service delivery, decision-making and institutional relationships. As a result, when significant incidents or harms emerge, they can have far-reaching impacts on government operations and broader societal outcomes. Key considerations include:

- **Ethics.** Poor-quality or skewed data can drive adverse outcomes. Moreover, misuse of AI systems can undermine the exercise of rights and freedoms, including through invasive surveillance, abusive inference, privacy infringements and misuse of data. If not developed and used in a trustworthy manner, AI systems can erode trust, autonomy and fairness. Where systems lack transparency and explainability, it can also be difficult to explain the basis for AI-assisted decisions, weakening accountability.
- **Operations.** Technical and operational failures, including hallucinations, system errors, cyber threats, or over-reliance on AI can cause errors at scale, affecting data privacy and disrupting government operations and delivery of services. Mistakes in training or deployment, weak oversight, or deficient infrastructure, such as faulty hardware or network disruptions, can also weaken reliability, risking undermining public trust.
- **Exclusion.** AI can exclude digitally underserved groups, including those lacking access, digital skills, or adequate representation in training data.
- **Public resistance.** Limited public understanding of how governments use AI, a lack of transparency or avenues for redress, and high-profile failures or misleading information can fuel skepticism, distrust or backlash against government use of AI. Indeed, most people across the OECD remain sceptical of AI deployment in the public sector. Confidence is highest that AI will deliver more tailored services (43%) and lower costs (42%), but falls for fair treatment (35%), transparency (34%) and the protection of personal information (32%), with views split on whether human oversight of critical decisions will be maintained (OECD, 2026^[11]).
- **Inaction.** Over-focusing on harms, or delays in translating AI into real-world public benefit, can deter high benefit uses and lead to missed opportunities. Inaction can also widen the gap between public and private sector capabilities.

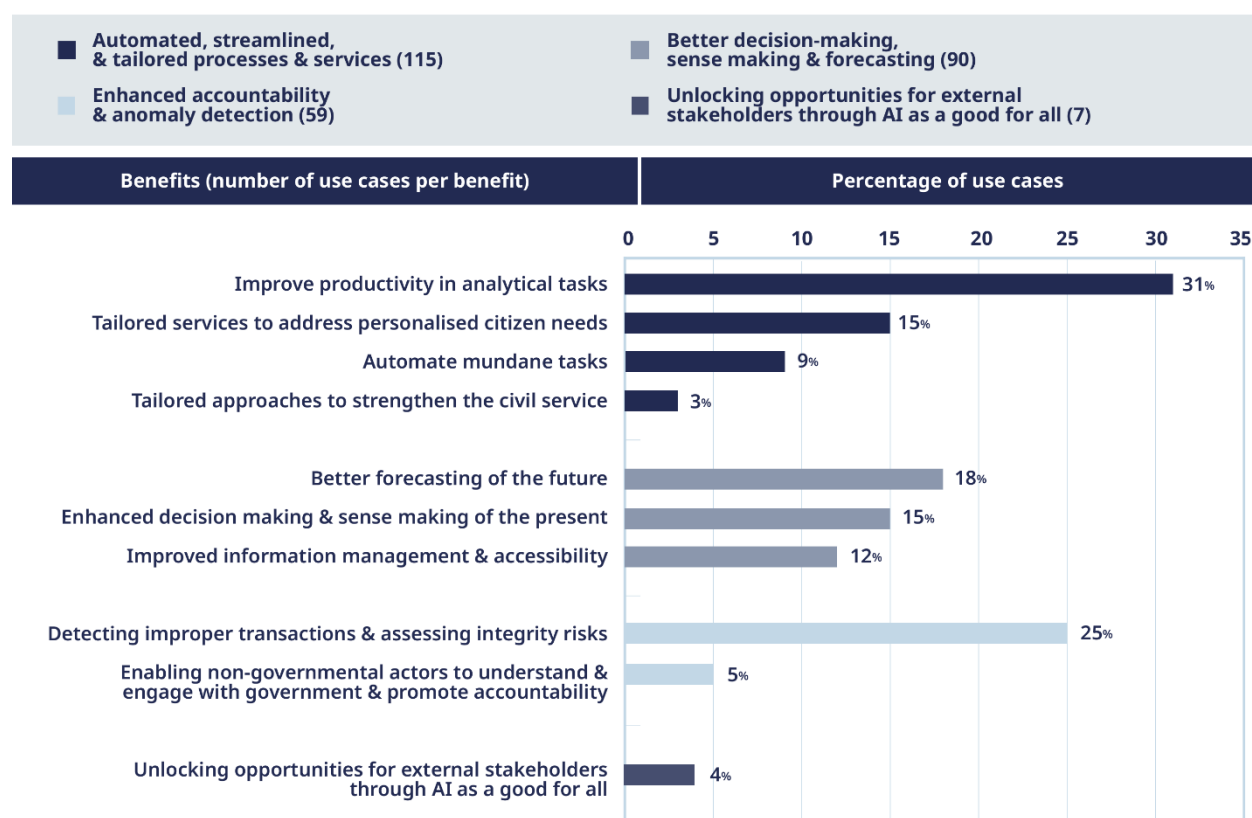
19. These considerations should not be viewed in isolation and managing them is a critical part of responsible AI adoption in government.

AI adoption in government is widespread but remains limited to certain functions, spanning thousands of use cases across OECD countries

20. In 2025, 97% of OECD countries reported using AI in core activities – 86% in internal processes, 75% in public services, 36% to support policymaking and 33% for oversight and accountability (2026^[12]). A review of more than 2,000 use cases spanning AI use in a range of settings suggests adoption is most prevalent in public services, justice and civic participation, followed by public procurement, financial management, anti-corruption and public integrity, and regulatory design and delivery (2025^[8]). Most examples rely on rules-based approaches or established machine-learning techniques; generative AI (generative AI) (including LLMs) remains less common but is growing quickly.

21. Across the 2000 cases, governments most often focused on automating, streamlining or tailoring services (57%) and enhancing decision making, sense making or forecasting (45%), while 30% aimed to improve accountability and anomaly detection. Only 4% enabled external actors to use government AI for their own goals, such as Greece's DidaktorikaAI, an AI-powered library of 50 000 publications. Figure 1 provides further detail on these benefit areas.

Figure 1. Specific benefits sought by AI in government use cases



Note: The potential benefits in this figure are not mutually exclusive (i.e. one use case may have the potential to yield more than one type of benefit). Thus, the sum of potential benefits observed is greater than the total number of use cases.

Source: OECD (2025), *Governing with Artificial Intelligence: The State of Play and Way Forward in Core Government Functions*, <https://doi.org/10.1787/795de142-en>.

Implementation challenges hinder government adoption of AI

22. Evidence on AI adoption by local governments remains limited. However, available findings suggest there is fast, although uneven, AI deployment across a broad range of urban policy areas, with applications in city administration and processes, law enforcement, urban planning, or mobility among those frequently cited (Box 2) (OECD, 2025^[13]). A key emerging trend is the focus on making services accessible to all citizens. Some large cities have established themselves as AI leaders (e.g. San Jose and San Francisco, Tel Aviv, Dubai, Paris, Berlin, Seoul, Hong Kong and Tokyo), but some smaller (e.g. Quebec City, Bratislava or Edinburgh), and less-resourced cities (e.g. Harare, Zimbabwe or Curitiba, Brazil), have also been able to take a lead in the urban AI transition.

Box 2. Artificial intelligence for advancing smart cities and regions

Cities and regions are applying AI across a range of policy areas, with planning, administration and mobility among the most advanced. For example, Meudon (France) has experimented with AI-driven traffic light optimisation, while Seoul (Korea) is testing autonomous mobility technologies in partnership with private companies.

AI is also supporting land-use planning and housing policy. For example, aerial imagery, satellite data (e.g. Sentinel-2, Landsat) and radar data (Sentinel-1) are increasingly being combined with AI-based image-analysis techniques, and geospatial models to support a growing range of applications: land-cover and land-use monitoring, urban green space monitoring, identification of solar panels and rooftop solar potential, informal settlement mapping, or infrastructure tracking. For example, Rotterdam (Netherlands) is using computer vision models to analyse aerial and satellite imagery to detect building modifications. Similarly, the French tax authority, the *Direction Générale des Finances Publiques (DGFiP)*, successfully implemented an AI and aerial imagery programme to uncover thousands of undeclared private swimming pools. Eslöv, a municipality in Sweden, is using an AI-assisted platform to generate alternative zoning scenarios under regulatory and environmental constraints, helping planners weigh trade-offs.

In infrastructure, AI can support tailored, condition-based maintenance, asset modelling and longer-term capital planning for infrastructure networks. These gains matter most in regions with limited administrative capacity, lower fiscal revenues and declining populations, where outdated plans and under-used networks can limit coherent and efficient use of land and raise per capita service costs.

Cities are also applying AI to service delivery and inclusion. Montreal (Canada), for example, has established an AI governance framework, pilots and participatory initiatives to support transparency, human oversight and citizen engagement. For environmental monitoring and sustainability, cities such as London deploy AI-enabled sensors, satellite imagery and machine-learning models to track biodiversity, monitor air quality and support climate adaptation.

Yet adoption remains uneven: a 2024 survey found that 44% of large cities use AI widely, compared to 12% of small cities. A more recent 2025 study estimates suggest that over 60% of cities worldwide have adopted AI technologies across at least one urban policy domain with investment in AI urban initiatives expected to increase (Cervicon Consulting, 2026^[14]). AI adoption in cities is constrained by limited data availability, shortages of skilled professionals, high costs and long implementation timelines, as well as institutional and social barriers, including public resistance and concerns over employment impacts. Addressing adoption barriers would require stronger urban data infrastructure, institutional capacity and frameworks for responsible use and robust governance to manage risks such as data fragmentation, 'shadow AI' and weakened public oversight. Participants in the 5th OECD Roundtable on Smart Cities and Inclusive Growth emphasised that AI can enhance efficiency, resilience and inclusion, but only with responsible governance, cross-sector collaboration and sustained investment in digital and human capabilities.

Source: OECD (2025), "Artificial Intelligence for Advancing Smart Cities. Issue note of the 5th OECD Roundtable on Smart Cities and Inclusive Growth", <https://www.oecd.org/content/dam/oecd/en/about/programmes/cfe/the-oecd-programme-on-smart-cities-and-inclusive-growth/Issues-Note-AI-for-advancing-smart-cities.pdf>.

Despite widespread adoption, scaling AI in government remains challenging, with skills gaps, data quality and legacy systems among the main barriers

23. Adopting AI in government presents a variety of challenges that can slow or prevent the transition from pilot to scale. Many are common to organisations adopting AI across sectors, but their implications may differ in public sector contexts. These challenges are often interconnected and require co-ordinated responses across policy, technical and organisational dimensions. Governments at all levels must navigate the following implementation challenges, of different magnitudes across places, and with different capacities in response (OECD, 2025^[8]; OECD, 2025^[13]; OECD, 2025^[15]):

- **Moving from experimentation to implementation.** Many initiatives remain in pilots; without clear scaling pathways, structured learning, quality data, documentation and defined ownership, successful trials are not often scaled or replicated.
- **Demonstrating results and return on investment (ROI).** AI benefits are hard to evidence; few projects undergo rigorous evaluation or comparison with alternatives, weakening the case for scaling.
- **High or uncertain costs of AI adoption and scaling.** Licensing, cloud, staffing and procurement can generate substantial and uncertain costs, with few benchmarks or funding models to support sustained investment.
- **Skills gaps.** Limited internal expertise slows progress, increases reliance on external providers and constrains the capacity to design, operate and evaluate AI; recruitment and retention remain challenging. This relates to technical AI skills, but also broader AI awareness and literacy gaps.
- **Lack of actionable frameworks and guidance on AI usage.** Strategies exist but practical guidance is thin; unclear rules and examples create uncertainty, slowing adoption and producing uneven practice.
- **Lack of high-quality data and the ability to share it.** Data quality issues, inconsistent formats and legal or institutional barriers – combined with weak governance and interoperability – impede AI model training, deployment and scaling. These constraints can include limits on accessing and sharing personal or sensitive data, as well as other legitimate public and private interests, reinforcing the importance of clear legal bases, safeguards and privacy protections alongside broader data governance considerations and interoperability.
- **Outdated legacy ICT systems.** Legacy systems are often incompatible with modern AI, limiting data use, increasing security risks and diverting budgets from innovation.
- **Driving innovation while mitigating risks.** Risk aversion and concern about scrutiny constrain experimentation; proportionate arrangements for safe testing and iterative learning are needed.
- **Inflexible or outdated legal environments.** Frameworks often lag technology; legal uncertainty or strict, outdated rules can delay adoption and complicate compliance.

24. These scaling challenges are relevant to all levels of government. Diverging deployment and practices across subnational governments – often reflecting underlying gaps in digital infrastructure and skills – present an additional challenge. For example, broadband download speeds in OECD rural areas are on average 22% below the national benchmark, while urban areas exceed it by 13% (OECD, 2024^[16]). While stronger enabling conditions have helped many large cities emerge as frontrunners in AI adoption to support service delivery (Box 2), rapid advances in these areas risk widening territorial divides.

25. Multi-level governance (MLG) frameworks can help ensure trustworthy and effective AI adoption across jurisdictions and levels of governments. Building on the three pillars of the OECD Framework for Trustworthy AI in Government (OECD, 2025^[8]), MLG can help governments align responsibilities, promote coherence across jurisdictions and avoid fragmented approaches when deploying AI in the public sector. Enablers such as data governance, digital public infrastructure and investment frameworks benefit from

coordinated standards and interoperable systems that allow data and information to flow across levels of government and agencies. Without these harmonised arrangements, fragmentation can limit the reliability, scalability and trustworthiness of AI solutions. They can also support more efficient investments in AI by aggregating demand, pooling technical expertise and facilitating interoperability of tools and services across jurisdictions. Clear and consistent guardrails also require coordination across levels of government to safeguard ethical and regulatory standards, promote transparency and manage risks linked to bias, discrimination and cybersecurity threats. MLG helps define roles and responsibilities for oversight, strengthens accountability mechanisms and prevents inconsistent use of AI that could undermine public trust. Finally, engagement across levels of government is essential to ensure that AI solutions respond to diverse territorial needs. Governments can benefit from coordination and collaboration mechanisms to better understand users' needs in local governments and across regions and tailor AI systems to local needs and capacities.

Governments can seize AI's benefits while managing risks by strengthening enabling conditions, putting appropriate guardrails in place, and deepening engagement with citizens and stakeholders

26. To help governments seize AI's benefits while managing risks and implementation challenges, the OECD developed a Framework for Trustworthy AI in Government. The Framework aligns government action with the OECD AI Principles by translating them into practical measures for the public sector. It is organised around three mutually reinforcing pillars: enablers, guardrails and engagement. Converting key aspects of the framework into a practical checklist highlights priority actions for moving from fragmented experimentation to trustworthy AI adoption at scale in government. Recent OECD research and international policy dialogue at regional and city levels have informed this check list (OECD, 2025^[15]) (OECD, 2025^[13]) (Kergroach and Héritier, 2025^[9]).

- **Strengthen enablers**
 - Set clear strategic direction, governance arrangements and responsibilities across institutions and levels of government, and pool limited public resources strategically, e.g. through multilevel governance frameworks.
 - Improve data foundations, digital public infrastructure, compute and cloud capacity, interoperability, standards and legal frameworks, to support data sharing, integration and experimentation.
 - Build skills and ensure human stewardship, while mobilising investment, modernising procurement and enabling partnerships with local business and academic communities, to help governments develop, acquire and use AI effectively.
- **Put guardrails in place**
 - Establish fit-for-purpose policies, guidance, training and frameworks for trustworthy, human-centred AI.
 - Embed transparency, documentation, accountability and risk management throughout the AI lifecycle.
 - Ensure appropriate oversight, evaluation, certification and monitoring mechanisms, including third-party assessments, implementation and contract management where relevant.
- **Deepen engagement**
 - Involve public servants, users, citizens, civil society and businesses in the development and implementation of AI, and the design of AI-powered public services.
 - Strengthen collaboration across sectors, levels of government and borders to share knowledge, data and AI assets; support peer learning and reduce fragmentation.

- Use engagement and proactive communication about how AI is used in government to build trust, improve responsiveness and support continuous learning over time.

27. Public servants are a key enabler of all aspects of government activities, including the success in adopting AI in effective and trustworthy ways. As governments deploy AI, OECD work stresses the importance of supporting public workers through the transition (2025^[8]) (2025^[17]). In civil service reform, AI can automate repetitive tasks and reduce administrative burden, helping staff focus on more complex, higher value-added work, but it also raises risks for job quality, workplace surveillance, fairness and worker autonomy. AI should be framed and implemented as a tool that supports employees rather than replacing them, backed by clear human accountability for final decisions. Realising benefits at scale also requires a joined-up workforce development approach, including upskilling and reskilling public servants in various roles.

28. Governments, like private firms and individual users, are economic actors that serve societies and citizens. How they implement these pillars can promote trustworthy AI not only within government, but across the wider ecosystem. For example, public procurement accounts for about 13% of GDP in OECD countries (OECD, 2024^[18]). Used strategically, it allows governments to steer the market towards AI solutions that meet public needs while aligning with ethical and regulatory standards (OECD, 2025^[8]; World Bank, 2025^[19]). Safeguards in this area are important as well, from keeping procurement accessible to new entrants and preventing vendor lock-in to monitoring the cost-effectiveness of AI acquisitions. Similar spillover effects are generated by government investment in, organisation of and open access to shared digital foundations, including data, code and digital infrastructure, and by the standards, transparency and assurance mechanisms they adopt.

Key policy considerations for AI and government

29. The evidence across this section points to several priority areas for harnessing AI responsibly in government and health systems.

30. **Governments across OECD countries are already deploying AI across functions, but sustained impact requires addressing structural barriers.** The evidence identifies a consistent set of obstacles including skills gaps among public servants, fragmented data foundations, legacy ICT systems and the absence of actionable guidance, affecting governments at all levels, with subnational governments and smaller cities facing the greatest constraints (OECD, 2025^[13]). Policies that strengthen digital infrastructure, data governance and AI literacy across the public sector are therefore essential prerequisites for responsible adoption at scale. Targeted support for subnational governments, including investments in digital infrastructure and workforce capabilities, can help address capacity gaps, seize economies of scale and reduce disparities in AI adoption across regions.

31. **Multi-level governance frameworks play a key role in ensuring coherent and inclusive AI adoption across jurisdictions.** Without coordinated approaches, rapid advances in AI adoption risk widening territorial divides in public service quality, as larger and better-resourced institutions forge ahead while smaller cities and subnational governments are left behind. Frameworks that pool resources, promote interoperability and support knowledge-sharing across levels of government can help broaden adoption and prevent AI from reinforcing existing inequalities between places.

32. **Trustworthy AI in government requires robust guardrails and deep stakeholder engagement alongside investment in enabling conditions.** As AI is deployed within broader public sector systems, risks can cascade and compound across service delivery, decision-making and institutional relationships, making governance frameworks and accountability structures essential complements to investments in adoption capacity. The OECD Framework for Trustworthy AI in Government provides a practical roadmap organised around enablers, guardrails and engagement, helping governments move from fragmented experimentation to responsible deployment at scale.

33. **Strengthening the evidence base and monitoring systems for AI in government is a priority across all levels.** Public action to promote AI in government requires strengthening the evidence base and monitoring systems to measure and track AI adoption across all levels of government; identify progress and gaps; assess returns on investment and impact on the productivity, responsiveness and accountability of national and subnational governments; enable international benchmarking, and inform policymaking about best practices and the conditions needed to promote sustainable, ethical and trustworthy AI across levels of government (OECD, 2025^[15]; OECD, 2025^[13]; Kergroach and Héritier, 2025^[9]).

34. **Overall, the evidence points to AI as a potentially powerful driver of public sector performance and service delivery, but one whose benefits depend on enabling conditions being in place across all levels of government.** Policies that address structural barriers, strengthen multi-level governance and put appropriate guardrails in place will be central to converting AI's potential into broad-based improvements in public administration and in the services, infrastructure and places that governments plan and maintain.

AI and education

35. AI is a powerful driver of innovation in education. It offers transformative opportunities for system and school management, as well as for teaching and learning. At the same time, its use raises important policy considerations that countries must grapple with, such as broad access to quality digital infrastructure and the need to adapt skills.

36. As AI rapidly advances, it is important to understand how its capabilities compare to those of humans across domains such as language, reasoning, sensorimotor performance, and social interaction. These developments carry implications for the organisation and delivery of education and training across the life course. It is also important to assess what this implies in terms of skills development so that students and workers can smoothly enter or re-enter the labour market. Resilient, foundational and adaptable competencies – including critical thinking, problem-solving, creativity and learning-to-learn – may become even more critical, in addition to proficiency in specific AI tools and applications and technical knowledge in one's field.

37. This section provides evidence-based insights into the opportunities and challenges countries face in integrating AI into education. It examines how AI is being used to enhance teaching, learning, assessment, and institutional management, considers what students need to learn to thrive in an AI-enabled world, and reviews how education policies can adapt to seize the benefits of AI in a responsible and effective way.

AI creates both new opportunities and new challenges for teaching and learning

38. AI tools for education have long offered opportunities for personalisation, for example through adaptive learning systems that support students to practise at their current level of proficiency, or through targeted interventions diagnosing student dropout risks. AI is also transforming the development of vocational education and training curricula and qualifications (OECD, 2026^[20]). More recent attention has focused on generative AI, which like earlier AI tools creates both challenges and opportunities for education, though with distinct characteristics that require new policy responses (OECD, 2021^[21]; OECD, 2026^[22]).

39. The ease with which students can use generative AI to perform assigned tasks is a challenge to education processes and systems. As a result, it can no longer be assumed that students' work is evidence of learning and mastery. For example, as automatic foreign language translators became remarkably more accurate about a decade ago students were able to quickly perform traditional tasks of foreign language education such as translating to and from a foreign language with no or little associated learning. Similarly,

the emergence of general-purpose generative AI tools could lead to a possible confusion between the successful performance of an educational task (an essay, for example) and the acquisition of the underlying content and procedural knowledge to accomplish this task. Learning is associated with students actively (and often socially) working hard in a zone of proximal development, at the edge of what they already know and can do (OECD, 2026^[22]). Some uses of generative AI enable students to produce correct outputs without engaging in the effortful learning processes that occur in the zone of proximal development, instead of being designed to support and extend learning within that zone.

40. Generative AI tools also offer opportunities to improve teaching and learning and to support the efficient and equitable administration of institutions and systems. One of the main benefits of AI in education is greater personalisation for students, teachers and administrators. In this context, personalisation means adapting learning tasks to individual needs, while preserving the collective and social dimensions of education. In some cases, students can even perform adapted tasks while continuing to learn with their peers. Generative AI tools contribute to this agenda for example, by helping students engage in a conversational way with intelligent tutoring systems that personalise educational tasks and feedback based on their current knowledge, level of engagement and other characteristics. Teachers can also benefit from generative AI tools to contextualise and adapt their lessons to their students' interests or to receive feedback on their own teaching practices. Generative AI could make learning-analytics more accessible by enabling stakeholders to query data in natural language, explore data further through follow-up questions that matter to them rather than the designers, and obtain guidance on how such insights might inform action. AI can also be leveraged to promote the development of digital skills for seniors (Box 3).

41. Generative AI tools can enhance education in ways that extend beyond personalisation. They can provide easier access to knowledge than traditional search engines, by synthesising information from the Internet and offering a degree of analysis of retrieved content, although this content may at times be inaccurate. Educational generative AI also enables more conversational and interactive forms of learning at any time. In many cases, these tools are becoming a new layer added to non-generative educational AI tools, providing more intuitive natural language interfaces. Generative AI also enables students to have new educational experiences, such as interacting with “digital personas” that represent different views and experiences or providing immediate feedback on their argumentation or on their writing style. For students learning in a second language, as well as those in rural areas, where human support may be less readily available, generative AI can offer for explanations, clarifications or learning assistance.

Box 3. Empowering seniors: leveraging AI for skills development

OECD work examines how AI can help older adults keep pace with rapidly evolving technologies and develop the digital skills needed for full participation in economies and societies. Many seniors encounter barriers that limit their ability to access essential services, participate in the economy, and remain socially connected. A forthcoming OECD paper aims to support more inclusive digital participation by assessing current digital skill levels, identifying gaps and promoting effective practices to ensure that seniors are not left behind in the digital transformation.

A distinctive feature of the paper is its focus on AI as a tool to enhance digital training for seniors. It explores how AI-driven solutions such as personalised learning platforms, voice-assisted technologies, and adaptive digital tools can make training more accessible, user-friendly, and effective. Through these innovations, the paper highlights the potential of AI not only to reduce digital exclusion, but also to empower seniors to engage more actively in their communities and benefit from the opportunities of the digital age.

Source: OECD (forthcoming).

Countries are experimenting with generative AI in education

42. Most countries are still in the early stages of leveraging AI in education, with the digitalisation of existing practices and processes often prevailing over an actual digital transformation (OECD, 2023^[23]; OECD, 2023^[24]).³ While evidence on the use of generative AI in schools is still limited, many education authorities participate in regional, national or international AI-related projects, which may involve public-private partnerships. Some projects focus on developing generative AI tools for education, while others focus on piloting their use in schools.

43. Several countries are already integrating generative AI into teaching and learning. Korea, for example, has made generative AI-powered learning materials available to schools. Aligned with the national curriculum, these materials provide customised explanations, feedback and practice, while helping teachers identify possible student misconceptions. Estonia's *AI Leap programme* takes a broader system-level approach, combining access to educational chatbots with infrastructure, curriculum development, teacher training and partnerships with technology providers (OECD, 2026^[22]).

44. Other countries focus on more targeted experimentation or teacher support. In Greece, selected upper secondary schools are piloting *ChatGPT Edu*, alongside teacher training and monitoring of the pedagogical impacts of using generative AI. The Slovak Republic is piloting AI assistants for lesson planning and assessment, while Finland is testing generative AI applications for teacher support. Japan, Canada and Australia are conducting subnational pilots focused on writing support, feedback generation and workload reduction (OECD, 2026^[22]).

45. Other countries are focusing on creating the conditions for trustworthy and context-specific AI tools. In England (United Kingdom), the Department for Education's "*content store*" gives AI model developers access to curriculum guidance, lesson plans and anonymised assessments to support the training of AI models, complemented by safety expectations for generative AI tools. France is developing a "sovereign AI" for education to support teachers in lesson planning, as well as a Chatbot to support human resource management. In the Netherlands, the National Lab on Artificial Intelligence (NOLAI) brings together government, academia, industry and schools to co-design AI tools that respond to educational needs (OECD, 2026^[22]).

46. Across these examples, a common set of enabling conditions emerges, including clear policy frameworks, investment in teacher training, partnerships between government, academia and industry, and attention to the specific pedagogical purposes that AI tools are designed to serve.

Key policy considerations for AI and education

47. The evidence across this section points to several priority areas for harnessing AI responsibly in education. OECD insights on the use of generative AI in education, drawing on a large consultation of OECD member countries and education stakeholders, identify five priorities:

1. **Human-centred teaching and learning with generative AI:** Learning and teaching primarily aim to develop valued human knowledge and skills such as independent thinking and foundational skills across subjects, while fostering well-being and student agency. Used selectively and purposefully, generative AI can enrich learning without replacing cognitive effort or weakening human relationships. Developing AI literacy is also key for education and skills development.
2. **Investment in generative AI-related educational R&D:** Education systems may consider supporting the development of tools specifically designed to enhance teaching and learning.

Strategic investment in specialised generative AI tools, informed by educational research, developed in partnership with teachers and students, and supported by rigorous evaluation, can help realise the full potential of AI in education.

3. **Enabling policy environment for trustworthy generative AI in education:** Policy and regulatory frameworks can help ensure that generative AI supports learning and innovation, while protecting students and educational outcomes. Developed through stakeholder dialogue, these should include clear expectations on privacy, safety, bias testing, age-appropriateness, transparency and alignment with educational objectives. They should also address secure authentication, student data protection, vendor and supply-chain risk management and evidence of learning. Clear age-appropriate safeguards and privacy-preserving data practices can support trustworthy and meaningful use of generative AI in education.
4. **Effective generative AI infrastructure for all:** Promoting the widespread availability of digital infrastructure and technical support (devices, connectivity, digital resources and professional learning opportunities) is essential to help ensure that all students and teachers can reap the benefits of generative AI. Providing curriculum-aligned generative AI resources, offering alternative solutions where digital divides persist, and investing in sustained professional learning can enable effective and meaningful uses of generative AI in education.
5. **Human agency and human in the loop:** While generative AI may automate selected educational tasks, it should not replace human judgment, relationships and responsibility. Tools and practices should preserve meaningful human oversight, supported by ongoing dialogue on the appropriate role of automation in education.

AI in health

AI is increasing embedded in healthcare delivery and management, yet few applications scale beyond pilots

48. Amid rising demand for care associated with population ageing, the health sector has emerged as an early adopter of AI. Embedded in administrative, clinical and operational workflows, AI is becoming part of routine healthcare delivery and management. Its uptake has been notably faster than that of previous generations of digital health technologies, reflecting growing workforce shortages and the increasing availability of digital health data.

49. However, the benefits of AI remain largely concentrated in well-resourced settings, with only around 10% of applications reaching national scale (OECD, 2026^[25]). This gap between local adoption and system-wide implementation reflects an AI diffusion process that has often been technology-led, with limited involvement of healthcare professionals and patients in the design, implementation and evaluation of AI tools. As a result, AI risks being deployed as a technical solution that is insufficiently connected to clinical needs and service priorities, limiting its ability to generate meaningful value for individuals, populations and health systems alike.

50. This challenge reflects a broader mismatch between expectations of productivity gains from AI and the conditions required to achieve sustainable improvements in care delivery. AI in healthcare should be viewed not only as a technological innovation, but also as a system transformation challenge. OECD work highlights several barriers to scale, including fragmented health data foundations, weak accountability frameworks, unclear policy enablers, inconsistent governance arrangements, insufficient workforce readiness, and limited trust among patients and healthcare professionals. Addressing these barriers is essential to move from experimentation to effective scale of AI in healthcare settings (Box 4) (OECD, 2026^[25]).

Box 4. AI adoption by healthcare providers

OECD analysis of AI adoption by healthcare providers across 20 countries shows that AI adoption is highest for administrative and operational automation (100%), followed by clinical decision support and diagnostic applications (95%). Adoption is considerably lower for more advanced use cases, such as predictive analytics and personalised care (55%). Use patterns suggest that areas with high data availability and well-established digital workflows provide the strongest foundation for AI diffusion.

In these settings, AI tools can build on existing information systems and address workload challenges faced by clinicians. Across several OECD countries, including Australia, Canada, Sweden, the United Kingdom and the United States, AI-enabled documentation tools such as AI scribes are among the most mature and widely deployed applications. Early evidence suggests that they can reduce administrative burden, improve productivity, enhance documentation quality and free up more time for direct clinician-patient interactions.

Source: OECD (forthcoming), *The Future of the Health Workforce*.

Realising the benefits of AI in health depends on stronger governance, trusted data sharing and system-wide readiness

51. In health systems, AI promises better diagnostics, higher productivity, faster medical research, and precision drug discovery. However, risks remain. Unclear governance frameworks for the use and sharing of health data, biases arising from unrepresentative datasets, inadequate human oversight, unequal access to AI-enabled services, and poorly integrated solutions that increase rather than reduce workload can undermine care quality and limit the ability of AI to generate better health and economic outcomes.

52. Without appropriate safeguards, AI could reinforce rather than reduce existing disparities in healthcare and contribute to fragmented investments and low-value solutions. Recognising both the opportunities and risks associated with AI, in 2024, OECD Health Ministers called on the OECD to assess and make policy recommendations on the implications of using AI in health systems and develop a sector-specific framework for AI in health (OECD, 2024^[26]).

53. Fragmented policy, data and technical foundations continue to constrain AI adoption and scale and inconsistent governance arrangements and limited interoperability make it difficult for governments and health institutions to collaborate effectively and deploy solutions across settings and jurisdictions. To realise AI's potential, health systems must strike a balance between three objectives: (i) enabling innovation at a pace consistent with technological change, (ii) ensuring that AI improves health outcomes while avoiding harm, and (iii) ensuring that the benefits of AI reach all populations (OECD, 2026^[25]).

54. Effective AI in health also depends on strong data foundations, including high-quality data, secure access mechanisms and frameworks for lawful secondary use. Such arrangements should be aligned with national data-protection frameworks and provide clarity on how health data may be used for innovation and public interest while protecting individual privacy. This is increasingly important as many AI applications depend on access to larger and more diverse datasets than can be generated within a single organisation or country. Across the European Union, the European Health Data Space (EHDS) is setting standards by establishing a common framework for cross-border health data exchange and use, fostering collaboration among EU Member States and health data standards organisations to support compatible governance arrangements.

Progress is underway but significant gaps remain in providing the enabling conditions to unlock effective scaling of AI across health systems

55. To help policymakers address these barriers to AI value creation for people, providers and economies and advance a co-operative approach in advancing AI in health, the OECD developed an *AI in Health Policy Checklist*, which identifies 42 questions across nine policy areas (OECD, 2026^[25]). The checklist helps policymakers avoid blind spots in their AI in Health programme by covering the full range of considerations for the responsible adoption of AI, considering enablers (data foundations, assurance, capacity building), guardrails (developing common objectives, establishing governance), engagements (public, providers, industry), and embedding bioethics across all areas.

56. The checklist also reveals an emerging trend towards the development of AI in Health strategies. Seven OECD members had established such strategies as of June 2026, with several more members having strategies in development. While progress is underway, there is a significant gap in some areas, with less than one third of OECD members having policies that enable AI in health, programmes to build human capacity to work with AI, or governance structures to oversee its evolution (Table 1). Such upskilling programmes should reflect the broader requirements of increasingly digitalised health systems, equipping clinicians, managers, public health professionals and supporting roles with the skills needed to work with digital data, critically interpret AI-enabled outputs, and support the safe procurement, implementation and oversight of AI-enabled tools.

Table 1. Readiness for the effective scale of AI in health by select policy areas

Policy Checklist Pillars	Policy Areas	Yes	Partly	No	N/A
Enabling Practices	Better use of health data	72%	10%	17%	1%
	Enabling the use of AI	20%	32%	38%	10%
	Capacity and capability among the health workforce	29%	47%	16%	8%
Guardrails	Agreed objectives	57%	16%	25%	1%
	Oversight, measurement and monitoring	18%	18%	55%	8%
Engagement	Public engagement	41%	13%	42%	4%

Note: Cells are coloured green where > 66%; orange when between 65-34%; grey when < 33%

Source: Based on OECD Survey on Health Data Governance, the Impact of Artificial Intelligence on the Health Workforce, and Interoperability.

57. The readiness assessment points to an important imbalance. While most OECD countries are investing in the foundations needed to improve access to and use of health data, considerably fewer have established policies, governance structures, workforce capabilities and public engagement mechanisms needed to support AI deployment at scale. Moving from experimentation to effective scale therefore requires greater attention to governance, workforce readiness, oversight and public trust, alongside continued investment in digital and data foundations. These findings point to the need for a collective approach to support the effective scaling of AI in health systems (Box 5).

Box 5. Accelerating the transition from experimentation to scale: the Expert-Led Madrid Action Plan

65. Recognising the barriers to scaling AI in health, the OECD, in collaboration with the Spanish Ministry of Health, convened the AI in Health Conference in Madrid on 28-29 May 2026. The conference brought together 142 experts from 26 OECD members, 8 accession and partner countries, and 35

international organisations and partner institutions. Its objective was to identify urgent actions to strengthen the enabling conditions for the safe, effective and scalable use of AI across health systems.

66. The conference focused on three converging priorities: strengthening trust in the use of AI, reinforcing digital and health data foundations, and ensuring that AI delivers tangible human and economic benefits while preventing harm. Its main outcome was the Expert-Led Madrid Action Plan (EL-MAP), which outlines ten actions to support a collective approach among policymakers, industry, civil society and international organisations to address barriers to scaling AI in health. The Action Plan seeks to reduce unnecessary duplication, strengthen the system capabilities needed for scale, improve the assessment of AI's impact, develop sustainable financing models, and provide greater certainty for innovators when designing, developing and deploying AI solutions. Through collaboration across sectors and borders, EL-MAP can help accelerate the transition from isolated pilots to large-scale implementation.

OECD work has supported the progress of EL-MAP by identifying and documenting leading practices within and across countries, highlighting areas of leadership and opportunities for mutual learning. It also contributed to the development of approaches for measuring AI use and impact in healthcare, including across priority use cases and their contribution to health, workforce and economic outcomes. These efforts will help countries monitor progress and identify the institutional, governance and workforce capabilities associated with successful scale-up.

Source: OECD (forthcoming), "Proceedings report on the Madrid Conference on the Responsible Scale of AI in Health".

Key policy considerations for AI in health

58. The evidence across this section points to two priority areas for unlocking the value of health data and enabling the effective scaling of AI in health systems:

- **Develop health-specific frameworks for AI that balance innovation, patient safety and secure access.** Such frameworks would address the complexities of health while accelerating innovation and fostering trust among the public and across the health sector.
- **Advance compatible governance frameworks, common data and digital foundations and capacity building.** Scaling AI successfully requires moving beyond technology adoption towards human-led system transformation. Stronger cross-border and cross-sectoral partnerships can help accelerate progress and unlock greater human and economic value.

AI and finance

59. In finance, AI is moving rapidly from pilots to production, across all sectors of financial activity, from insurance and banking to asset management. This has a variety of economic implications and raises a twin task for policymakers: enable innovation that improves efficiency and inclusion, while ensuring markets remain stable, fair, orderly and transparent, and that financial markets' participants and customers are protected.

60. Four key themes are pertinent when examining trends in AI and finance. First, the impacts of AI in finance and existing and emerging regulatory frameworks. Second, supervisory challenges and approaches to AI oversight in finance. Third, the interdependencies between AI and Open Finance frameworks, especially given AI's reliance on data. Lastly, the impacts of AI on SME access to finance. These include opportunities to boost credit access and financial inclusion, but also risks such as biased,

discriminatory or unfair outcomes in financial decision-making, as well as increased operational, cyber-security and potentially systemic financial stability risks.

61. The OECD AI Principle on “fostering an inclusive AI-enabling ecosystem” calls on governments to “foster a digital ecosystem for AI” by promoting open and competitive markets, appropriate data access and sharing, and interoperability. In finance, this supports the safe and responsible development of AI (including in the presence of open finance frameworks), enables entry and innovation by diverse market participants (including SMEs and fintechs), and reduces the risk that control over data or infrastructure leads to exclusionary outcomes.

While AI is moving rapidly from pilots to production across financial services, most jurisdictions see no immediate need for new AI-specific financial regulation

62. AI has emerged as a transformative force across sectors of financial activity from banking and consumer finance to asset management, trading and insurance. Many financial firms report already observing such benefits in terms of efficiency gains and productivity improvements, benefitting also from better decision-making and enhanced risk management (OECD, 2026^[27]).

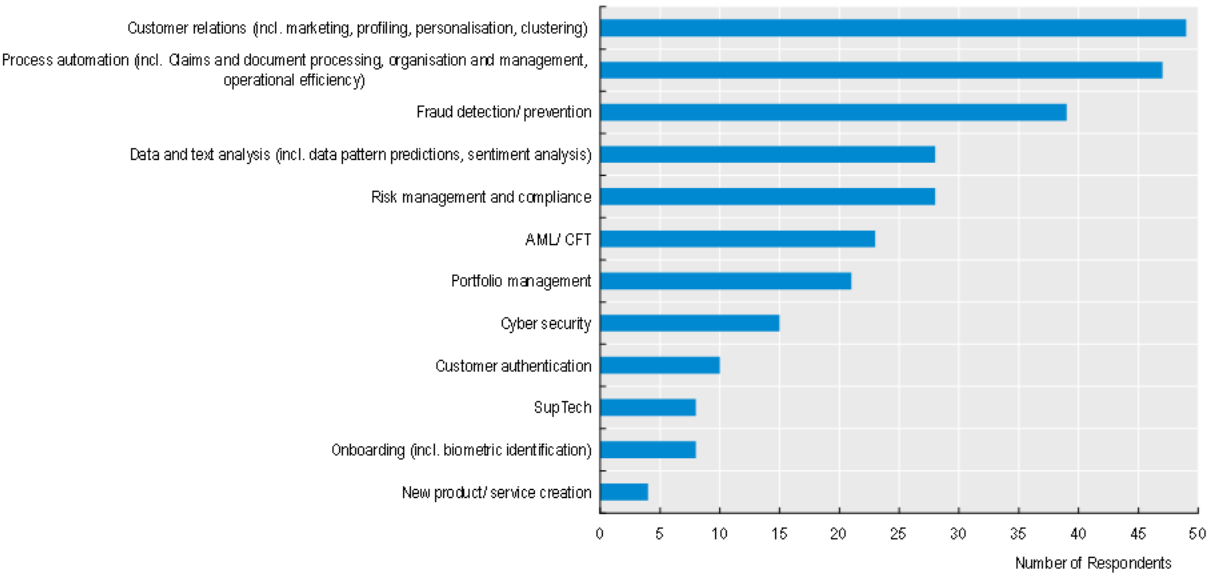
63. While machine learning models have been used in finance for decades, more advanced models are being tested or developed, including experimentation with generative AI tools. The most commonly reported AI use cases based on a total of 49 responding OECD member country and non-OECD jurisdictions⁴ involve fraud detection and prevention, asset allocation and portfolio optimisation, risk monitoring and assessment, modelling and operations, credit and insurance underwriting, and insurance claims management to name a few (Figure 2).

64. Financial sector entities are actively engaged in the experimentation, development and deployment of AI tools in a vast majority of Asian jurisdictions, albeit with varying degrees of adoption. Across most Asian jurisdictions, AI integration spans multiple segments of financial activity, led by the banking sector, with lending emerging as the most frequently used application, followed closely by client onboarding and mobile banking functionalities (OECD, 2025^[28]).

65. This trend reflects the central role of banking in Asia’s financial architecture, the widespread uptake of mobile banking and digital financial services, particularly across ASEAN economies, and the enabling conditions fostered by Asia’s dynamic digital ecosystem. Innovation facilitators are playing an increasing role in promoting experimentation with AI innovations across Asian countries and beyond, supporting a responsible and safe integration of AI innovations in financial markets (OECD, 2025^[29]).

66. On the African continent, despite growing interest and important potential of AI to promote financial inclusion, countries face barriers to AI adoption in financial markets. These challenges include infrastructure constraints, high implementation costs, shortages of skilled professionals, inadequate data quality and availability, heightened cyber risks – such as through “data poisoning”⁵ - and persistent gaps in digital financial literacy (OECD, 2025^[30]).

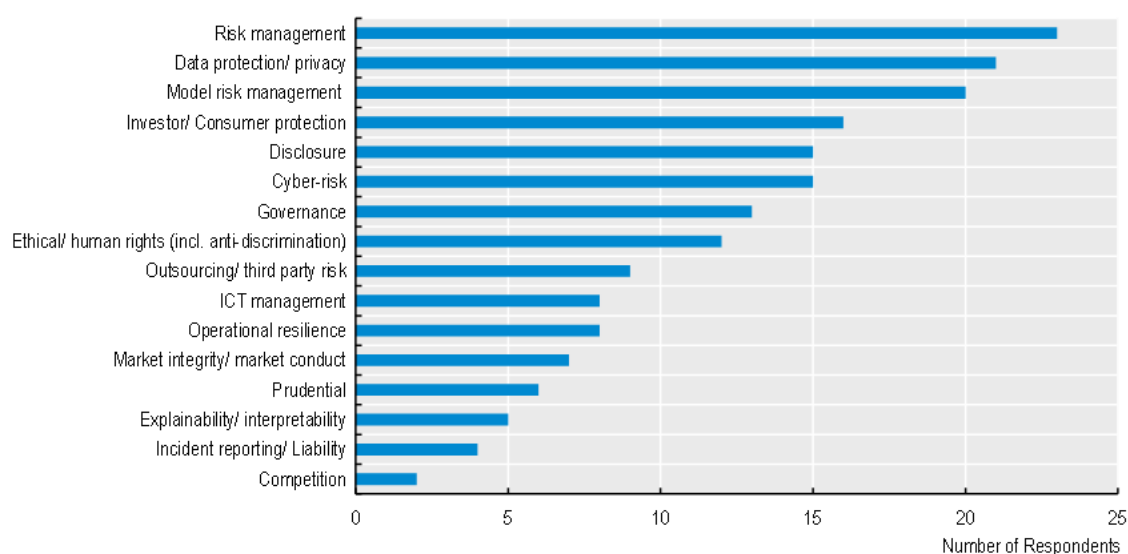
Figure 2. Use cases and tasks for AI in finance



Note: Chart depicting only indicative types of use cases and tasks as reported by respondents to the survey, with possible selection bias built into these findings as most regulators have jurisdiction over banks, but regulatory jurisdiction over non-bank financial institutions tends to be mixed globally. Based on a total of 49 responding OECD member countries and non-OECD member jurisdictions.
Source: OECD (2024), “Regulatory approaches to Artificial Intelligence in finance”, <https://doi.org/10.1787/f1498c02-en>.

67. Integrating AI into the financial system promises productivity gains, efficiencies driven by automation and improved customer experience. Beyond efficiency gains, AI adoption in financial markets is set to deliver significant competitive advantages across the full spectrum of financial activities in terms of operational streamlining, cost reduction and productivity enhancement at both market infrastructure and institutional levels, alongside improvements in the quality and sophistication of financial products and services.

68. When it comes to regulatory frameworks, a comprehensive analysis of AI regulation in finance across 49 OECD member countries and non-OECD member jurisdictions shows that most jurisdictions do not see an immediate need for new AI-specific regulations in finance (OECD, 2024^[31]). Most jurisdictions have regulations that apply to the use of AI in finance since financial regulation follows a technology-neutral approach, and therefore existing laws, rules, and guidance remain applicable regardless of the technology (Figure 3). This includes laws and regulations on prudent business practices, consumer and investor protection, cybersecurity, and operational resilience, among other areas. However, continuous monitoring and evaluation of applicable frameworks is useful in assessing whether these remain fit for purpose, particularly given that AI may give rise to new or amplified risks (e.g. cybersecurity risks). General frameworks for risk management, especially model risk management, are prime examples of existing rules that may apply to AI-based models in finance. Importantly, advances in technology do not render existing safety and soundness standards or compliance requirements obsolete.

Figure 3. Examples of areas covered by existing financial sector rules

Note: Non-exhaustive, as reported by respondents to the survey based on a total of 49 responding jurisdictions.

Source: OECD (2024), "Regulatory approaches to Artificial Intelligence in finance", <https://doi.org/10.1787/f1498c02-en>.

69. Based on this analysis (OECD, 2024^[31]), most jurisdictions have policies covering AI in parts of finance, albeit in different forms (e.g. AI product regulation, cross-sectoral AI policies, non-binding policy guidance, such as principles, national strategies and white papers) and these approaches are not mutually exclusive. It is important to note that the vast majority of jurisdictions surveyed as part of the analysis did not plan to introduce new regulations for AI in finance soon. The principle of proportionality also informs countries' approaches to AI rules in finance and is embedded in their legal and regulatory frameworks. Proportionality allows compliance assessments with rules that are commensurate with the risk profiles and systemic importance of different financial sector participants. It stems from the need to limit public intervention to what is necessary to achieve the desired policy objectives.

AI supervision in finance faces potential practical and co-ordination challenges in light of the complexity and speed of advanced AI development

70. Financial supervision serves as the practical enforcement mechanism of financial regulation, ensuring that policies translate into effective oversight and resilient financial markets. Supervision of AI in finance is anchored on the same principles of technology neutrality and a risk-based, proportional approach that underpins financial regulation. Nevertheless, at the level of practical interpretation and implementation of applicable rules, challenges to financial supervision have been reported by certain jurisdictions (OECD, 2026^[32]).

71. Some of the most prominent reported challenges in the supervision of AI in finance relate to distinctive characteristics of AI innovation, such as the rapid pace of its development, the opaqueness and complexity of advanced AI systems, as well as novelties related to the technology's dynamic nature and the potentially higher degree of AI system autonomy, for example through AI agents or future agentic AI uses (BIS, 2025^[33]). In addition, the lack of comprehensive data on AI adoption by financial services firms complicates the assessment of its use and may pose challenges for monitoring associated vulnerabilities. This is further exacerbated by the growing significance of non-supervised entities, such as third-party technical vendors, many of which operate outside the scope of formal oversight by financial regulators. Additional challenges include translating model risk management frameworks in a financial context,

strengthening adequate data management frameworks, achieving meaningful explainability and transparency of AI models, as well as supervisory capacity in general to tackle such challenges.

72. Depending on the jurisdiction, challenges could also result from the interplay between sectoral rules and new regulation or AI-specific guidance, where these have been introduced. In such cases, the layering of regulatory frameworks specific to AI on top of pre-existing sector-specific rules could complicate oversight. Challenges can also stem from the evolving institutional structures, given the cross-cutting nature of AI in the economy and the different authorities involved. Indeed, a lot of supervisory coordination efforts are already underway with a view to promote co-ordination and co-operation between the different authorities involved in AI supervision, both financial and non-financial ones.

73. Challenges reported by authorities largely mirror the compliance challenges identified by supervised entities, which may in turn impede the wider deployment of AI by financial firms. These challenges include implementing model risk management approaches, conducting validation and compliance assessments on increasingly complex AI systems, as well as limitations related to model explainability. They also include limited transparency and associated considerations around assessing robustness and upholding the fairness of model outputs, alongside governance and data management challenges. For example, articulating how the concept of ‘human in the loop’ should apply in practice, depending on the context, is reported as challenging by some authorities and by supervised entities alike in their compliance efforts.

AI and Open Finance create powerful synergies, while amplifying risks around data sharing and competition

74. Building on earlier OECD work on Open Banking and Open Finance (OECD, 2023^[34]; OECD, 2023^[35]), OECD scenario analysis explores implications and policy considerations at the intersection of AI and Open Finance innovation, with findings highlighted in the OECD report on Artificial Intelligence and Open Finance (OECD, 2023^[36]).

75. On the upside, the relationship between the two innovation trends can be mutually reinforcing: Open Finance can supply high-quality, structured data that can strengthen AI systems’ training, validation and overall performance, and allow for the tailoring of financial products and services. AI systems can be used to unlock the analytical value of Open Finance data flows, supporting core objectives of data-sharing frameworks such as financial inclusion, innovation, competition, and consumer empowerment. Open Finance frameworks are underpinned by secure, standardised data-sharing infrastructure that can allow for greater interoperability across the financial system and can enable more effective deployment of AI, particularly by enhancing models’ capacity to deliver hyper-personalised services tailored to individual consumer needs. Together, these developments create significant potential opportunities, as expansive data access can boost AI model training, productivity, and efficiency, and enable deeply personalised and automated model outputs involving financial products/services. Firms leveraging data-sharing frameworks can unlock competitive advantages and deliver improved product quality, diversity, and terms, with the potential to ultimately benefit end-users and reshape how financial services are accessed and experienced.

76. On the downside, the interplay between AI and Open Finance could potentially magnify challenges inherent to each innovation trend individually, particularly where safeguards are not in place to protect financial consumers and the markets overall. Also, risks related to bias, discrimination, and inappropriate data use can be heightened, as limited model explainability and the difficulty for consumers to trace how their shared data feed into subsequent model iterations could exacerbate transparency, data protection, and security concerns.

77. Agentic AI proliferation could yield potential benefits for retail investor participation in more complex capital market products, through improved access, potentially reduced costs linked to increased efficiencies and automation, real-time advisory capabilities, and personalised decision support tools. At

the same time, it could heighten risks of overreliance on algorithmic outputs, potentially reduced human control over financial decisions and the risk of misaligned incentives, with important implications (OECD, 2023^[36]).

AI expands SME access to finance, but risks of bias, data protection and digital security threats persist

78. The use of AI in finance could expand access, including for SMEs. Financial service providers, including fintech companies, are actively integrating such technologies into their business models. For example, in credit scoring, AI and machine learning can mine large datasets (or “big data”) for signals of creditworthiness, if properly designed and trained. They can also automate data processing, leading to more rapid and complete assessments of creditworthiness, and significantly lowering the costs associated with credit evaluations (OECD, 2022^[37]). Additionally, AI-driven credit scoring can facilitate lending to individuals or businesses with limited credit histories or inadequate collateral (predominant among young and women-owned businesses), thereby having the potential to expand credit access and financial inclusion (GPFI, 2024^[38]; OECD, 2021^[39]). The OECD Recommendation on SME Financing provides guidance for governments to enhance SME access to a diverse range of financing instruments, supporting the development of coherent national SME financing strategies (OECD, 2023^[40]). The 2026 OECD SME financing Scoreboard notes that a growing number of fintech firms now identify SMEs as their primary customers (OECD, 2026^[41]). Furthermore, the use of AI may be particularly relevant to unlock certain types of finance for SMEs.

79. AI can also play an important role in facilitating SME access to sustainable finance by helping to reduce information asymmetries and address sustainability-related data and reporting challenges. It can enable financial institutions to collect, process and assess information on SME sustainability performance, while easing reporting burdens for SMEs. AI can also support ESG assessments, climate-risk modelling and transition-risk analysis by combining and analysing large volumes of financial, operational and sustainability-related data. These applications can strengthen the information available for lending and investment decisions and enable a more comprehensive assessment of SMEs’ sustainability performance and exposure to climate-related and transition risks, in turn boosting their access to sustainable finance, particularly where limited reporting capacity or data availability would otherwise constrain SMEs’ ability to obtain such financing (OECD, 2026^[42]).

80. Since 2023, emerging forms of AI, such as generative AI and agentic AI, present more diverse, and often more autonomous, applications for financial service providers and fintech companies. While traditional AI models have mainly focused on identifying patterns, classification and making predictions, generative AI models can produce content and insights from datasets that frequently appear indistinguishable from content created by humans (OECD, 2023^[43]). Use cases of traditional AI in finance include credit scoring, reconciliation and anomaly detection, compliance and fraud detection. On the other hand, generative AI applications include financial scenario generation, automated report generation, and production of business intelligence and strategic insights (BCG, 2023^[44]). One of the most widely reported use cases of generative AI within financial institutions involves streamlining and optimising operations, such as by simplifying internal and external data analysis and reporting⁶. Generative AI is also used for customer support and for product development and marketing (OECD, 2023^[43]).

81. Agentic AI goes even further by significantly reducing human involvement (OECD, 2026^[5]). Although Agentic AI is still in an experimental phase, applications in finance may include chatbots that can execute workflows in response to customer needs and even anticipate and act upon those needs.

82. While the opportunities of these developments are potentially significant, their rapid evolution also carries risks for SME finance. A key risk of adoption of AI models in finance is the risk of biased, discriminatory and unfair outputs when AI is used in the decision-making process for the provision of

finance (OECD, 2021^[39]; OECD, 2023^[43]). This discrimination can be based on gender, race or geographical location in the financing offer, affecting already underserved groups of the SME population. This results from the type of data that models are trained on (which often contains these biases) and the lack of explainability of these models (i.e. limited human understanding of why and how AI-based models generate results). Furthermore, the deployment of agentic AI, which minimises human involvement even more and is practically autonomous in decision-making, could amplify these risks significantly.

83. Another challenge is that the wide deployment of AI could expand risks already present in credit markets, with potentially disproportionate effects on SMEs. SMEs are particularly exposed to data privacy, confidentiality and cybersecurity risks, as they often rely on simpler and less advanced systems than large firms and have more limited resources and expertise. This can increase their vulnerability to data breaches, unauthorised access to private information and other forms of cyberattack. Generative AI can increase the scale and sophistication of existing forms of cybercrime and fraud, including through deepfakes, identity impersonation and highly targeted phishing or social-engineering attacks. The adoption of AI within SMEs may also introduce new vulnerabilities, including adversarial attacks designed to manipulate AI systems, model or data poisoning, and prompt injection attacks that seek to influence the behaviour of generative or agentic AI systems (OECD, 2026^[41]). According to a Eurobarometer Survey, the risk online bank accounts being hacked is among the leading cybersecurity concerns among European SMEs (European Commission, 2022^[45]).

84. OECD work on *Fintech and AI: Implications for SME finance* seeks to better understand the diverse uses of Fintech for serving SMEs and the applications of AI in such models, with the aim of distilling best practices in policymaking in this area (OECD, 2026^[46]). The objective is to support the creation of a robust, transparent, and inclusive financing ecosystem in which SMEs can thrive and contribute fully across economies.

Key policy considerations for AI and finance

85. **Policymakers should maintain a flexible, agile and adaptive approach to financial supervision to ensure oversight keeps pace with rapid AI-driven technological change.** An adaptive supervisory stance at the practical level can help address emerging AI-related supervisory challenges while allowing financial oversight frameworks to evolve alongside technological advances, rather than lag behind them.

86. **Policymakers should strengthen engagement with the industry and provide carefully calibrated, non-prescriptive guidance to clarify how existing financial compliance obligations apply to advanced AI systems, where needed.** Although existing requirements remain applicable and supervised entities are expected to incorporate AI-specific considerations into their risk management frameworks, some jurisdictions may benefit from carefully calibrated, non-prescriptive guidance to clarify how current compliance obligations align with advanced AI systems' technical features. Such interpretative support could help resolve perceived ambiguities, particularly in contexts with new AI regulations, thereby strengthening legal certainty, enhancing supervisory consistency and encouraging responsible AI innovation. At the same time, any guidance provided should be very carefully designed and calibrated, to avoid constraining firms' ability to explore and benefit from new technologies. Overly prescriptive approaches should be avoided, given the rapid pace of technological innovation, and a risk-based approach may be most effective for enabling financial institutions to address key risks where needed.

87. **Policymakers should invest in supervisory capacity, skills, and research to enable effective AI oversight and the strategic use of AI-enabled “SupTech” tools.** Increased capacity and upskilling of financial supervisors will be necessary to achieve monitoring and oversight objectives, as well as to enable authorities to develop and deploy AI as part of the supervisory activity *inter alia* through SupTech tools (technology solutions for supervisors themselves) that incorporate the latest AI innovations. Co-

ordinated efforts among supervisory authorities could enable the strategic pooling of expertise and institutional capacity in relation to AI-based SupTech tools.

88. Policymakers should promote proactive and structured engagement between supervisors and industry to support AI innovation in finance, such as through regulatory experimentation. Enhanced forms of proactive engagement between supervisors and industry stakeholders, beyond the standard supervisory activities of financial authorities, could foster mutual understanding. Close and sustained engagement with industry can yield significant benefits for supervised entities, while also improving authorities' understanding of the challenges encountered by supervised entities in their compliance efforts. Proactive engagement with the industry through AI-specific testing, such as sandboxes or model testing (e.g. United Kingdom), or public-private forums (e.g. Japan) can provide the confidence and clarity needed to encourage innovation while protecting markets and their participants and safeguarding stability.

89. Policymakers should help ensure that AI-enabled Open Finance is governed by strong, cross-sectoral frameworks that embed considerations like human oversight, accountability, data governance and privacy and explicit consumer consent. Effectively harnessing synergies in a responsible manner will be key to achieving the multiple benefits at the intersection of Open Finance and AI, and will depend both on the existence of robust governance structures that emphasise human oversight and accountability, and on compliance with appropriate rules and standards. Expanding data sharing under Open Finance frameworks can help to galvanise AI innovation. Responsible and ethical deployment of these synergies requires strong governance structures that ensure human oversight, accountability, and adherence to relevant rules and standards, such as maintaining robust data security, protecting privacy, and obtaining explicit consumer consent. These are essential, especially given the critical and sensitive nature of financial data. So too is cross-sector collaboration among AI, financial, and privacy policy communities to ensure coherent responses aligned with OECD data governance and privacy guidance. Strengthening consumer awareness through financial education and targeted outreach can further empower individuals to understand and exercise their data rights in AI-enabled Open Finance environments. The critical importance of investor education and financial literacy should also be highlighted: as AI technologies become more sophisticated and widely accessible, a foundational level of financial literacy remains indispensable (OECD, 2020^[47]).

90. Policymakers can simultaneously foster an enabling environment for fintech and AI to help close SME financing gaps, in line with the OECD Recommendation on SME Financing. In line with that Recommendation, policymakers must foster an environment that allows fintech solutions and AI applications to help close SME financing gaps, while ensuring robust safeguards are in place to protect borrowers, promote fair and non-discriminatory lending and maintain financial stability (OECD, 2023^[40]).

AI in science

Using AI to accelerate scientific progress is a policy imperative

91. The case for AI in science extends well beyond efficiency gains within research institutions. Increasing the productivity of research is likely to have significant economic and societal benefits: enabling the generation of scientific knowledge more efficiently and quickly, accelerate progress against the diseases of ageing, develop clean energy and ultimately elevate living standards (OECD, 2023^[48]).

92. The potential benefits of AI in science are becoming increasingly tangible at a time when research systems face growing pressures to deliver more from available resources. Researchers navigate a growing volume of scientific knowledge alongside pressures on their time and uncertainty over funding, while governments across OECD countries face broader fiscal constraints and competing spending priorities. Emerging evidence suggests that AI could help alleviate some of these pressures: a 2026 study finds that

surveyed scientists using AI report saving nearly seven hours per week, much of which is reinvested in research (Codreanu, 2026^[49]). Yet AI may also shift rather than eliminate bottlenecks, increasing the need to verify AI-generated outputs and to test a growing number of hypotheses. Realising productivity gains will therefore require complementary investments and effective integration of AI across the scientific process.

93. Technologies that ultimately derive from science and innovation raise productivity and drive improvements in living standards. Materials science illustrates how AI can bring broader economic and societal benefits by accelerating the development of technologies that help address resource and health challenges. Applications include improved battery and solar materials, stronger and lighter structural materials, and more effective drug-delivery systems (European Commission, 2025^[50]). Realising this potential, however, depends on more than the capabilities of AI models alone. It also requires high-quality, interoperable data; scientific and industrial facilities to test and validate AI-generated results; and institutional arrangements that support the translation of research into commercially viable materials at scale. Establishing these conditions will, in turn, involve important policy and institutional choices, including how research is funded, which areas receive support, and how links between laboratories and industry are organised.

Generative AI is seeing increased adoption in science, particularly in data-intensive fields

94. Several fields of data-intensive science have used forms of AI such as neural networks for decades. More recently, however, science has seen intense exploration and uptake of generative AI and LLMs, aiding tasks such as hypothesis generation, data analysis, and literature synthesis. Recent evidence suggests scientists using LLMs are producing significantly more papers, with the largest gains among non-native English speakers, although concerns exist about a possible fall in quality and depth (Kusumegi et al., 2025^[51]). Survey evidence from Germany suggests that many researchers perceive AI as useful for core tasks, though effective use depends heavily on training and familiarity (Chugunova et al., 2026^[52]).

Policies are being adopted to accelerate the use of AI in science

95. Policy makers and actors across research systems have a role to play in deepening the use of AI in science and thereby magnifying its positive effects, while adapting to the fast-changing implications of AI for research governance (OECD (2023^[35]). OECD members are acting to this end. For example, in October 2025, the European Commission launched the European Strategy for Artificial Intelligence in Science (European Commission, 2025^[53]). In November 2025, the United States launched the Genesis Mission (United States, 2025^[54]), “a dedicated, coordinated national effort to unleash a new age of AI-accelerated innovation and discovery that can solve the most challenging problems of this century.” Both initiatives centre on building shared infrastructure that gives researchers easier access to computation, data, and AI-enabled tools. Genesis proposes an integrated AI platform using federal scientific datasets, while the European strategy pools computational power, data, talent, and research funding for scientists. Both include strong support for researchers through coordinated institutions and funding rather than leaving adoption entirely to the market. Over time, it is important to assess the outcomes and implementation of these and related initiatives.

Realising the benefits of AI in scientific discovery requires sound governance

96. Enabling conditions are needed for AI to yield its full benefit to science, and several challenges remain. This includes the availability of and access to high- quality data in a format suitable for AI training as well as access to computational resources, which can vary considerably across research institutions and countries. Institutions that can help carry the outputs of research laboratories into industrial-scale

production may be lacking. And scientific training must evolve. Scientists increasingly need the ability to understand and work with automated platforms, AI models and data infrastructure as a system. Interdisciplinary training will need to break down departmental boundaries between science, computing and engineering. While automation can reduce the burden of repetitive tasks, it also raises questions about how junior researchers will continue to develop scientific judgement. Experiences such as repeating measurements and troubleshooting experimental issues have traditionally provided valuable learning opportunities, and ensuring that these opportunities are preserved in new forms may be important for training future scientists.

97. The rapid diffusion of LLMs has also raised questions for research governance, i.e. the systems of oversight, norms and incentives that ensure research integrity, quality and accountability. These include concerns about the facilitation of fraud and harder-to-detect manipulation of research outputs, a potential increase in the volume of papers and grant proposals that could burden reviewers and make it harder to distinguish genuine advances, and possible socio-technical effects such as the deskilling of researchers and reduced critical thinking (Royal Society, 2024^[55]; PCAST, 2024^[56]; OECD, 2023^[48]).

The capabilities that make AI powerful for science also expand the possibilities for dangerous uses, raising governance risks that demand urgent attention

98. The same capabilities that make AI a beneficial scientific tool also carry risks. In 2026, researchers used AI to design and create sixteen viable viruses that infect bacteria, some of which differed greatly from natural variants (King et al., 2026^[57]). Although no AI-designed novel virus capable of infecting humans has yet been publicly demonstrated, this may become possible as the technology advances.

99. Assessing risks and identifying possible remedies is critical, especially in the domains of bioscience and chemistry (OECD, 2025^[58]) given the broader risks associated with frontier models and agentic systems considered in this report. For example, autonomous agents that can automatically generate hypotheses or experiments without recognising underlying problems in diverse data sources could make otherwise isolated errors cascade into harder to untangle situations (Hosseini, Murad and Resnik, 2026^[59]).

Consumers in the age of AI

100. AI is increasingly embedded in consumer products and the ways consumers discover, evaluate and purchase them. It is creating significant new opportunities for consumers and businesses, enabling more personalised and transparent product offers and transactions, and helping to improve the safety of products remotely and as they evolve throughout their lifetime. However, AI brings new risks, such as deceptive commercial practices and scams, including deepfakes. Moreover, AI introduces new product safety hazards, both physical and mental.

AI offers substantial benefits for consumers and businesses, with existing legal frameworks proving broadly applicable, even as the regulatory landscape continues to evolve

101. AI is enabling more relevant product recommendations to consumers, predictive maintenance supporting the extension of products' life, as well as innovative devices and enhanced services across sectors including health and finance. However, growing consumer demand for AI-enabled products has also given rise to misleading claims by some businesses about AI's role in products ("AI-washing"), which can distort purchasing decisions and competition on the market. While these practices may affect all consumers, children may face particular challenges in critically assessing such claims, given their more limited experience with commercial practices (OECD, 2023^[60]).

102. Evidence also shows that AI-driven targeting and generative content tools are enabling more relevant and engaging advertising and marketing. They also allow businesses to produce marketing content at greater speed and lower cost than was previously possible. However, these tools can also pose risks, including the generation of deepfake endorsements that mislead consumers into trusting fraudulent products or schemes. In customer service, AI chatbots offer continuous support, faster responses, particularly for simple or routine consumer questions, and more accessible assistance, including for consumers who prefer a non-judgmental interface in sensitive contexts. Yet they also carry risks, including inaccurate or unsatisfactory outputs – as illustrated by a 2024 Canadian tribunal ruling holding Air Canada liable for its chatbot’s incorrect fare information (CanLII, 2024^[61]).

103. Existing consumer laws, such as prohibitions on misleading and deceptive conduct, are proving broadly applicable to many of these harms. AI-specific regulations are also introducing transparency requirements, including obligations to label AI-generated content and to embed technical markers, such as watermarks, to facilitate its identification. Some jurisdictions are extending regulatory attention to accuracy of AI outputs and safeguards for consumers who may be disproportionately impacted, such as children. At the same time, interventions need to ensure they preserve the consumer benefits of AI. Ensuring that regulation is effective and proportionate remains an evolving challenge.⁷

Digital technology products can enhance consumer health and safety, though their rapidly evolving nature calls for updated approaches from both businesses and policymakers

104. The global market for digital technology products – including Internet of Things (IoT) appliances and wearables, AI-powered vehicles, robots and chatbots, and virtual reality (VR) devices – is expanding rapidly. While these products can enhance consumers’ health and safety, for example through real-time hazard detection and predictive maintenance, but they can also introduce new consumer risks. For instance, connectivity failures can cause dangerous malfunctions and AI-enabled products can behave unpredictably in real-world conditions. Some products, particularly AI chatbots and social robots, may also pose novel mental health risks, such as addictive use and exacerbation of symptoms, including for children. research indicates that AI chatbots can exacerbate mental health problems (De Freitas and Cohen, 2024^[62]; Coghlan et al., 2023^[63]; Kalam et al., 2024^[64])

105. Evidence suggests the negative health and safety impacts arising specifically from the digital characteristics of these products (e.g. software or connectivity), are less common than traditional product injuries like burns and shocks. However, their true scale remains uncertain due to factors such as under-reporting, fragmented data collection, and limited research. Moreover, traditional risk assessment scales for physical injuries such as burns and fractures cannot be easily transposed to mental health conditions such as anxiety and trauma (Preece, 2024^[65]). Traditional product safety frameworks designed for static physical goods struggle to address products that are intangible, evolve post-sale, involve complex supply chains, and cause impacts falling outside conventional conceptions of product safety, such as on mental health. Oversight is further complicated by the range of other policy remits involved, including consumer policy, online safety, health, cybersecurity, AI governance and privacy.

Consumer policy frameworks should keep pace with AI-enabled products and services, and preserve the significant benefits AI creates for consumers and businesses.

106. Existing consumer laws are proving broadly applicable. For example, in Australia, a 2025 government review concluded that consumer law was broadly adequate to handle AI-enabled goods and services, while identifying opportunities for technical updates (Australian Treasury, 2025^[66]). At the same time, AI is also becoming an integral part of the consumer policy toolkit itself, with two thirds of consumer authorities already deploying or piloting AI tools. A key issue is to ensure that regulators and consumer authorities to keep pace with rapid technological change, and ensuring that consumer policy frameworks are practical and interoperable across borders.

107. Another point of attention relates to the need for businesses to adopt a "consumer product safety by design" approach, embedding risk-mitigation measures throughout the product lifecycle. For AI-powered products, measures may include conducting safety training and adversarial testing; implementing safeguards such as warnings, content filters, age-based access, referrals to mental health resources and human oversight; and real-time monitoring. Product safety policymakers and regulators could also consider modernising their approach, including by updating relevant laws and standards, enhancing cross-border and cross-regulatory co-operation, building technical expertise and improving data collection (for example through upgraded international databases such as the OECD Global Recalls Portal (OECD, 2026^[67])).

Advanced AI and implications across key sectors

108. AI offers significant potential to improve public services, education, healthcare, scientific research and consumer protection. The extent to which these benefits can be realised and shared broadly, however, depends on enabling conditions across firms, regions and population groups, including skills, digital infrastructure, high-quality and accessible data, and institutional capacity. Evidence across sectors also points to the importance of clear governance frameworks to ensure that AI systems are trusted and that their benefits can be realised at scale. International co-operation, including knowledge sharing and interoperability across policy frameworks, can promote coherent approaches across borders. As AI technologies evolve, a growing range of practical tools can help policymakers translate the OECD AI Principles into actionable, sector-specific guidance, and adapt governance approaches to new capabilities.

109. This final section shifts focus to advanced AI systems, whose capabilities and implications cut across sectors. A central component of many such systems is the rapid diffusion of AI language models, which enable computers to process and generate human language and are being deployed across sectors including public administration, healthcare, banking and education (OECD, 2023^[68]). These include general-purpose AI systems, understood as models capable of performing a wide range of distinct tasks and being integrated into various downstream systems or applications, such as widely used conversational models. They also encompass agentic AI systems that can pursue goals with increasing autonomy; consumer-facing AI-enabled products and practices that influence individual behaviour and markets; and powerful general-purpose models that are accelerating scientific discovery across disciplines. Their rapid development raises governance questions that extend beyond any single sector or domain.

110. This section considers how risk management and responsible business conduct can support the governance of advanced AI across the full value chain. It then assesses the emergence of agentic AI systems and the new policy questions they raise. In doing so, it draws on emerging evidence that increasingly capable AI language models raise cross-cutting challenges for trustworthiness, including opacity, accountability and risks of harmful use at scale.

AI agents and agentic AI are receiving growing attention and are being adopted rapidly in some industries, though further progress is needed toward more trustworthy systems

111. AI agents and agentic AI are receiving growing attention as AI systems based on LLMs become more autonomous and capable of interacting with their environments. OECD analysis has noted a related set of concerns where language-model-based systems can take actions directly – such as sending emails, making purchases, or posting content – expanding the need for safeguards and human oversight beyond “passive” question-answering. These systems have the potential to drive innovation, attract investment, and increase productivity across multiple sectors. While related concepts have long been studied in academic research, recent advances introduce new capabilities that challenge existing conceptual boundaries.

112. The OECD report, *The agentic AI landscape and its conceptual foundations* provides a framework for understanding AI agents and agentic AI systems. By analysing key features, overlaps, and distinctions, and by mapping them to the core elements of the OECD definition of an AI system, the report contributes to a clearer conceptual foundation to support research and policymaking (OECD, 2026^[69]).

113. Based on the analysis, the report draws a distinction between two related but distinct concepts:

- AI agents – which are systems that can perceive and act upon their environment with a degree of autonomy, using tools as needed to achieve specific goals and adapt to changing inputs and contexts.
- Agentic AI – which generally refers more broadly to systems composed of multiple co-ordinated AI agents that can break down tasks, collaborate, and pursue complex objectives autonomously over extended periods. Agentic AI systems are designed to operate in more open-ended, less predictable physical or virtual environments and to function with minimal human supervision.

114. The analysis shows that while AI agents and agentic AI share foundational characteristics, agentic AI places stronger emphasis on co-ordination among multiple agents, task decomposition and delegation, sustained operation over time, and operation in more complex and less predictable environments with limited human oversight. This distinction provides a foundation for future policy work, as understanding the different architectures and levels of autonomy underpinning agentic AI systems can help identify where safeguards, standards and oversight mechanisms may be most needed.

115. The report also presents descriptive evidence on recent trends in the uptake of AI agents. According to the Stack Overflow Developer Survey (2025), which received over 49 000 responses from 177 countries, around half of respondents are already using or plan to use AI agents in their work, while the vast majority highlight opportunities to further strengthen security, privacy and accuracy, indicating that although many developers are beginning to integrate them into their workflows, further progress is needed toward more trustworthy systems (Stack Overflow, 2025^[70]).

116. OECD work drawing on qualitative insights from practitioner interviews explores how agentic AI systems are being developed and deployed in real world contexts and the governance practices that are emerging in response, with the aim of strengthening the empirical evidence on adoption and use across different contexts (OECD, 2026^[6]).

These developments in AI autonomy are also reshaping the consumer landscape, creating new opportunities and risks for the people and businesses that interact with AI-enabled products and services every day.

As AI governance frameworks proliferate, risk management standards and reporting, and due diligence guidance can help businesses navigate growing expectations

117. The rapid advancements in AI have been met with a surge in mandatory and voluntary AI risk management frameworks, responsible AI initiatives, global agreements, academic research and statements from industry leaders and investors.

118. AI language models offer an example of the need for governance approaches to address intended use in addition to foreseeable misuse and downstream integration. Language models can unlock benefits by performing tasks in natural language at scale, their internal operations are often opaque and complex, which can make behaviour difficult to predict and constrain and can complicate accountability across the lifecycle (OECD, 2023^[71]).

119. Realising AI's benefits requires widespread adoption underpinned by clear and workable frameworks that help businesses across the full value chain develop and deploy AI in a trustworthy manner. The OECD AI Principles call for AI to support “beneficial outcomes for people and the planet,” emphasising

the need for AI actors to implement responsible business conduct (OECD, 2025^[72]). The OECD Guidelines for Multinational Enterprises on Responsible Business Conduct (“MNE Guidelines”) (OECD, 2023^[34]) require companies to identify, prevent, and mitigate adverse impacts linked to their operations, products, and services, including those arising in AI value chains.

120. These tools emphasise the role of companies across the AI value chain to address harmful impacts related to AI systems. A “whole-of-value chain” approach helps build secure and resilient AI value chains, against supply chain shocks and interference including model- and data-supply-chain considerations. For complex language-model-based systems, it can be difficult and costly to identify which parties and what data are involved in development, training and deployment, reinforcing the value of clearer documentation and accountability arrangements.

121. Risk management needs to be tailored to sectoral and local contexts and regulatory environments, while supporting alignment across jurisdictions and policy domains. OECD work on common guideposts to promote interoperability in AI risk management (OECD, 2023^[73]), on advancing AI accountability (OECD, 2023^[74]) and on due diligence guidance for responsible AI in enterprises (OECD, 2026^[75]), provides voluntary guidance to help businesses navigate these challenges. While general AI governance frameworks are broadly applicable across industries, sector-specific guardrails remain necessary to address distinct safety, regulatory, compliance and liability requirements. Language-model-based systems underscore the need for context-appropriate quality-control methodologies and standards, given their opacity and limited explainability, and raise accountability risks when users over-rely on plausible but false outputs.

122. The OECD Due Diligence Guidance for Responsible AI (OECD, 2026^[41]) (hereafter “the Guidance”) seeks to translate the high-level OECD AI Principles and MNE Guidelines into practical recommendations that AI value chain actors can implement. It complements existing risk-management and accountability frameworks by providing an operational layer that supports implementation across the AI lifecycle and the full value chain. The Guidance therefore is a tool for all companies in navigating a growing landscape of rules, regulations and voluntary frameworks by mapping each step of the due diligence process to related provisions in existing national and international AI governance frameworks. This allows companies to see how a single due diligence process can support alignment to multiple frameworks and contribute to interoperability across jurisdictions, where appropriate. For example, a developer operating across Japan, Korea and the European Union can use this Guidance to provide clarity on how to meet expectations under the Hiroshima AI Process (HAIP) Code of Conduct, the Japanese AI Guidelines for Business, the Korean AI Basic Act and the EU AI Act, among others, simultaneously. For language-model-based systems, governance also needs to address risks arising from training and fine-tuning data.

123. Finally, the MNE Guidelines have a unique promotion and remedy mechanism that relies on National Contact Points for RBC (“NCPs”).⁸ This Guidance can also be a useful resource for NCPs in promoting the MNE Guidelines and informing decisions related to accountability for alleged violations of the MNE Guidelines.

124. As AI continues to develop rapidly, the HAIP Reporting Framework (RF) (OECD, 2026^[76]) provides a widely recognised and used tool demonstrating how voluntary reporting mechanisms can support transparency and help build public trust in AI, with reports made publicly available on the OECD.AI Policy Observatory. Launched in February 2025 and updated in May 2026, the HAIP RF, provides a voluntary, standardised, and adaptable structure for organisations to report on their alignment with the HAIP International Code of Conduct for Organizations Developing Advanced AI Systems (G7, 2023^[77]).

125. The first reports from organisations were analysed in the OECD report “How are AI developers managing risks?” (OECD, 2025^[78]). Findings point to broad convergence around established frameworks such as the OECD AI Principles and the EU AI Act to guide risk classification, with most organisations combining quantitative metrics with expert qualitative judgment and applying multi-stage risk evaluation

throughout the AI system lifecycle. Governance frameworks are increasingly embedded at senior leadership level, with several organisations reporting board-level oversight of AI risk decisions. At the same time, practices vary considerably across organisational types: content provenance tools such as watermarking remain limited mainly to large technology firms, transparency practices differ between consumer-facing and business-to-business organisations, and engagement with civil society is less widespread than engagement with academia and governments.

126. Participating organisations also reported internal benefits from the reporting process, including improved cross-team coordination, clearer communication on governance structures, and benchmarking against international standards. Based on stakeholder feedback, an updated version of the framework was developed in 2026, with the aim of simplifying reporting, better reflecting the roles of different actors across the AI value chain, and broadening participation including by smaller enterprises.

Key policy considerations for navigating the deployment of AI across sectors

127. The evidence across this section points to several priority areas for governing advanced AI responsibly.

128. **As agentic AI systems become more widely deployed, policy attention should focus on accountability, human oversight and the management of risks arising from multi-agent interactions.** Adoption remains at an early stage, and further progress is needed toward more trustworthy systems, particularly with respect to security, privacy and accuracy. In parallel, policymakers are increasingly exploring how to strengthen quality standards and testing, define operational boundaries and permissions for agentic AI systems, address the constraints of data and compute (including the limited availability of digitally readable text for many languages), and support international and multi-stakeholder co-operation to mitigate harmful uses while fostering beneficial development and adoption.

129. **Clear and workable frameworks that help businesses navigate multiple regulatory expectations simultaneously are increasingly important.** The OECD Due Diligence Guidance for Responsible AI provides a practical tool for enterprises across the full AI value chain, helping them meet multiple regulatory expectations simultaneously while contributing to interoperability across jurisdictions.

130. **Voluntary reporting and transparency mechanisms can support accountability among AI developers and help build public trust.** The HAIP RF demonstrates how structured voluntary reporting can generate convergence around shared governance practices, with participating organisations also reporting internal benefits including improved coordination and clearer accountability structures.

Annex: AI key terms and topics informing this analysis

This list draws on key terms used to inform this analysis, included in published OECD work. The descriptions, explanations and in some cases definitions (differentiated by citation marks) included in this analysis are context dependent and may thus vary according to the context of use.

Term	Description / Explanation
Artificial intelligence system	"a machine-based system that, for explicit or implicit objectives, infers, from the input it receives, how to generate outputs such as predictions, content, recommendations or decisions that can influence physical or virtual environments. Different AI systems vary in their levels of autonomy and adaptiveness after deployment" (OECD, 2024 ^[3]).
AI system lifecycle	"An AI system lifecycle typically involves several phases that include to: plan and design; collect and process data; build model(s) and/or adapt existing model(s) to specific tasks; test, evaluate, verify and validate; make available for use/deploy; operate and monitor; and retire/decommission. These phases often take place in an iterative manner and are not necessarily sequential. The decision to retire an AI system from operation may occur at any point during the operation and monitoring phase" (OECD, 2024 ^[4]).
AI system inputs	Input is used both during development and after deployment. Input can take the form of knowledge, rules and code humans put into the system during development or data. Humans and machines can provide input. During development, input is leveraged to build AI systems, e.g., with machine learning that produces a model from training data and/or human input. Input is also used by a system in operation, for instance, to infer how to generate outputs. Input can include data relevant to the task to be performed or take the form of, for example, a user prompt or a search query" (OECD, 2022 ^[79]). Training data and inputs differ from prompts, although prompts can also be considered a form of input to AI models at the inference stage during model use.
AI system outputs	The output(s) generated by an AI system generally reflect different functions performed by AI systems. AI system outputs generally belong to the broad categories of recommendations, predictions, and decisions. These categories correspond to different levels of human involvement, with "decisions" being the most autonomous type of output (the AI system affects its environment directly or directs another entity to do so) and "predictions" the least autonomous. For example, a driver-assist system might "predict" that a pixel region in its camera input is a pedestrian; it might "recommend" braking, or it might "decide" to apply the brake. Generative AI systems that produce "content" – including text, image, audio, and video – have gained significant momentum. Although one could, for example, view the generation of text as a sequence of decisions to output particular words (or predictions of words that would be likely to appear in a specific context), content generation systems have become such an important class of AI systems that they are included as their own output category" (OECD, 2024 ^[4]).
Algorithm	Algorithms are used to develop models (e.g., with reasoning and decision-making algorithms) based on machine and/or human inputs/data (OECD, 2024 ^[4]). There are three major categories of AI algorithms: supervised learning, unsupervised learning, and reinforcement learning. The key differences between these algorithms are in how they are trained, and how they function. More recently, self-supervised and semi-supervised learning have emerged as AI systems that vary in levels of autonomy.
Symbolic AI / Rules-based AI	Symbolic AI uses logical representations to deduce a conclusion from a set of constraints. It requires that researchers build detailed and human-understandable decision structures to translate real world complexity and help machines arrive at human-like decisions. Symbolic AI is still in widespread use, e.g. for optimisation and planning tools (OECD, 2019 ^[80]).
Statistical AI	Statistical AI, whereby machines induce a trend from a set of patterns, has seen increasing uptake recently. A number of applications combine symbolic and statistical approaches. For example, natural language processing (NLP) algorithms often combine statistical approaches (that build on large amounts of data) and symbolic approaches (that consider issues such as grammar rules) (OECD, 2019 ^[80]).
Machine learning	[A] branch of artificial intelligence (AI) and computer science which focuses on development of systems that are able to learn and adapt without following explicit instructions imitating the way that humans learn, gradually improving its accuracy, by using algorithms and statistical models to analyse and draw inferences from patterns in data (EU-US Trade and Technology Council, 2023 ^[81]) The "learning" process using machine-learning techniques is known as "training". A machine-learning technique called "neural networks", and its further subset technique called

	"deep learning", has enabled leaps in technological AI developments (OECD, 2019 ^[80]).
AI inference	The concept of "inference" generally refers to the step in which a system generates an output from its inputs, typically after deployment. When performed during the build phase, inference, in this sense, is often used to evaluate a version of a model, particularly in the machine learning context (OECD, 2024 ^[4]).
AI model	AI models are actionable representations of all or part of the external context or environment of an AI system (encompassing, for example, processes, objects, ideas, people and/or interactions taking place in context). AI models use data and/or expert knowledge provided by humans and/or automated tools to represent, describe and interact with real or virtual environments (OECD, 2022 ^[79]).
Foundation model	Foundation models, sometimes referred to as or categorised under "general-purpose" AI models, are machine learning models that can be adapted to perform a wide range of downstream tasks, such as tasks involving text synthesis, behaviour prediction, image analysis and content generation (Bommasani, 2021 ^[82] ; Jones, 2023 ^[83]). Foundation models can be standalone or integrated into a variety of downstream AI systems and models, either directly or after additional training referred to as "fine-tuning." There are two primary types of foundation models: generative models, which learn the patterns and distribution of input data to create new, plausible outputs (such as OpenAI's GPTs), and discriminative models, which predict data labels by distinguishing between different classes in a dataset (like Google's BERT) (OECD, 2022 ^[79]). It is important to note that not all generative or discriminative models qualify as foundation models (OECD, 2025 ^[84]).
Generative AI models	Generative AI models create new outputs (e.g., text, code, audio, images, video), often in response to prompts, based on their training data (OECD, 2023 ^[71]).
AI language model	A model that can process, analyse or generate natural language text trained on vast amounts of data, using techniques ranging from rule-based approaches to statistical models and deep learning. Chatbots, machine translation and virtual assistants that recognise speech are applications. Not all language models are generative in nature, and they can be large or small (OECD, 2023 ^[71]).
Multimodal AI	AI that combines multiple types of data – such as data from text, image or audio – such as through machine-learning models and algorithms. Multimodal AI is key for AI research and applications such as in manufacturing and robotics (The Alan Turing Institute, 2023 ^[85]).
AI openness	AI openness exists on a spectrum. It is not binary but ranges from fully closed systems with restricted access to fully open models that permit unrestricted access, modification, and use. This spectrum encompasses various system components, including data, code, and documentation. Recognising this range is essential for understanding the policy implications of different levels of openness across these components (OECD, 2025^[84]). The term "open source" in AI has limitations and tends to lead to confusion. The term "open source" originates from software development and does not accurately describe AI systems. Unlike traditional software, AI "source code" may refer to inference code, training code, or both – and each can be made publicly available independently. Furthermore, AI models can have other critical components such as model weights and training data, which can also be shared or kept private (OECD, 2025^[84]).
Open-weight AI models	Foundation models with publicly available trained weights. These models can generate content and perform a variety of tasks across different applications. While licensing is an important aspect of the discussion surrounding the availability of AI models, recent OECD analysis has focused on open weights due to their growing relevance in policy discussions about the benefits and risks associated with these models (OECD, 2025 ^[84]).
Agentic AI	"Agentic AI refers to systems composed of multiple co-ordinated AI agents that can break down tasks, collaborate, and pursue complex objectives autonomously over extended periods. These systems are designed to operate in more open-ended, less predictable physical or virtual environments and to function with minimal human supervision" (OECD, 2026 ^[51]).
Adaptiveness	Typically related to AI systems based on machine learning that can continue to evolve after initial development. The system modifies its behaviour through direct interaction with input and data before or after deployment. Examples include a speech recognition system that adapts to an individual's voice or a personalised music recommender system. AI systems can be trained once, periodically, or continually and operate by inferring patterns and relationships in data. Through such training, some AI systems may develop the ability to perform new forms of inference not initially envisioned by their programmers (OECD, 2024^[4]).
AI system autonomy	"...[T]he degree to which a system can learn or act without human involvement following the delegation of autonomy and process automation by humans. Human supervision can occur at any stage of the AI system lifecycle, such as during AI system design, data collection and processing, development, verification, validation, deployment, or operation and monitoring. Some AI systems can generate outputs without these outputs being explicitly described in the AI system's objective and without specific instructions from a human" (OECD, 2024 ^[4]).
AI incident	"An AI incident is an event, circumstance or series of events where the development, use or malfunction of one or more AI systems directly or indirectly leads to any of the following harms: (a) injury or harm to the health of a person or groups of people; (b) disruption of the management and operation of critical infrastructure; (c) violations of human rights or a breach of obligations under the applicable law intended to protect fundamental, labour and intellectual property rights; (d) harm to property, communities or the environment" (OECD, 2024 ^[86]).
AI hazard	"An AI hazard is an event, circumstance or series of events where the development, use or malfunction of one or more AI systems could plausibly lead to an AI incident, i.e., any of the following harms: (a) injury or harm to the

	health of a person or groups of people; (b) disruption of the management and operation of critical infrastructure; (c) violations to human rights or a breach of obligations under the applicable law intended to protect fundamental, labour and intellectual property rights; (d) harm to property, communities or the environment" (OECD, 2024 ^[86])
AI compute	"AI computing resources ('AI compute') include one or more stacks of hardware and software used to support specialised AI workloads and applications in an efficient manner" (OECD, 2023 ^[87]).

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Notes

¹ In the absence of a common typology of different Open Finance data sharing arrangements, the term Open Finance is used in OECD work as a term broadly encompassing any Open Finance data sharing arrangements. This includes the “sharing, access and reuse of personal and non-personal data for the purposes of providing a wide range of financial services...In addition to providing a secure and privacy-preserving framework where customers can consent to third parties accessing their data, Open Finance, similar to Open Banking, allows third parties to initiate payments, transactions or taking other related actions on the customers’ behalf” (OECD, 2023^[35]).

² Outputs include recognition (identifying and categorising data, e.g. image, video, audio and text, into specific classifications as well as image segmentation and object detection), event detection (connecting data points to detect patterns, as well as outliers, anomalies or imputing missing data), forecasting (using past and existing behaviours to predict future outcomes), personalisation (developing a profile of an individual and learning and adapting its output to that individual over time), interaction support (interpreting and creating content to power conversational and other interactions between machines and humans, possibly involving multiple media such as voice text and images), goal-driven optimisation (finding the optimal solution to a problem for a cost function or predefined goal) and reasoning with knowledge structures (inferring new outcomes that are possible even if they are not present in existing data, through modelling and simulation).

³ Based on OECD Digital Education Outlook 2023 and its companion report, which surveyed 28 OECD countries (as well as Brazil) on the provision, governance and regulation of their digital education ecosystem.

⁴ This OECD analysis published in 2024 is based on 49 responses to the OECD Survey on Regulatory Approaches to AI in Finance by 38 OECD countries (i.e. Australia, Austria, Belgium, Canada, Chile, Colombia, Costa Rica, Czechia, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Israel, Italy, Japan, Korea, Latvia, Lithuania, Luxembourg, Mexico, the Netherlands, New Zealand, Norway, Poland, Portugal, the Slovak Republic, Slovenia, Spain, Sweden, Switzerland, Türkiye, United Kingdom, United States) as well as by 6 accession candidates to the OECD at the time of writing (i.e. Argentina, Brazil, Bulgaria, Croatia, Peru, Romania) and 4 non-OECD member jurisdictions (i.e. the People’s Republic of China, Hong Kong (China), Indonesia, Singapore, South Africa), as well as a consolidated answer provided by the EU Institutions (i.e. EC, EBA, EIOPA, ESMA) and was conducted in Q1 2024 (OECD, 2024^[110]).

⁵ AI training datasets can be “poisoned” by inaccurate or false data, changing a model’s behaviour or reducing its accuracy; datasets could be poisoned to deliver false results in all or specific situations (OECD, 2024^[111]).

⁶ This can include customer service analytics, HR tasks, translation and summary of contracts (OECD, 2023^[43]).

⁷ The OECD Global Forum on Consumer Policy (GFCP) will address this issue at its inaugural event to be held on 1 December 2026 at the OECD in Paris.

⁸ NCPs have the mandate of furthering the effectiveness of the MNE Guidelines by undertaking promotional activities, handling enquiries and contributing to the resolution of issues that arise relating to the implementation of the MNE Guidelines in specific instances. Any individual or organisation can bring a specific instance (case) against an enterprise to the NCP where the enterprise is operating or based regarding the enterprise's operations anywhere in the world. NCPs facilitate access to consensual and non-adversarial procedures, such as conciliation or mediation, to assist the parties in dealing with the issues. NCPs are required to issue final statements upon concluding the specific instance processes. NCPs can also make recommendations based on the circumstances of the specific instance.