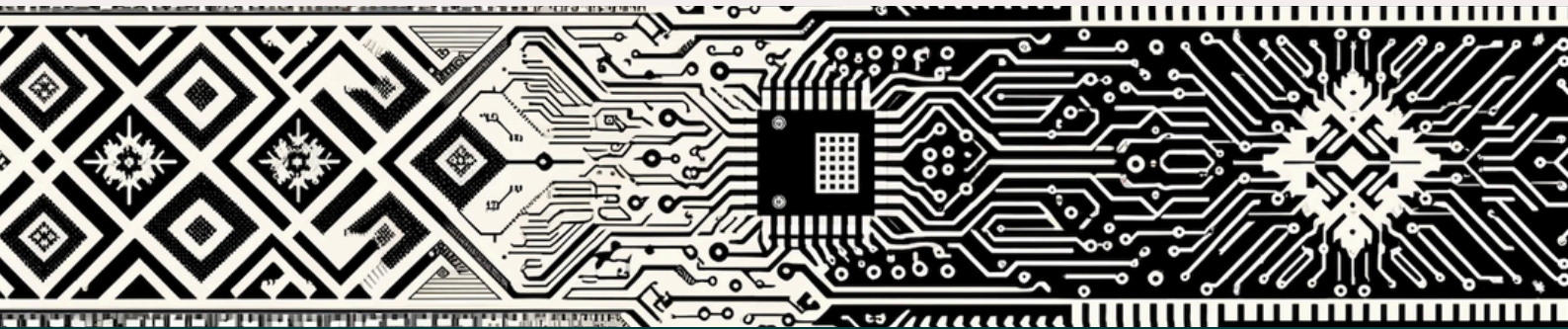


JUNE 2024

AI GOVERNANCE FORUM LITHUANIA: THIRD MEETING



EXPERT GROUP DISCUSSION (2) INSIGHTS
SOLUTIONS FROM BEST PRACTICES AND
STRATEGIC GAPS

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1. AI CREATORS

PROF. DR. AGNĖ PAULAUSKAITĖ-
TARASEVIČIENĖ



1. Government assistance (GA) is needed

- Financial and expertise based assistance should be prioritized for AI creators.
- Summits, forums, conferences, and other networking formats should be facilitated by the government to increase the exposure of local solutions.

2. Key Performance Indicators (KPIs) for GA have to be established

- Qualitative and quantitative indicators should be decided upon by the organizations implementing the GA to measure its effectiveness.

3. Clarity and higher quality open data provided by state agencies is needed

- More proactive information on how to obtain open organized and semi-structured data is needed.

4. Smart infrastructure expansion is beneficial

- Hybrid solutions / cloud are seen as more cost-effective rather than purchasing high performance computing resources due to the high cost, maintenance cost, and obsolescence of this infrastructure.

5. Technical expertise is sufficient but it should be more balanced across sectors

- There are currently enough IT and AI specialists being prepared in academic institutions.
- The issue of retaining more specialists in AI research rather than them moving to the business sector needs to be resolved.

6. Competent legal and compliance expertise should be available locally

- Accredited testers and high-risk certifiers should be established in Lithuania to provide required services for our AI provider companies.
- They should also be recognized across the EU and, thus, be notified.

7. Solutions to commercializing research should be prioritized

- Assistance is needed to improve the commercialization of research.
- US examples should be used as reference for that.

8. Scaling up capabilities are sufficient

- No specific issues were noted, generally progress is consistent to an extent but highly organization-dependent.

9. Risk assessment frameworks are readily prepared where required, no GA needed

- Larger companies already have Chief AI Officers, while may not be seen as necessary for smaller ones. Best practice exchange would facilitate the explanation of the need or lack of it.
- At this time no top-down help is needed with preparing risk assessment, data quality and ethics frameworks.

2. AI DEPLOYERS

DR. DOC. LINAS PETKEVIČIUS

1. AI literacy should be estimated in organizations and likely increased horizontally

- Education on AI deployment and use programmes should be applied across all sectors and whole society.
- Existing upskilling and reskilling platforms should be leveraged by expanding into more AI education designed for different levels of knowledge and skills.
- Such upskilling and reskilling training should also be available in English.

2. AI intake in public sector is situation-dependent but highly favorable

- AI literacy is not necessary in pre-application stage in the public sector but should be increased in parallel once applying AI solutions.
- Public sector is already generally capable of managing data due to previous regulation.
- AI matters in institutions should be executed and strategized by data management departments not Chief AI Officers due to a shortage of personnel and higher-level of versatility.
- Establishing KPIs and impact assessment frameworks is needed pre-application of AI to estimate the effectiveness post-application.
- GovTech Lithuania is responsible for assisting in digital solution application in the public sector, therefore, they should encourage and teach implementing organizations how to include impact assessment frameworks and KPIs for AI deployment by using the Estonian example.

3. Clarity for applications of AI in public and private for applications

- National AI innovation support and regulatory institutional ownership should be made clear to the local AI ecosystem.
- Best-practice sharing for impact assessment should be facilitated by the owner of innovation support.

3. TECH LAW EXPERTS

VYR. LEKT. NERINGA GAUBIENĖ

1. Centralization of AI Act conformity assessment services is a must but the extent is debatable

- Centralizing conformity assessments to a single national unit could streamline processes, reduce administrative overhead and increase the scale of operation from sectoral-national to EU or even global.
- Due to the high-level competition and potential tax losses to that competition abroad it would be very detrimental to have a fragmented conformity assessment system for AI in Lithuania.
- Given the highly likely gap in this area within the EU as well as the potential of drawing in clients from outside of the EU, and the already locally available legal and technical expertise, filling this gap by using a centralized conformity system should be seen as a national priority and point of breakthrough.

2. Legal experts interested in AI are readily available but more have to be prepared to increase the scale of services offered

- Currently, there are enough high-quality experts for the local needs, but continuous investment in training and development is necessary to increase the scale from sectoral to holistic and from national to EU/global.
- The expertise can also be used for various other regulations of similar scale as well as utilizing experts knowledgeable in enforcing other harmonizing regulatory frameworks in fields of personal data and cybersecurity.

3. Interdisciplinary courses on data, programming, AI, human rights, ethics, law, etc., should be offered

- Interdisciplinary education incorporating multiple relevant AI governance related fields should be offered by universities on a large scale.
- Skills and knowledge dispersed through such educational frameworks is highly transferable. The expertise could be employed not only for organizational AI and data governance, conformity assessment, regulatory sandboxes, but also for the responsible application of upcoming new waves of technology.

4. CONFORMITY ASSESSMENT EXPERTS

DR. DOC. VALENTAS GRUŽAUSKAS

1. Standards and auditing processes should be based on transparency, fast-track service aims and best-practice sharing frameworks to close the gap and increase scale of offered services

- Draw inspiration from the best-practice of the Bank of Lithuania FinTech regulatory sandbox to provide fast-track compliance for AI companies.
- Aim to implement anti-money laundering prevention system's best-practices including best practice exchange and other events for networking.
- National notifying authority should provide a sufficient level of clarity on the standards of operating that notified entities have to achieve for effective and compliant certification processes.

2. Conformity assessment entities aspiring to obtain notification should be proactive in standard setting dialogue

- By participating in European Standard Organization events, the bodies aiming to be accredited and/or notified would be in line and have a time advantage which is seen as highly beneficial, especially given the timeline of enforcement of the EU AI Act.

3. Moderate-to-high conformity assessment centralization is seen most beneficial

- Out of the three offered centralization scenarios, a mixed approach between average to high centralization is understood as best.
- That can be achieved via a platform which would serve as a one-stop-shop service in the perspective of businesses, meaning they would be able to select the effects of their AI solution according to the AI Act and receive offers which would cover those needs.
- No government assistance for a single company/consortium should be provided to avoid a monopoly, however, this mixed approach would entail government assistance for the creation, operation, and exposure of the platform to increase the scale from national to global, positioning Lithuania effectively as an AI conformity assessment provider.
- While this approach requires an organically appearing conformity assessment bodies and is time-sensitive due to the very likely appearing competition abroad, support and exposure to this solution is needed.

5. INSTITUTIONAL AI POLICY

BENEDIKTAS GIRDVAINIS

1. Collaboration between National Supervisory Institutions should be established

- Foundation building for a regular and open communication and partnership system between the national competent institutions.
- Workshops are needed to clarify responsibilities among regulatory institutions.
- Workshops with use-case scenarios should be organized to level the knowledge between the notifying authority, coordinating and other market surveillance institutions.
- Relevant market surveillance authorities should aid with their knowledge within the regulatory sandbox and consult as well as receive information on the issues market and solutions to handling them by dialogue with investigations launched and penalties imposed only when absolutely necessary.

2. One institution as the institutional core facilitator of the local AI ecosystem

- Single institution should serve as the clear first contact point for issues related to AI governance and transfer the questions to other relevant authorities when needed.
- Idea of AI Academy should be brought into fruition with regular informational events, Q&A options and FAQ online, enabling the ecosystem to receive answers to any questions related to AI governance in Lithuania.
- GovTech Lithuania should be given the needed resources to increase AI intake in the public sector, which is deemed to be a stable market for local solutions.

3. National AI governance should be based on agile methods and established strategic aims

- Renewed strategic efforts should be made time-resistant, with long-term aims (for 5 years) as guidance and short-term indicators (for 2 years) which is particularly important considering the frequent and exponential technological and cognitive advances in this area usually making strict long-term waterfall strategies obsolete.

4. High-risk (AIA) should be positioned as a strategic national focus

- High-risk AI according to the AI act including dual-use technology, MedTech, FinTech and others should be made a national priority for creators and deployers leveraging the competitive advantage internationally, advanced local data intake possibilities, pro-innovation and dialogue/consultation-focused regulation, already prospering start-up and SMEs ecosystem in these areas locally, and potentially semi-centralized model of fast-track conformity assessments.
- Regulatory sandbox established by the Innovation Agency should be based on testing and enabling compliance for high-risk AI solutions and regulatory learning for the national competent institutions.

4. National AI Ambassadorship and promotion of strategic positioning frameworks should be established

- Government agencies, especially the core institutional owners of AI governance, should work to host and participate in international events on AI governance and make sure that the national strategic positioning regarding AI would be sufficiently promoted within these and other formats.

6. DATA & ETHICS

AGNĖ MIKŠTIENĖ



1. International ethical guidelines suffice in short-term, there is a need for local guidelines in long-term

- International AI ethics guidelines are sufficient at the initial stage but national-level approved guidelines are also needed in the future.
- Lithuanian conceptualization for clear understanding of AI should be utilized in the national ethical guidelines.
- Academic institutions should collectively decide and adapt ethical assessment frameworks.
- Local institutions responsible for justice enforcement should make the responsibility distribution in AI misuse cases as clear as possible.
- Vulnerable society groups should be exposed and encouraged to participate in the dialogue on AI Ethics and guidelines to ensure inclusivity given the significant direct impact.

2. Public exposure and informal enforcement of AI Ethics should be facilitated by the government

- Publicly available government-organized workshops on responsible use of GenAI are necessary, especially needed for public sector employees.
- Publicly advertise readily available courses on AI, data and IT literacy.
- Series of TV broadcasts, newspaper issues should be created educating the society on the basics of ethics at the nexus of AI.

3. Data collection issues should be solved with government assistance

- Dilemma of compensation for intellectual property used for model training requires an urgent solution, ensuring that data is as open as possible but the rightholders are sufficiently compensated if needed.
- Quality of Lithuanian language datasets should be prioritized in language model training.

