

# Introduction

Emerging technologies like GenAI and agentic AI have the potential to help public sector organizations increase efficiency through automation and strengthen decision-making, helping stretch tight human resources to better serve the public.

Procurement is the moment where AI's potential becomes practical reality. This is the strategic process by which the organization identifies their needs, what they will buy, who they will partner with, and how the solution will be implemented to deliver maximum value for the public.

Done well, the procurement process can help the public sector secure the best solution to meet their mission as quickly as possible while mitigating risks, and strengthen productivity to better achieve their policy goals. Done poorly, the procured AI solution might be underused at best, or fail to achieve outcomes at worst, resulting in expensive failures that weaken trust in government.

To make the most of AI technology, everyone involved in the procurement process must be more nimble and collaborative than ever before. AI requires specific considerations to manage the unique risks and opportunities that come from the technology itself. Leadership must step up to create AI governance policies and support agile procurement practices. Procurement officers need a basic understanding of how AI works, what they should pay special attention to, and whom to involve. Project and technology teams need to understand how the procurement process works, and what to consider as they collaborate together with procurement organizations. Everyone needs to be aware of what questions to ask, and when.

## Why we wrote this guidance

[Open Contracting Partnership](#) is a nonprofit organization that supports public sector organizations around the world to get better results from their procurements through leveraging data, cross-sector collaboration, and goal-driven systems change. Given our technology expertise, our partners are now [asking us](#) questions around buying AI and looking for more resources on how to get started.

We set out to create this guidance with and for procurement directors and officers, as well as for project teams from agencies or departments that want to buy and use AI technology. Through our one-on-one conversations and [group co-creation sessions](#) with over fifty public practitioners and experts, we identified three critical challenges for successful AI procurement:

1. Procurement teams want help understanding, in plain language, what to pay attention to when buying AI technology.

2. Procurement, project, and IT/data teams seek to better collaborate and work in more agile ways to get the best products and outcomes.
3. Public sector organizations must ready their IT, data, and project teams to adopt AI technology.

This guidance seeks to address these challenges by providing actionable and plain language information to help public sector procurement officials get started with the essential information they need to know when buying AI, as well as give procurement, project, and technology teams a shared language and vision for working together. We also highlight some of the key measures that leadership should take to help make their organizations ready to buy and adopt AI technology.

## Who this guidance is for

This guidance was created for **procurement officers**, who are accompanying the purchasing process and want to understand AI technology, how procuring AI is different, and what to pay attention to during the procurement process.

In addition, this guidance can also support:

- **Project teams**, from departments or agencies who want to buy AI technology and are coordinating the overall process from needs identification through implementation, and who want to understand how to get the best results from their purchase.
- **IT and data teams**, who are collaborating with procurement and project teams on AI procurements.
- **Public sector leaders**, who oversee supporting organizational readiness for AI.

## How to use this guidance

This guidance can help you no matter where you are on your AI procurement journey. For example, you may refer to this guidance when you're:

- Helping buy a technology solution with AI features
- Developing your procurement strategy for a specific AI solution
- Upskilling yourself on procuring AI

Each piece of content in this guidance is designed to stand alone. This means that you are welcome to review this guidance from top to bottom, or jump around. We assume that you are familiar with the procurement process and have some knowledge of [good IT procurement practices](#).

Several sections also feature key questions to ask, which are summarized in the **Key questions section** at the end of this guidance. You will note that these questions include both aspects for procurement and non-procurement staff to consider. This is because successful AI procurement is a team effort, and understanding generally what questions need to be asked, and when, can help you facilitate internal conversations and ensure that the right experts are involved in decision-making.

This guidance is for consulting alongside your existing government policies, and frameworks. This is not legal advice.

## Applying these tools in your organization

If you are a member of leadership, we've created additional resources to help you deploy this guidance in your organization.

- **Buying AI training webinar:** This video training walks through the material.
- **Slides:** You are welcome to reuse our guidance in slide format with attribution.
- **Agenda template:** This customizable in-person agenda template outlines key information for an AI procurement staff training.



None

### Insights on AI adoption in the public sector

During our research process, we identified several key insights into the current state of AI adoption that informed the design of this guidance, including:

- **Hype vs reality:** While building or customizing AI tech for cutting-edge use cases is getting a lot of hype, the public sector is currently mostly focused on buying off-the-shelf licenses for productivity solutions. Therefore, we highlight specific considerations for off-the-shelf AI purchases. Some vendors also make exaggerated claims around AI. We explain how having the right people on your team and asking smart questions can help mitigate this risk.
- **Evolving attitudes towards risk:** Most organizations are taking

a very risk-adverse approach to AI, but early movers are now starting to roll back burdensome processes to enable easier access to low-risk technologies. We advocate that organizations take a strategic and risk-based approach to the procurement of AI technologies.

- **AI adoption ≠ AI procurement:** Procurement plays an important and under-appreciated role in AI adoption, but its role is limited with the trend towards centralized buying of off-the-shelf licenses and integration of AI into existing products. We provide recommendations to help organizations embed procurement in their broader AI adoption strategy.

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