EUROPEAN WEEK of REGIONS and CITIES

How can AI, digitalisation, and greening ensure smart and sustainable growth for EU regions and cities?
Naples, 26 November 2024

Session II: Artificial Intelligence in practice: Ideas and Projects

Leveraging AI for Cohesion Fund Management and Strengthening Administrative Capacities

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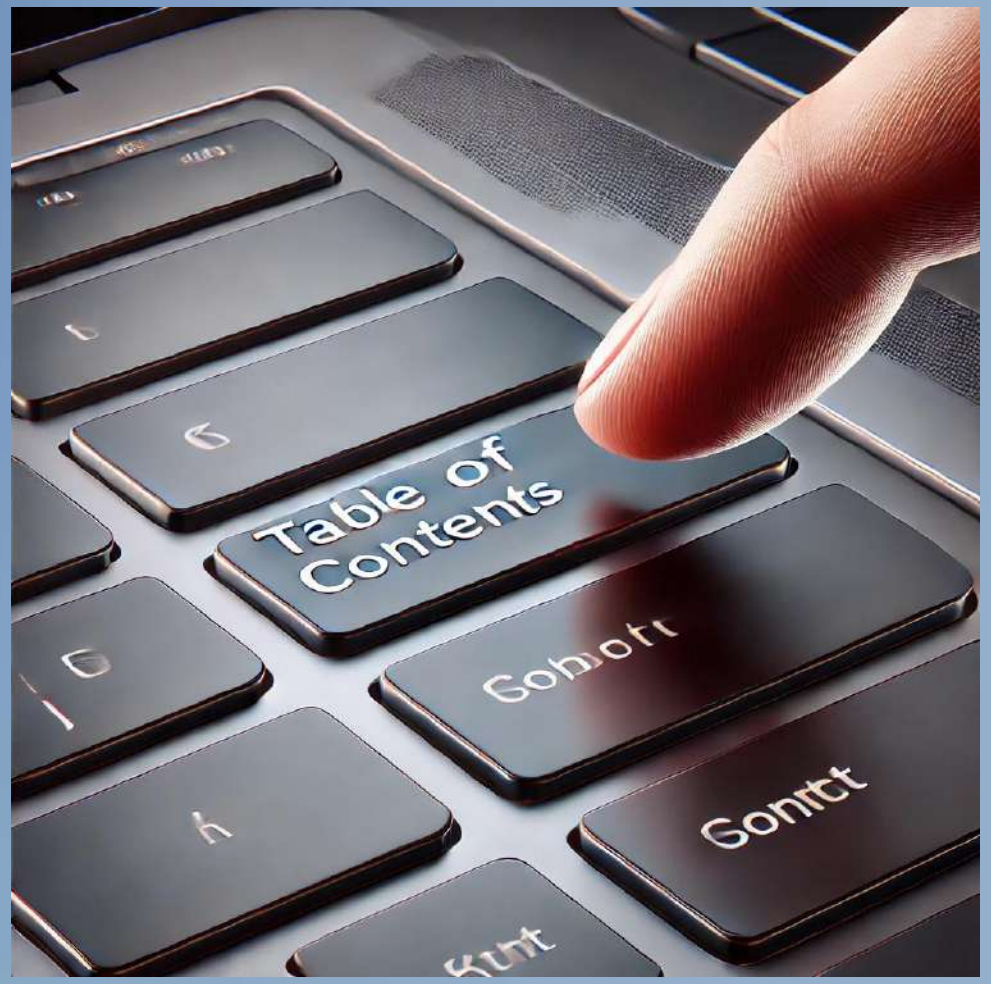
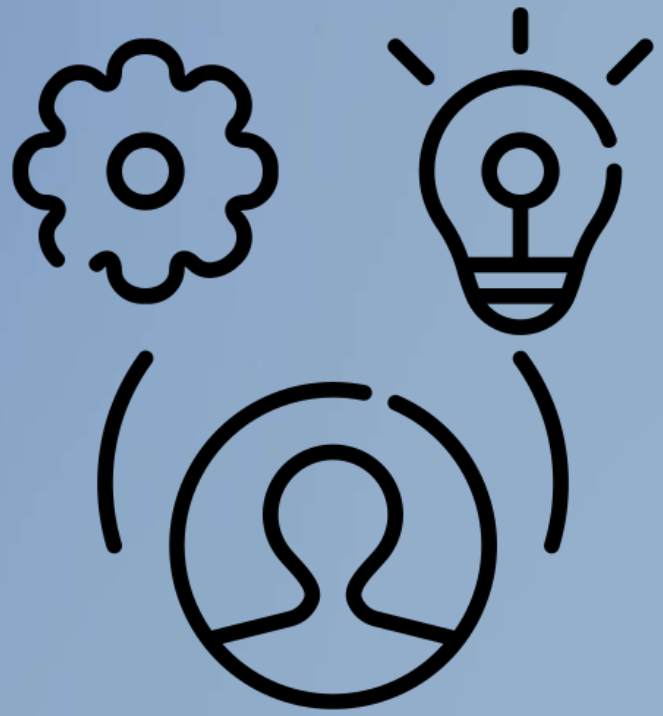


Challanges in cohesion funds implementation

- **Intricate Administrative Processes**: overlapping regulations, excessive workloads, poor interoperability (affecting small municipalities)
- **Spending Inefficiencies**: fraud, irregularities, delays undermine funds' credibility
- **Lack of Public Awareness**: citizens unaware of investments’ impact

The role of AI: addressing key applications

- **Predictive Analytics:** Anticipating delays or issues in projects for more informed decision making
- **Automation of Administrative Controls:** Simplifying verification processes and timing
- **Anomaly & Fraud Detection:** Identifying suspicious patterns in data minimizing risks
- **Simplification of Reporting:** Chatbots and user-friendly tools for easier communication



Our approach for AI in Public Administration

- AI should be a **"support, not a substitute“**
- **Human expertise remains central** to effective management

AI4Funds Project: Smart Innovation in Cohesion Fund Management

- **Automating First-Level Controls:** Reduce verification time by 40%
- **Spending Risk Prediction:** Predict project delays and take corrective actions
- **Smart Digital Assistance:** AI conversational assistant for intuitive interactions

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Formez’s Initiatives for AI

AI in PA Working Group: Exploring AI opportunities with the Ministry of Public Administration

“*AI should expand the value chain, creating a virtuous circle aimed at more efficient service delivery to citizens and businesses, which is ultimately the mission of public administrations*” **Giovanni Anastasi, President of Formez PA**

Formez’s Initiatives for AI

AI Training: Webinars and courses on the Syllabus platform

https://www.formez.it/notizie/formazione-sullintelligenza-artificiale-si-riparte-un-ciclo-3-webinar

Formez’s Initiatives for AI

Call4Ideas: Engaging staff to enhance innovative ideas on AI

5 evaluation criteria: scope and detail, cost-benefit analysis, originality and innovation, sustainability and feasibility, and appeal and external communicability

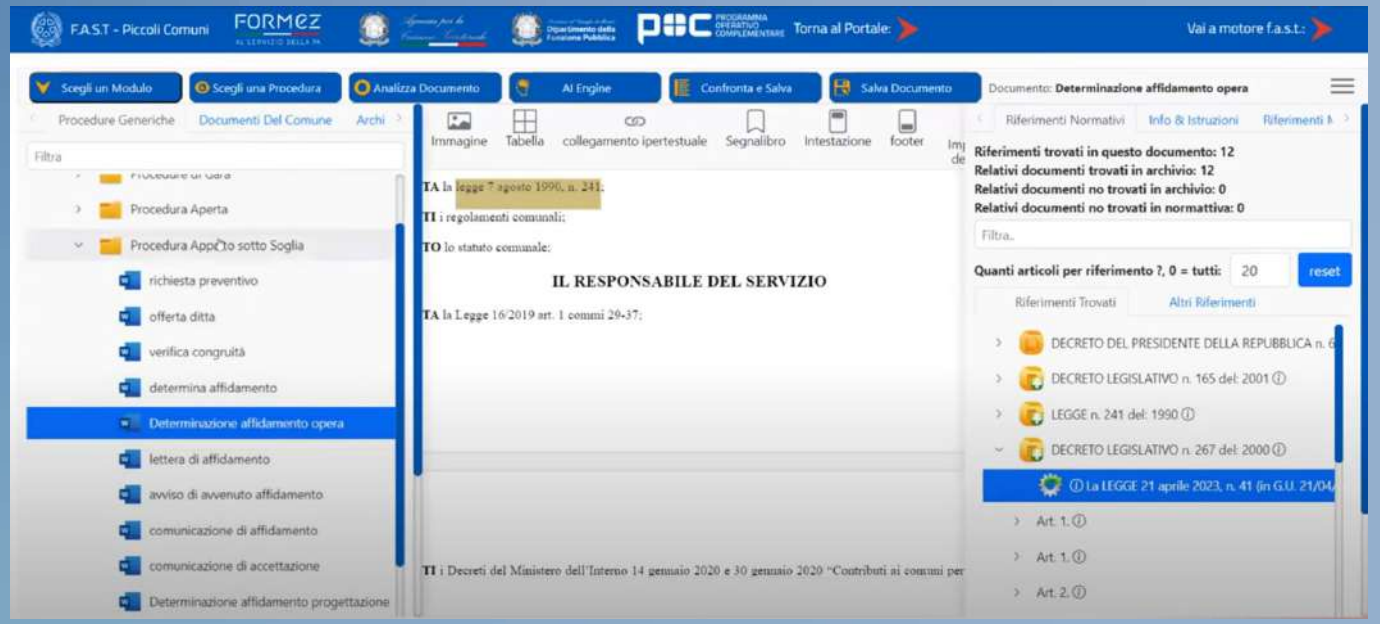
Formez’s Initiatives for AI

Applied Projects: "Camilla" – Using virtual assistants to support candidates in navigating the selection processes managed by Formez

Formez’s Initiatives for AI

Applied Projects: Automation of Document Templates in Small Municipalities - **Legal Desktop** (FAST Project)

digitalization of about 250,000 documents and mapping of about 110 municipal processes



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Vision for AI in Public Administration

- Continuous **training** to develop technical and decision-making skills
- Focus on **people**, **skills** and **ethical responsibility**
- Building an “**ethical guardrail**” to ensure AI’s inclusive, reliable use

“Innovation distinguishes between a leader and a follower” *Steve Jobs*

THANK YOU – Mariarosaria Russo mrusso@formez.it

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