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**Status**: draft

**Context**

This document outlines a positioning statement which can be adopted by IB1, its members and any other organisation.

**In scope**: data governance as it relates to ai. This includes input data, data management and derived data.

**Out of scope**: software, apps, related issues that are linked to but not under the direct remit of data governance. While there are clearly many overlapping issues, the ambition of this document is to attempt to focus.

### **Our Positioning on Artificial Intelligence (AI)**

#### **Harnessing AI for a Trusted, Open, and Sustainable Data Ecosystem**

We are committed to leveraging artificial intelligence (AI) as a key enabler of an open, secure, and sustainable data ecosystem. AI presents immense opportunities for driving economic growth, accelerating the transition to net zero, and enhancing financial and regulatory frameworks. However, AI must be deployed responsibly—ensuring trust, transparency, and interoperability across sectors.

#### **AI for Smart Data and Decentralised Governance**

We recognise that AI can enhance data-sharing ecosystems, such as Open Banking, Open Energy, and Open Finance, by automating compliance, improving decision-making, and facilitating secure, real-time data exchanges. The UK’s **Data Use and Access Bill** lays the groundwork for smart data enabled AI applications, empowering authorised third parties to access structured data upon consent​.

However, AI governance is critical. Traditional regulatory approaches may struggle to keep pace with AI's evolving capabilities, as seen in discussions on decentralised AI governance models. IB1 supports a **hybrid governance model**, combining robust oversight with decentralised data sharing, including smart contracts and digital identity solutions. This aligns with the UK government’s AI Opportunities Action Plan, which prioritises secure infrastructure, ethical AI adoption, and regulatory assurance​.

#### **AI-Driven Sustainability and the Net Zero Transition**

The integration of AI into **sustainability initiatives** is central to IB1’s mission. AI-powered data analytics can optimise **energy efficiency**, facilitate **carbon accounting**, and enhance **climate risk modelling**. The UK’s 2030 Net Zero goals depend on unlocking **real-time smart meter data** and improving interoperability between Open Energy (<https://ib1.org/energy>), Open Finance (<https://cfit.org.uk>), and Open Property​ (<https://openpropdata.org.uk>).

AI can play a crucial role in:

* Automating emissions reporting and compliance in projects like **Perseus**​
* Enhancing grid flexibility and energy management through **predictive analytics**
* Driving sustainability-linked financial incentives via **open finance mechanisms**

#### **Ethical AI, Data Interoperability, and Consumer Trust**

AI’s potential to **unlock financial, energy, and property data** must be balanced with privacy, security, and ethical considerations. IB1 advocates for AI models that:

* **Respect consumer consent and data sovereignty**, using decentralised identity frameworks
* **Support open standards** to ensure interoperability between AI-driven systems
* **Embed transparency and explainability** to mitigate AI biases and prevent regulatory fragmentation​

### **Resilience in the Context of AI and Data Infrastructure**

**Resilience** refers to our ability to withstand, adapt to, and recover from **disruptions, risks,** and **systemic shocks**, while maintaining essential functions and accelerating positive transformation. In the context of **AI** and **data infrastructure**, this means ensuring that AI-driven systems contribute to **economic stability, sustainability, security,** and **social equity**, rather than introducing new vulnerabilities or exacerbating inequalities.

### **AI and Resilience: Key Dimensions**

1. **Economic Resilience**
   * AI can enhance **financial stability** by improving risk modelling, fraud detection, and regulatory compliance in Open Finance and Open Banking frameworks.
   * In **climate finance**, AI-driven insights can help mitigate financial risks related to extreme weather events and sustainability-linked investments.
   * Ensuring AI-driven data-sharing infrastructure (e.g. **smart data** initiatives​) is **interoperable and equitable** will prevent market concentration and support SME growth.
2. **Sustainability and Environmental Resilience**
   * AI can optimise **energy efficiency, emissions tracking,** and **climate risk modelling**, helping industries and governments meet net zero goals​.
   * Predictive analytics unlocked by Open Energy can enable better grid management, reducing disruptions from energy demand fluctuations and extreme weather.
   * AI-power**ed real-time data sharing can** improve decision-making in water, transport, and natural resource management.
   * AI governance landscape must codify a requirement for AI use to demonstrably **contribute to the UK’s net zero targets** and for this requirement to be open to monitoring and audit
3. **Regulatory and Governance Resilience**
   * **Decentralised governance models for AI** can prevent regulatory capture, ensure transparency, and maintain **public trust in AI-enabled services**.
   * AI-driven **compliance automation** can help businesses and financial institutions adhere to evolving regulatory requirements without excessive administrative burden.
   * Ethical AI frameworks must be embedded to ensure AI decision-making **aligns with societal values and public interest**.
4. **Digital and Cyber Resilience**
   * AI can strengthen **cybersecurity** by detecting and mitigating threats in real time, protecting critical infrastructure from cyberattacks.
   * Open and interoperable **digital identity frameworks** reduce the risk of **data monopolisation and privacy violations**, ensuring individuals have control over their data.
   * Robust **data governance policies** ensure AI systems remain **secure, transparent, and resistant to manipulation**.
5. **Social and Community Resilience**
   * AI can **reduce digital exclusion** by making **public services, healthcare, and financial tools more accessible** to underserved communities.
   * Smart data and AI-enabled decision-making can improve **emergency response and disaster preparedness**, ensuring faster, **data-driven interventions**.
   * AI must be **designed to mitigate bias and discrimination**, ensuring fair access to **economic opportunities, financial services, and public resources**.

### **Why resilience matters**

We are positioned to **shape AI resilience** by advocating for **open, rights-based sustainable data infrastructure**. AI should be designed to **support equitable economic growth, environmental sustainability,** and **regulatory trust**, ensuring that data ecosystems remain **adaptive, secure, and beneficial for all**.

ENDS

#### **Driving AI Policy Innovation with Icebreaker One** [**ib1.org**](http://ib1.org)

IB1 is uniquely positioned to shape AI policy by bridging the gap between **technical standards, regulatory frameworks,** and **industry adoption**. Our focus areas include:

1. Developing **AI-Assisted Data Governance** Frameworks – Ensuring AI-driven data-sharing aligns with **smart data** initiatives and regulatory compliance
2. Creating **AI-Enabled Trust Frameworks** – Supporting AI-based digital identity solutions for secure, cross-sector data access
3. Advancing **AI for Climate Finance** – Using AI to **streamline net zero reporting,** automate carbon risk assessments, and optimise green finance mechanisms

IB1 acknowledges the risk of AI systems generating increases in energy and water demand. Both the impacts and the demand profile of AI use should be subject to scrutiny and **appropriately governed** to ensure they contribute meaningfully to the UK’s net zero targets

As AI transforms data ecosystems, IB1 remains committed to **collaborative, open, rights-based and ethical AI deployment** to drive economic growth, sustainability, and societal resilience.