# From Knowledge to AI Economy

East Asia Forum, 19 September 2024

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# **History of Inventions**



1997

ChatGP

ChatGP<sub>1</sub>



Printing

Press

1439





Stoom

Engine

1698

Combustion

Internal

Engine

1859

Alternating Current (AC) 1887

Personal Computer 1974

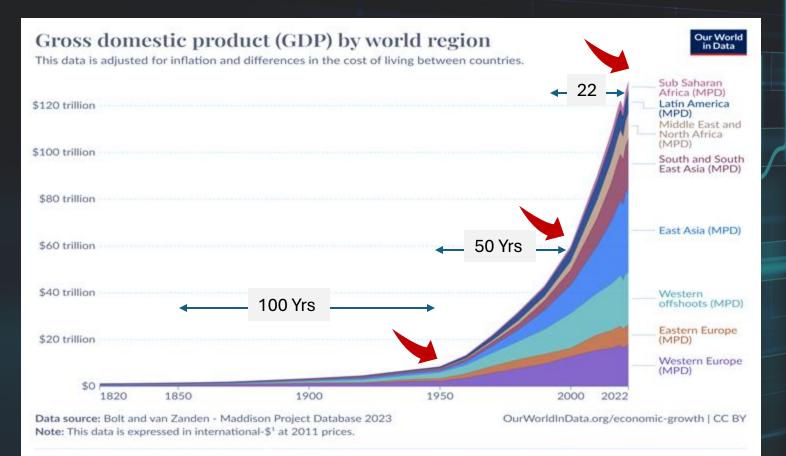
1989

World Wide Web

1989

Integrated Circuit 1958

### Entering the scenario of exponential growth with artificial intelligence



1. International dollars: International dollars are a hypothetical currency that is used to make meaningful comparisons of monetary indicators of living standards. Figures expressed in international dollars are adjusted for inflation within countries over time, and for differences in the cost of living between countries. The goal of such adjustments is to provide a unit whose purchasing power is held fixed over time and across countries, such that one international dollar can buy the same quantity and quality of goods and services no matter where or when it is spent. Read more in our article: What are Purchasing Power Parity adjustments and why do we need them?

#### Industrial Revolution (1820-

**1950):** Marked by the shift from manual labor to machine -powered production.

#### Computerization (1950-2000):

The transition from analog to digital formats, particularly in computing and communication.

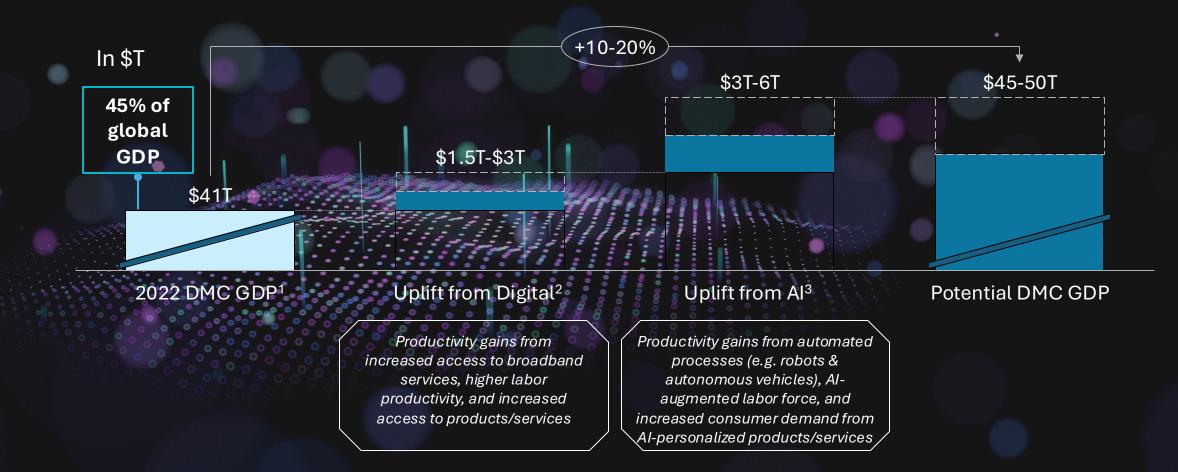
#### Digitalization (2000-2022): The

increasing integration of digital technologies into all aspects of society and business.

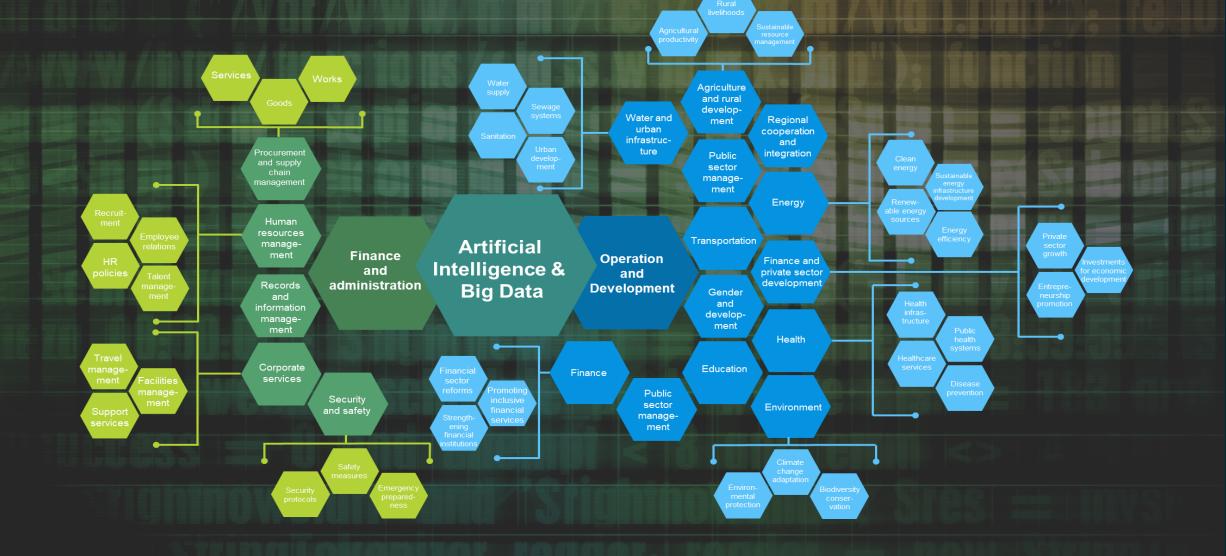
#### "Intelligentization" (2022)

**Onward):** The emergence of intelligent systems, such as artificial intelligence and machine learning, that can learn, adapt, and perform tasks previously requiring human intelligence.

Digital and AI technologies could bring ~\$4.5 – 9T of economic uplift to development members countries (DMCs) by 2030



1. Incl. Armenia, Azerbaijan, Bangladesh, Bhutan, Cambodia, Micronesia, Fiji, Georgia, India, Indonesia, Kazakhstan, Kiribati, Kyrgyz Republic, Laos, Malaysia, Maldives, Marshall Islands, Mongolia, Myanmar, Nauru, Nepal, Pakistan, Palau, Papua New Guinea, China, Philippines, Samoa, Solomon Islands, Sri Lanka, Tajikistan, Thailand, Timor Leste, Tonga, Turkiye, Turkmenistan, Tuvalu, Uzbekistan, Vanuatu, Vietnam. 2. Based on RICOH's 3.4% estimate and ITU's 7% estimate. 3. Based on Goldman Sachs' 7% estimate and PwC's 14% estimate Sources: PwC AI Analysis Sizing the Prize Report; Goldman Sachs Report; RICOH-issued Opinium and CEBR report; The economic contribution of broadband, digitization and ICT regulation, Katz, R. and Callorda, F. (2018), ITU Publication; BCG analysis AI (and big data) opportunities for ADB's development operations, sectors and thematic groups, insight-driven and intelligent applications



# Demo Videos



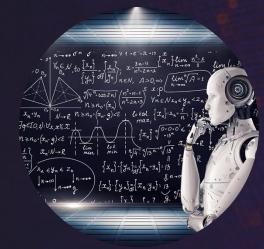
### ADB Genie Supporting ADB Development Goals

ADB Genie does more than answer questions. It transforms raw data into insights and insights into action, empowering everyone to make informed decisions swiftly and efficiently.

Sign in

### **ADB** Genie

## Challenges and considerations



- Ethical Implications
- Financial, Brand and Reputational Risks
- Responsible Use AI
- IP, Copyrights, and Misuse (Misinformation)
- Deepfake (Disinformation)

- Data Protection and Security
- Cybersecurity Risks and Adversarial Attacks
- Skill Gap and Upskilling
- Jobs Displacement vs New Jobs Creation

# **References on Al Governance**





ETHICS GUIDELINES FOR TRUSTWORTHY AI



Prioritizing People and Planet as the Metrics for Responsible Al

Ethically Aligned Design for Business





ARTIFICIAL INTELLIGENCE GOVERNANCE FRAMEWORK SECOND EDITION

SG:D IIM pdpc



Artificial Intelligence Risk Management Framework (AI RMF 1.0)

> NIST NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOU



Ethics guidelines for trustworthy Al | Shaping Europe's digital future (europa.eu) IEEE SA -Autonomous and Intelligent Systems (AIS) SG PDPC AI Model Governance Framework (2<sup>nd</sup> Edition) <u>Al Risk</u> <u>Management</u> <u>Framework | NIST</u> IEC and ISO work on artificial intelligence

Latest Update: Launch China's <u>Global Al Governance Initiative</u> (GAIGI) on 24 Oct 2023

## ADB's Responsible AI Framework



Harm Avoidance



Privacy & Security

Transparency

Explainability

र्द्रस्त

Fairness



Data Integrity



Accountability



**Reliability &** Safety

#### 'Harm avoidance' through the framework, references the ADB Safeguard Policy and Operational Risk Assessment criteria to ensure co sistent application with ADB overarching policies

n evaluating harm in ADB's AI Use Cases, we wil The evaluation criteria from the Scoring Matri zoom in on the evaluation criteria for the "Harm points us to Section 6.1.5. of the framework for avoidance" principle using the Acceptable Use detailed understanding of harm assessme Risk Scoring Matri iples of harm-avoidance with regards to iduals, society and planet? ave we ensured the AI solution upholds nental societal values pertinent to impact Have we identified if the AI tool adoption will not cause a harmful disruption to our current workfo (e.g. does not reclace human)

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En	cerpt from	m Operational Risks Assessment Crit	er

he assessment requires additional guidance

and frameworks to ensure consistent application of ADB's Safeguard Policy and

the Operational Risks Assessment Criteria.

#### **Bringing Responsible AI to life**





Next steps

The framework and scoring tool alone, is not

enough to sufficiently manage Res

arationalise the frame

Next steps have been suggested to

The ADB Responsible AI framework The ADB responsible AI framework sets the principles, policies and expected processes.

It informs you of the process and considerations towards design controls to use AI safely, and once implemented enables you the mechanism to continuously use AI responsibly, in a risk

#### The acceptable use scoring tool Operationalising the framework

Based on the framework, the acceptable use scoring tool, is a mechanism to operationalise the framework, enabling ADB teams to assess the risks and identify controls that exist or requi

Building new Al driven tools
Procuring tools with AI capabilit
Publishing and advising using A
Consuming Al tools
Providing advice incorporating

Al tools Al as a

# ADB's role in bridging the digital and AI divide

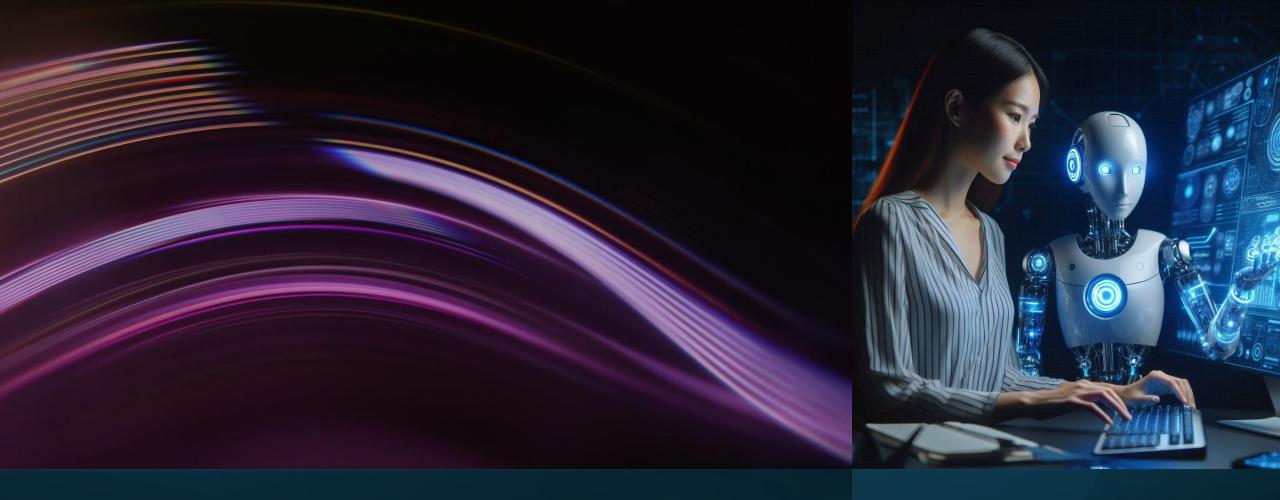




- Jobs displacement and creation
- Skill transition and upskilling for higher value jobs
- Access to technology and Al
- Digital public goods

- Economic growth
- Distribution and inclusiveness

- Globalization and interdependence
- Geopolitical tensions and multilateral development



"Logic is the beginning of wisdom, not the end." Spock, Star Trek "The Final Frontier"