



**United States Agency for International Development Request for Information on an AI in Global Development Playbook  
February 27, 2024**

BSA appreciates the opportunity to provide comments on the United States Agency for International Development (USAID) Request for Information on an AI in Global Development Playbook (RFI).

BSA is the leading advocate for the global software industry.<sup>1</sup> BSA members are at the forefront of developing cutting-edge services — including AI — and their products are used by businesses across every sector of the economy.<sup>2</sup> For example, BSA members provide tools including cloud storage and data processing services, customer relationship management software, human resource management programs, identity management services, cybersecurity services, and collaboration software. BSA members are on the leading edge of providing AI-enabled products and services. As a result, they have unique insights into the technology's tremendous potential to spur digital transformation and the policies that can best support the responsible use of AI.

BSA's views are informed by our experience working with member companies to develop the BSA Framework to Build Trust in AI,<sup>3</sup> a risk management framework we published more than two years ago to help companies mitigate the potential for unintended bias in AI systems. Built on a vast body of research and informed by the experience of leading AI developers, the BSA Framework outlines a lifecycle-based approach for performing impact assessments and highlights corresponding best practices.<sup>4</sup> Our experience on these issues informs our recommendations below.

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<sup>1</sup> BSA's members include: Adobe, Alteryx, Asana, Atlassian, Autodesk, Bentley Systems, Box, Cisco, CNC/Mastercam, Databricks, DocuSign, Dropbox, Elastic, Graphisoft, Hubspot, IBM, Informatica, Kyndryl, MathWorks, Microsoft, Okta, Oracle, PagerDuty, Palo Alto Networks, Prokon, Rubrik, Salesforce, SAP, ServiceNow, Shopify Inc., Siemens Industry Software Inc., Splunk, Trend Micro, Trimble Solutions Corporation, TriNet, Twilio, Workday, Zendesk, and Zoom Video Communications, Inc.

<sup>2</sup> See BSA | The Software Alliance, Artificial Intelligence in Every Sector, *available at* <https://www.bsa.org/files/policy-filings/06132022bsaaieverysector.pdf>.

<sup>3</sup> See BSA | The Software Alliance, Confronting Bias: BSA's Framework to Build Trust in AI, *available at* <https://www.bsa.org/reports/confronting-bias-bsas-framework-to-build-trust-in-ai>.

<sup>4</sup> BSA has testified before the United States Congress and the European Parliament on the Framework and its approach to mitigating AI-related risks. See, e.g., Testimony of Victoria Espinel, Public Hearing on AI & Bias, Special Committee on Artificial Intelligence in a Digital Age, European Parliament, Nov. 30, 2021, *available at* [https://www.europarl.europa.eu/cmsdata/244265/AIDA\\_Verbatim\\_30\\_November\\_2021\\_EN.pdf](https://www.europarl.europa.eu/cmsdata/244265/AIDA_Verbatim_30_November_2021_EN.pdf); Testimony of Victoria Espinel, The Need for Transparency in Artificial Intelligence, Before the Senate Committee on Commerce, Science, and Transportation Subcommittee on Consumer Protection, Product Safety, and Data Security, *available at* <https://www.bsa.org/files/policy-filings/09122023aitestimonyoral.pdf>.

AI is critical to organizations across every industry sector and to the economic development of countries all over the globe. Companies need to flexibly transfer data across borders to realize the benefits of AI, even in everyday uses. For example, businesses in all sectors benefit from AI systems that can help them identify and manage common documents, improve inventory management, and implement strong cybersecurity measures.<sup>5</sup> The AI in global development playbook should recognize the importance of AI to businesses across sectors and the role of cross-border data transfers in supporting the responsible development and use of AI systems worldwide.

The RFI covers a broad range of topics and inquires, among other things, about existing principles, tools, or best practices for advancing AI in a risk-aware manner. Our comments focus on how AI policies can support best practices including:

- Facilitating cross-border data transfers;
- Adopting the National Institute of Standards and Technology (NIST) AI Risk Management Framework (RMF);
- Implementing risk management programs;
- Conducting impact assessments for high-risk AI; and
- Distinguishing between different actors in the AI ecosystem.

**A. Cross-border data transfers are critical to the development and use of AI systems.**

AI involves the application of analytical techniques to data generated in various countries, transferred across borders, and consolidated into larger data sets. From developing predictive models to deploying and using analytical solutions, AI systems are trained by ingesting large data sets to identify underlying patterns, relationships, and trends that are then transformed into mathematical models that can make predictions based on new data inputs. These data sets often originate from geographically dispersed sources across global digital networks, making it imperative that data can move seamlessly and securely across borders in real time.

Responsible development of AI systems, supported by data inputs from across the globe, can help fuel advancements in healthcare, transform education, optimize manufacturing, expand accessibility tools, strengthen cybersecurity, and increase business productivity and competitiveness. For example, AI helped fast-track the COVID-19 vaccine, cutting timelines from years to months, as researchers analyzed data transferred from around the world to quickly identify potential vaccine treatments.<sup>6</sup> Global access to information can also increase data collected in different languages and on different populations, which can improve the representativeness of data and efficacy of AI systems.

Cross-border data transfers also contribute to broader economic development, including improving access to global markets and technology, which promotes innovation and

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<sup>5</sup> See BSA | The Software Alliance, Everyday AI for Businesses, available at <https://www.bsa.org/files/policy-filings/08012023aibusiness.pdf>.

<sup>6</sup> See e.g., Ganes Kesari, Why Covid Will Make AI Go Mainstream In 2021, Forbes (Dec. 2020), <https://www.forbes.com/sites/ganeskesari/2020/12/21/why-covid-will-make-ai-go-mainstream-in-2021-top-3-trends-for-enterprises/?sh=48c8f9cd797a>; Arshadi et al., Artificial Intelligence for COVID-19 Drug Discovery and Vaccine Development, Front. Artif. Intell. (Aug. 2020), <https://www.frontiersin.org/articles/10.3389/frai.2020.00065/full>.

competitiveness.<sup>7</sup> As the USAID has acknowledged, digital ecosystems have the potential to equip informal merchants, women entrepreneurs, small farmers, and small businesses engaged in cross-border trade with access to markets and information, and digital trade that spans borders depends on free data flows.<sup>8</sup> There is a 15% estimated increase in developing country share of global services if developing countries fully adopt digital tools, including through cross-border access to cloud and software-enabled technologies.<sup>9</sup> Restrictions on cross-border access to information and other digital trade barriers harm GDP, investment flows, productivity, and small businesses.<sup>10</sup> As the World Bank has recognized, restrictions on data flows have large negative consequences on the productivity of local companies using digital technologies and on trade in services.<sup>11</sup> The World Bank has indicated that countries would gain on average about 4.5 percent in productivity if they removed their restrictive data policies.<sup>12</sup> As developing countries consider approaches to AI policies, they should ensure the flow of data across borders, which is critical to both AI development and national economic development.

## **B. The Global Playbook should support adoption of the NIST RMF by organizations worldwide.**

As organizations transfer data globally to develop and use AI systems, they should also manage the risks that arise. The NIST RMF is a significant achievement, and organizations worldwide can apply the RMF to manage AI risks.

The RMF is a flexible framework that highlights key areas that organizations should address, including identifying metrics for risk measurement and evaluation, delineating roles and responsibilities, assessing the AI system's trustworthiness characteristics, and establishing feedback processes. A key benefit of the RMF is that it creates a common language for organizations handling AI risks. For example, if a set of organizations implements risk management practices based on the RMF, those entities can more readily manage risks across their organizations because they share a common approach to risk management. NIST's accompanying RMF playbook helps operationalize these concepts. Further, industry profiles help illustrate how the RMF can be applied across sectors. Organizations in developing countries can leverage the RMF to help govern, map, measure, and manage AI risks. By focusing AI risk management efforts on practices that align with the RMF, organizations worldwide can establish a common language for addressing AI risks – helping them better address risks across organizations. Global interoperability is critical for organizations developing and deploying AI across different jurisdictions.

Going forward, countries worldwide will also benefit from the development of international, voluntary, consensus-based standards relating to AI. The global nature of today's technology ecosystem demands coordinated policy responses to foster innovation.

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<sup>7</sup> See Global Data Alliance, Cross-Border Data Transfers & Economic Development Access to Global Markets, Innovation, Finance, Food, and Healthcare, 2-3, *available at* <https://globaldataalliance.org/wp-content/uploads/2021/07/05062021econdesvelopments1.pdf>.

<sup>8</sup> USAID Digital Strategy, 2020-2024, 37, *available at* [https://www.usaid.gov/sites/default/files/2022-05/USAID\\_Digital\\_Strategy.pdf](https://www.usaid.gov/sites/default/files/2022-05/USAID_Digital_Strategy.pdf).

<sup>9</sup> *Id.* at 4.

<sup>10</sup> See Joseph Whitlock, The True Cost of USTR's U-Turn on Data in the WTO E-Commerce Talks, Hinrich Foundation (Nov. 21, 2023), *available at* <https://www.hinrichfoundation.com/research/article/digital/wto-e-commerce-negotiations/>.

<sup>11</sup> World Bank, World Development Report 2020 Trading for Development in the Age of Global Value Chains 244, *available at* <https://www.worldbank.org/en/publication/wdr2020>.

<sup>12</sup> *Id.*

Harmonized international standards that reflect elements of the RMF will be key to responsible development of AI and will enable innovators to confidently and flexibly adopt the technology for beneficial applications.

**C. Implementation of risk management programs effectively addresses AI risks.**

As the RMF recognizes, AI governance plays a critical role in establishing corporate safeguards and accountability mechanisms for the development and deployment of trustworthy AI. Risk management programs enable organizations to identify the personnel, policies, and processes necessary to manage AI risks. Elements of a risk management program may include clearly assigning roles and responsibilities, establishing formal policies, using evaluation mechanisms, ensuring executive oversight, performing impact assessments for high-risk AI, and having internal independent review mechanisms, such as interdepartmental governance or ethics committees, to evaluate and address AI issues that pose high risks. Organizations can incorporate these practices as part of a broader corporate risk management program or as a separate AI program. Organizations in all countries, and across every industry, can benefit from implementing these practices.

**D. Impact assessments are an important accountability tool for high-risk AI systems and should be conducted based on a company's role in the AI ecosystem.**

The RMF also highlights the utility of impact assessments. Impact assessments are important accountability tools that help developers and deployers identify and mitigate risks associated with high-risk AI systems. The principal value of an impact assessment is that it allows an organization to rigorously examine its practices, which drives change in internal processes. These changes help organizations adapt to new and emergent risks and implement changes across their products and services. Organizations around the globe and across industry sectors can utilize impact assessments as part of their risk management efforts. The fact that assessments are being performed for high-risk AI systems also promotes trust for external stakeholders because they will know that an organization is conducting a thorough examination of AI systems, and that the assessments are available to regulators upon request in the event of an investigation.

Impact assessments should focus on high-risk AI systems, to ensure that organizations devote resources to addressing systems that pose the greatest potential risks to individuals. Organizations must also conduct impact assessments that reflect the risks of their specific AI system and their role in developing or deploying that system. Both developers and deployers should conduct impact assessments of high-risk systems — but those assessments must reflect their different roles. Because a developer is the entity that designs, codes, or produces an AI system, and a deployer is the entity that uses an AI system, these two organizations will have different roles in identifying and mitigating potential risks.

**E. AI policies should reflect the different roles of different entities along the AI value chain.**

As developing countries consider policies to address AI risks, they should recognize that there are often a broad set of actors involved in developing and deploying an AI system. These actors must work together for the system to function properly — and to appropriately manage the risks associated with that AI system.

As described above, these different roles include both the developers and deployers of an AI system. Communication among these different actors is important to ensure the successful operation of accountability frameworks across the lifecycle of an AI system. Developers that design a high-risk AI system should provide deployers using that AI system with the information reasonably necessary for the deployer to conduct an impact assessment. This may include the AI system's capabilities, known limitations, and guidelines for intended use. By providing this information, a deployer can then assess the use of an AI system in light of the developer's intended use for the system and its known limitations. At the same time, because developers will not have insight into the actual use of the AI system and do not have a relationship with the consumer or end user, a deployer should be responsible for monitoring issues that arise in downstream implementation, including facilitating feedback to identify such issues.

Organizations may also take on other roles, such as integrating an existing AI model into the organization's products and services. Any obligations placed on these organizations should similarly reflect their role in integrating the AI system into the organization's products and services.

Creating role-based obligations is not unique to AI; role-based responsibilities are considered best practice in privacy and security legislation worldwide.

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Thank you for the opportunity to provide comments. We look forward to serving as a resource as you continue to create an AI in global development playbook.