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As a working paper, this publication is subject to further revisions and additions, and does not aim to provide an exhaustive assessment of global approaches to the public procurement of AI systems. The recommendations presented should similarly be understood as part of an evolving analysis, subject to further consultation and examination.

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Making AI Procurement Work: A Framework for Scalable Government Adoption

Working Paper

I. Background

AI is increasingly recognised as a foundational technology for public sector transformation, with around 67% of OECD countries now using AI to improve government functions. AI integration is projected to help governments cut budget costs by as much as 35% over the next decade.¹ Recognising this potential, the Indian government is also exploring partnerships with AI service providers to enable public service transformation.

As India looks to scale public procurement of AI systems, standardised processes and guidelines will become increasingly important. AI procurement requires public authorities to assess a range of considerations, including cybersecurity, human oversight, responsible AI safeguards, accountability, and post-deployment monitoring. Standardised guidance is therefore critical not only to streamline procurement processes but also to ensure that consistent risk management and governance standards are applied across departments.

India currently lacks a centralised procurement framework for AI services. While the AI Governance Guidelines² promote a whole-of-government approach to AI safety, accountability, and trust, and the General Financial Rules, 2017³ govern public procurement more broadly, there is no dedicated framework setting out standardised procurement criteria or government preparedness checks needed for integrating AI systems. Recent Requests for Proposal (RFPs) released at central and state levels bridge this gap to some extent. The Odisha government, for instance, recently released an RFP for empaneling frontier AI model developers and platform providers.⁴ At the central level, the Ministry of Electronics and Information Technology (MeitY) has released an RFP to empanel up to 20 firms to support AI-enabled modernisation of legacy government IT systems.⁵ These, however, do not adequately address the need for standardised vendor evaluation metrics that consistently equip government departments to deploy secure and trustworthy AI systems. By contrast, MeitY's cloud procurement guidelines⁶ establish common standards⁷ for vendor selection, security requirements, service-level expectations, and procurement preparedness, providing departments with a consistent baseline for procurement decisions.

II. Approach and Methodology

Through consultations with industry and government stakeholders, TQH identified a clear gap in the availability of accessible, consolidated analysis of global approaches to public procurement of AI systems.

¹ How AI can transform public Services, <https://www.infosys.com/iki/perspectives/how-ai-transform-public-services.html>.

² India AI Governance Guidelines, <https://static.pib.gov.in/WriteReadData/specificdocs/documents/2025/nov/doc2025115685601.pdf>.

³ General Financial Rules, 2017, https://doe.gov.in/files/circulars_document/GFR2017_0_11zon_1.pdf.

⁴ Odisha government's RFP, <https://www.ocac.in/sites/default/files/2026-06/Empanelment%20for%20Tech%20companies%20V12.pdf>.

⁵ MeitY looks to empanel 20 firms for AI, agentic AI-led overhaul of govt IT systems, <https://www.moneycontrol.com/technology/meity-looks-to-empanel-20-firms-for-ai-agentic-ai-led-overhaul-of-govt-it-systems-article-13962074.html>.

⁶ Office Memorandum: Guidelines for cloud selection framework, <https://www.meity.gov.in/static/uploads/2026/03/a49a9e2bfb5bbd9057cf3efafda5b8d7.pdf>.

⁷ Stepwise Guide on Process for Empanelment of Cloud Service offerings, https://ambud.meity.gov.in/assets/web_assets/Includes/files/Stepwise%20guide%20on%20empanelment%20process.pdf.

This working paper seeks to address that gap by bringing together emerging international practices and lessons to inform how governments can design more effective, future-ready AI procurement frameworks.

The analysis draws on secondary research, including a review of public procurement guidelines for AI systems across five jurisdictions — **Canada, the European Union, the United Kingdom, the United States of America, and Singapore**. These jurisdictions were selected based on the scale of AI adoption and procurement in government and/or the availability of systematic public procurement frameworks for AI.

The aim is to identify the merits of different approaches to procurement that India can draw on to standardise and scale AI deployment in the public sector. Accordingly, the research focuses on the overarching approaches and principles that shape AI procurement, rather than the specific technical standards or requirements prescribed for different types of AI systems across these jurisdictions.

Finally, the analysis translates these findings into recommendations for policymakers in India, and potentially other nations looking to scale AI procurement. **A detailed jurisdiction-wise assessment is provided in the chapter that follows.** This structure allows readers to first engage with the key takeaways from global approaches and principles, while referring to the jurisdiction-wise analysis for further detail.

III. Key Takeaways and Recommendations

As noted above, in the absence of central guidance, government departments often default to either not procuring AI systems or issuing ad hoc RFPs, resulting in inconsistent approaches to risk management and uncertainty for vendors. The following insights highlight how standardised central guidance can provide greater clarity, consistency and confidence, while enabling the government to scale the responsible procurement of AI systems.

1. **Identifying the right approach for AI procurement:** Across jurisdictions, two key approaches to procurement emerge - whitelisting and specification of key metrics of evaluation - both with their unique merits.
 - a. **Whitelisting signals to government departments which providers are already trusted, so each department doesn't have to re-evaluate vendors from scratch every time it procures.** For instance, Canada's AI Source List⁸ pre-qualifies over 140 vendors based on AI ethics, past implementation experience, and AI talent (providers' expertise and experience). This allows departments to draw directly from a vetted pool rather than running fresh evaluations each time. While whitelisting simplifies the initial assessment of trustworthiness, departments may still need to assess AI systems against their deployment contexts and specific service needs. Canadian government departments for instance must run Algorithmic Impact Assessments⁹ before AI systems go live.

⁸ Canada's Artificial intelligence source list,

<https://www.canada.ca/en/public-services-procurement/services/acquisitions/better-buying/simplifying-procurement-process/artificial-intelligence-source-list.html>.

⁹ Algorithmic Impact Assessment tool,

<https://www.canada.ca/en/government/system/digital-government/digital-government-innovations/responsible-use-ai/algorithmic-impact-assessment.html>.

- b. **Specifying evaluation metrics, by contrast, signals to departments what checks they should run for AI procurement.** These may be differentiated based on project duration, cost, impact/risk and use case – *see recommendations below*. This approach can be particularly relevant for project-specific or higher-risk procurements where whitelisting may not provide sufficient assurance. India's NeGD has also adopted this approach in its Request for Empanelment¹⁰ (RFE) of Partner Agencies for Deployment of AI/ML Resources by specifying certification metrics like ISO 27001, CMMI Level 3+ and legitimate cloud partner accreditation.

As AI systems become more diverse and specialised, however, the metrics used for evaluation may themselves need to become more specific to the technology and use case. For example, as governments increasingly deploy voice AI, procurement may require assessment of performance across Indic languages, dialects and accents. Developing such specialised evaluation frameworks requires substantial testing, technical expertise and state capacity. Requiring individual departments to develop and conduct these assessments could therefore create significant capacity and training burdens, while also resulting in inconsistent implementation.

A more scalable approach is for governments to recognise credible benchmarks, certifications or accredited evaluators as evidence of performance against defined requirements. This would allow departments to rely on consistent, independently assessed measures of quality and risk, while reducing the need to replicate specialised evaluations for every procurement. Such an approach may also be particularly valuable in India, where the diversity of languages, dialects and cultural contexts can make technology-specific evaluation especially complex.

The two approaches outlined above are not mutually exclusive. Jurisdictions can use a combination of these approaches, relying on centralised whitelisting or accreditation for baseline checks that establish trustworthiness of AI providers, while additional guidance may be provided to government departments on narrower, standardised evaluation metrics for AI procurement. United States' FedRamp, for instance, authorises AI services based on security and other risk assessment metrics. This authorisation signals to government departments which AI providers are trusted and meet baseline checks. Narrower guidance on privacy, intellectual property and risk management practices for "high-impact" AI use cases is provided through US' Office of Management and Budget memorandums.¹¹

2. Leverage existing mechanisms

India must leverage its existing public procurement mechanisms such the **Government e-Marketplace (GeM)**. Drawing from the U.S. General Services Administration (GSA) model,¹² India could negotiate framework agreements with pre-qualified AI providers or maintain a rolling empanelment process based on standardized AI procurement guidelines, similar to those issued for cloud services, covering baseline

¹⁰ Request for Empanelment for Empanelment of Partner Agencies for Deployment of AI/ML Resources, <https://negd.gov.in/wp-content/uploads/2025/11/Tender-Doc.pdf>.

¹¹ OMB Memorandum [M-25-22](#): Driving Efficient Acquisition of Artificial Intelligence in Government; OMB Memorandum [M-25-21](#): Accelerating Federal Use of AI through Innovation, Governance, and Public Trust.

¹² GSA's Buy AI website, <https://www.gsa.gov/artificial-intelligence/buy-ai#security-and-compliance-requirements>.

security, technical, and responsible AI requirements. Where individual contracting is preferred, the EU's Model Contractual Clauses for AI (MCC-AI)¹³ could serve as a reference for standardised contract templates that allocate responsibilities between procuring authorities and AI providers. The clauses could address issues such as risk management, data governance, auditability, record-keeping, human oversight, and transparency for high-risk AI systems, while allowing commercial terms, including pricing, to be negotiated separately with each provider. This would enable departments at both central and state level to procure AI services through a common platform, reducing duplication, ensuring consistent standards, while preserving flexibility for department-specific deployments.

3. Identify Proportionate and Flexible Procurement Pathways

Procurement requirements should account for factors such as the scale of procurement and impact or risk of deployment use-case to enable proportionate and flexible procurement pathways. Such pathways can help unlock a dual benefit: (i) the administrative burden associated with evaluating and monitoring AI systems deployed by government departments remains proportionate to the scale and/or deployment risk associated with the procurement; and (ii) ease of doing business with the government improves, since vendors only have to meet proportionate requirements. For vendors, such an approach also improves flexibility. Smaller or specialised AI providers can bid for lower-risk or shorter-term government projects with fewer requirements, without being deterred by lengthy RFPs or high turnover and experience thresholds. *Canada, for instance, allows AI suppliers that wish to pre-qualify as vendors for projects under \$500,000, to be considered with just one prior successful implementation example. Suppliers looking to qualify for higher value projects have to submit multiple examples of successful implementation.*¹⁴

This proportionality, however, should not compromise on baseline procurement checks that are foundational to responsible public sector AI deployment. The section below therefore proposes a **two-tier framework for defining procurement requirements**.

Tier I: Baseline Requirements

Certain baseline procurement checks should apply universally, regardless of project size, duration, or risk level. These checks should be limited to non-negotiable cybersecurity and data governance standards as well as any baseline vendor credibility checks to ensure they do not introduce additional friction that discourages vendors from engaging, especially with lower monetary value bids and pilot projects. *The United States offers a useful model here. As noted above, FedRAMP sets government-wide security and privacy floors*¹⁵ *that all cloud and AI service providers should meet before they are procured by any federal agency, irrespective of contract value, project duration, or risk level.* India could draw from this model to establish equivalent baseline cybersecurity and data governance standards, potentially anchored by institutes such as CERT-In, that AI vendors must obtain to become eligible for government procurement. This is similar to the broader centralised whitelisting approach discussed above.

¹³ Updated EU AI model contractual clauses,

<https://public-buyers-community.ec.europa.eu/communities/procurement-ai/resources/updated-eu-ai-model-contractual-clauses>.

¹⁴ Band 1 (up to \$500k) suppliers must provide at least one successful AI project; three for Band 2 (up to \$4 million) and five for Band 3 (up to \$37.5 million). Note: Evaluation matrix may have been updated.

¹⁵ Vendors undergo a standardised third-party security assessment against the NIST SP 800-53 control framework. See - Security and Privacy Controls for Information Systems and Organizations, National Institute of Standards and Technology, US Department of Commerce, <https://nvlpubs.nist.gov/nistpubs/specialpublications/NIST.SP.800-53r5.pdf>

Tier II: Graded Project-specific Requirements

Beyond the baseline requirements, public procurement of AI services should account for two key factors: (i) **stage of procurement** (pilot projects v. scaled deployment) and (ii) **risk associated with AI service/system in a given deployment context**. These are overlapping considerations that help guide a graded approach to defining procurement requirements, as illustrated in the table below.

Project Category	Procurement requirements
Low-risk pilot	Pilot or proof-of-concept stage projects are typically short-duration, limited in reach, and actively monitored, making lighter procedural scrutiny proportionate to the risk involved. In low-risk deployments contexts, such projects can reasonably dispense extensive RFPs, multi-year experience thresholds, and high turnover criteria, while retaining the baseline requirements set out above .
High-risk pilot	Pilot projects involving high-risk deployment use cases, such as welfare delivery, access to healthcare, law enforcement and critical infrastructure, may warrant additional checks ¹⁶ despite short-term or proof-of-concept stage engagement. These checks, however, should be calibrated to minimum additional evaluation required to adequately assess deployment-specific risk . <i>This draws from the EU AI Act's risk classification approach (see the detailed jurisdictional analysis).</i>
Low-risk scaled deployment	AI systems used in low-risk deployment contexts, such as to manage internal administrative workflows, should follow a simpler procurement process even at scaled stages, with additional requirements calibrated to the limited risk they pose .
High-risk scaled deployment	The full set of enhanced requirements should be reserved for this project category , and may include post-deployment evaluations as well as human oversight mechanisms. In case of transition from pilot to scale deployment, high-risk procurement should ensure that any flexibility extended at the pilot stage does not carry over as a permanent workaround once the system is deployed at scale.

To operationalise this graded framework, government departments should identify the applicable procurement category. Adequate guidance should be provided to enable such identification. This may involve specifying high and low-risk public sector deployment use cases and defining what qualifies as a pilot project – *such specification is beyond the scope of this document*. **Where a pilot is intended to inform a subsequent scaled deployment, the procurement terms should clearly indicate additional checks needed at the point of transition, ensuring that pilot-stage flexibilities are not used to circumvent the safeguards applicable to large-scale deployments.**

¹⁶ May include technical evaluation, independent testing, stronger cybersecurity obligations, and mandatory explainability provisions.

JURISDICTIONAL ANALYSIS OF PUBLIC PROCUREMENT OF AI SYSTEMS

The table below maps procurement approaches across five major jurisdictions – Canada, US, UK, Europe and Singapore. The scope of this assessment focuses on how jurisdictions identify centralised standards and provide guidance to streamline AI procurement within the government.

Nation	Scale of procurement	Are there centralised frameworks?	Approaches to procurement (whitelisting, specific metrics, etc)	Key takeaways	Pricing	Lower threshold for pilot or other projects
Canada	The Canadian government has done procurements worth \$800 million since 2023.¹⁷ AI for All¹⁸ strategy released in June 2026 highlights Canada's focus on accelerated procurement and delivery of AI solutions across the federal government.	Yes; - AI Source List¹⁹ - Algorithmic Impact Assessment²⁰ <i>Note: While Canada does not specify exact certifications and standards that AI systems must meet for procurement, government departments must ensure any systems deployed by them meet certain data management²¹ and cybersecurity²²</i>	Adopts a whitelisting approach with an AI Source List of ~145 pre-approved suppliers. Suppliers pre-qualify based on their (i) AI ethics (test datasets and outcomes²³); (ii) AI Implementation (share examples based on Bands); and (iii) AI talent (describe expertise and experience). Suppliers can pre-qualify for three Bands. Band 1: Up to \$500K (excl tax) Band 2: Up to \$4M Band 3: Up to \$37.5M <i>Bidders have to declare which band they want to be considered for; evaluations can vary. Band 2 and 3 suppliers may need to do demonstrations.</i> While not always necessary for AI procurement, government departments must assess risk through Algorithmic Impact Assessment²⁴ (AIA) for AI systems that support administrative decision-making (mandated under Canadian Directive on Automated	- Whitelisting is based on pre-defined evaluation metrics. Once added to the AI source list, departments can access these trusted suppliers, without having to re-assess every provider from scratch. Price-based threshold: Band 1, 2 and 3 have different requirements. For instance, to qualify, Band 1 suppliers must provide at least one successful AI project;	No government-wide price caps or specification related to per-token or API cost.	Price-based threshold: fewer evaluation requirements for bidders being considered for Band 1, which includes projects up to \$500K.

¹⁷ The federal government spent more than \$800M on AI agreements over 3 years,

<https://www.timescolonist.com/national-news/federal-government-spent-more-than-800m-on-ai-agreements-over-3-years-12276574>.

¹⁸ Canada's National Artificial Intelligence Strategy: AI for All, <https://ised-isde.canada.ca/site/ised/en/canadas-national-artificial-intelligence-strategy-ai-all>.

¹⁹ Artificial intelligence source list,

<https://www.canada.ca/en/public-services-procurement/services/acquisitions/better-buying/simplifying-procurement-process/artificial-intelligence-source-list.html>.

²⁰ Algorithmic Impact Assessment tool,

<https://www.canada.ca/en/government/system/digital-government/digital-government-innovations/responsible-use-ai/algorithmic-impact-assessment.html>

²¹ Appendix J: Standard on Systems that Manage Information and Data, <https://www.tbs-sct.canada.ca/pol/doc-eng.aspx?id=32716>.

²² IT security risk management: A lifecycle approach (ITSG-33), <https://www.cyber.gc.ca/en/guidance/it-security-risk-management-lifecycle-approach-itsg-33>.

²³ Suppliers must describe how they address ethical considerations when delivering AI. This could include experience in applying frameworks, methods, guidelines or assessment tools to test datasets and outcomes.

²⁴ Algorithmic Impact Assessment tool,

<https://www.canada.ca/en/government/system/digital-government/digital-government-innovations/responsible-use-ai/algorithmic-impact-assessment.html>.

		requirements, among others.	Decision-Making). Since these assessments are mandatory before AI systems go live, they can influence procurement. Official AIA guidance also recommends that these assessments be conducted prior to the design stage. AIA scores classify systems as low to high risk. Standardised procurement of GenAI productivity tools: As per its 2026-27 plan, Shared Services Canada (SSC)—agency responsible for delivering standardised IT services across the federal government—is centrally procuring and testing off-the-shelf, office productivity AI tools for departments to automate and streamline common administrative and operational tasks. The intent here is to leverage SSC's purchasing power to ensure consistency and interoperability, while reducing costs.²⁵	three for Band 2 and five for Band 3.		
UK	1,977 AI contracts ²⁶ (Jan 2018-June 2026). In total, these are worth £4 billion .	Yes; • G-Cloud framework²⁷ • Guidelines for AI procurement²⁸; • RM6200 Dynamic Purchasing System²⁹;	AI suppliers must meet: Specific metrics (eg: related to APIs, data storage) and standards (eg: ISO certifications) under the general G-Cloud framework³²; and Additional data ethics³³, AI procurement guidelines and bespoke IPR terms under the AI-specific RM6200 Dynamic Purchasing System (DPS).³⁴ <i>Note: The suppliers self-declare whether they meet procurement requirements.</i>	• Service providers must declare specific metrics. • Government departments don't have to rely on a single procurement procedure and can choose based on the	No standardised government pricing for AI procurement. Price can be assessed based on individual customer	Guidelines recommend agile procurement processes that allow government departments to test the technologies before they go

²⁵ Shared Services Canada 2026-27 Departmental Plan,

<https://www.canada.ca/en/shared-services/corporate/about-us/transparency/departmental-plan/2026-27/shared-services-canada-2026-27-departmental-plan.html>

²⁶ UK Public Sector AI Procurement Tracker, <https://www.tussell.com/insights/ai-procurement-tracker#monthly-key-takeaway>.

²⁷ Guidance: Buying and Selling on the Digital Marketplace, <https://www.gov.uk/guidance/buying-and-selling-on-the-digital-marketplace#buy-services-through-the-digital-marketplace>.

²⁸ Guidelines for AI Procurement, <https://www.gov.uk/government/publications/guidelines-for-ai-procurement/guidelines-for-ai-procurement>.

²⁹ Dynamic Purchasing System, <https://www.gca.gov.uk/agreements/RM6200>.

³² These may vary across three categories: Cloud hosting (platform or infrastructure services), cloud software (applications) and cloud service and support (setup, maintenance services). Metrics can include details of service usage (related to (API and interface), asset protection (includes data storage and processing locations), and standard and certifications (eg: ISO/IEC 27001 certification), etc. Note: The incumbent G-Cloud 14 framework will be replaced by G-Cloud 15 in Sept 2026; expected to change ISO standards.

³³ Data and AI Ethics Framework, <https://www.gov.uk/government/publications/data-ethics-framework>.

³⁴ DPS is a procurement mechanism similar to the Indian government's GeM; however, not as broad in scope. RM6200 DPS sets the eligibility criterion specifically for AI procurement and government departments can make purchases through this system till its validity (currently valid till February, 2029).

		Data Ethics Framework³⁰; Others: A Guide to using AI in the Public Sector³¹	Procurement processes: 1. Specialist AI Procurement Frameworks or DPS 2. Agile procurement processes to test technology before it goes live (can include discovery phases and proof-of-concept); 3. Technology contests (vendors compete to demonstrate skills and tech capabilities); 4. Innovation partnerships for procurement of tech not available in the market.	kind of vendor or their specific requirements.	(department) requirements. ³⁵	live. This may include discovery phases or proofs-of-concept to demonstrate if the AI system is likely to meet wider requirements. Additional guidance³⁶ also proposes alternatives to standard procurement that governments can opt for, such as pro-bono pilot competitions and competitive flexible procedures.
USA	The federal government follows an enterprise procurement approach . ³⁷	Yes; FedRAMP (Federal Risk and Authorization Management Program³⁸).	The following are applicable: 1. FedRamp authorisation is the pre-procurement security process. It tells agencies that the cloud service providers and AI providers satisfy a common cybersecurity baseline, allowing agencies to avoid conducting separate security reviews. It is not a certification of AI safety,	Standardized pre-procurement security authorization process establishes a common cybersecurity and risk assessment baseline for all providers.	GSA has negotiated government-wide introductory discounted pricing for several	AI procurement framework recommends "test before scaling" through pilots and sandboxes.

³⁰ Guidance: Data and Ethics Framework, <https://www.gov.uk/government/publications/data-ethics-framework>.

³¹ A guide to using artificial intelligence in the public sector, <https://www.gov.uk/government/collections/a-guide-to-using-artificial-intelligence-in-the-public-sector>.

³⁵ Dynamic Purchasing System, <https://www.gca.gov.uk/agreements/RM6200>.

³⁶ Guidance on Procuring AI, <https://ai.gov.uk/knowledge-hub/how-to/procurement/#routepronopilotcompetition>.

³⁷ General Services Administration's Guidance on AI procurement, <https://www.gsa.gov/artificial-intelligence/buy-ai>.

³⁸ FedRAMP **authorization** is based on the following metrics: 1. **NIST SP 800-53 security controls** (various controls covering access management, encryption, incident response, auditing, configuration management, etc.); 2. **Independent Third Party Assessment Organization (3PAO)** security assessment; 3. **Continuous monitoring**, including vulnerability scanning and periodic reporting, <https://www.a-lign.com/articles/blog-guide-to-fedramp-authorization>.

	The US Government has onboarded AI services including OpenAI's ChatGPT, Google's Gemini, Perplexity Enterprise, and Anthropic Claude.	• OMB Memorandum M-25-22³⁹: Driving Efficient Acquisition of Artificial Intelligence in Government. • OMB Memorandum M-25-21⁴⁰: Accelerating Federal Use of AI through Innovation, Governance, and Public Trust.	model reliability, explainability, or responsible AI governance. FedRAMP 20x⁴¹ was also launched to fast-track the authorisation for conversational AI engines designed for routine and repeated use by federal officials. 2. Further guidelines which must be simultaneously followed are OMB Memorandum M-25-22 which mentions lifecycle-based requirements covering risk identification, market research, contracting, and closeout with specific directives on performance monitoring, vendor lock-in protection, IP, and privacy safeguards. 3. OMB Memorandum M-25-21 directs agencies to implement minimum risk management practices for "high-impact" AI use cases to safeguard public trust, and privacy. However, these apply at the post-procurement stage. Procurement process: A centralized marketplace is in place for the AI providers wherein the General Services Administration (GSA) negotiates government-wide contracts with individual AI providers.⁴² Steps for onboarding include:⁴³ 1. Evaluation before procurement, encouraging government agencies to first identify the operational problem and assess AI solutions through testbeds, sandboxes,	• Emphasises "test before scaling" through pilots and sandboxes. • Leverages central purchasing power to negotiate favourable commercial terms and reduce duplication of such effort at the department level. • Encourages continuous vendor and model evaluation as AI capabilities evolve.	commercial AI offerings, in some cases at US \$1 or less⁴⁴ but these are for limited or specified durations.⁴⁵ • Procurement guidance also recommends agencies set usage limits, monitor consumption and regularly review cost reports to prevent unexpected expenditure from usage-based pricing models.	
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³⁹ OMB Memorandum M-25-22: Memorandum on Driving Efficient Acquisition of Artificial Intelligence in Government,

<https://www.whitehouse.gov/wp-content/uploads/2025/02/M-25-22-Driving-Efficient-Acquisition-of-Artificial-Intelligence-in-Government.pdf>.

⁴⁰ OMB Memorandum M-25-21: Memorandum on Accelerating Federal Use of AI through Innovation, Governance, and Public Trust,

<https://www.whitehouse.gov/wp-content/uploads/2025/02/M-25-21-Accelerating-Federal-Use-of-AI-through-Innovation-Governance-and-Public-Trust.pdf>.

⁴¹ FedRAMP's 2025 AI Prioritization Initiative, <https://www.fedramp.gov/ai/>.

⁴² OneGov IT agreements platform, <https://itvmo.gsa.gov/onegov/>; Nearly 3.4M users across government can use AI through OneGov, GSA official says,

<https://www.nextgov.com/artificial-intelligence/2026/05/nearly-34m-users-across-government-can-leverage-ai-through-onegov-gsa-official-says/413588/>.

⁴³ Procurement Guidance, <https://www.gsa.gov/artificial-intelligence/buy-ai>.

⁴⁴ Procurement Guidance, <https://www.gsa.gov/artificial-intelligence/buy-ai>.

⁴⁵ AI services are typically billed like **Software as a Service (SaaS)** under the US system. Usage costs can grow quickly without proper monitoring and management controls. AI services are therefore usually priced through subscription or usage-based models, with costs determined by factors such as API calls, tokens, or the amount of computing or processing resources consumed.

			proof-of-concepts (PoCs), or pilot programmes before enterprise procurement. 2. Centralised procurement: Agencies procure through pre-negotiated government contracts instead of conducting independent tenders. 3. Responsible AI deployment: Agencies to assess vendor transparency including data protection, security, privacy, model performance, human oversight, and intended use before purchase. 4. Continuous monitoring: Agencies are advised to monitor usage, performance, costs, and security after deployment.			
EU	The EU has committed €1.3 billion between 2025 and 2027 ⁴⁶ for public procurement of AI-based technologies.	Yes; Updated EU AI model contractual clauses (MCC-AI)⁴⁷ published by the European Commission's Public Buyers Community.⁴⁸ Others: EU Public Procurement Directives⁴⁹ (2014/24/EU) – overarching framework; not AI specific.	Requirements-based procurement under EU MCC-AI: Without prescribing specific vendors, contracting authorities define technical, ethical, and functional requirements in tender documents. The EU MCC-AI provides authorities with standardised contract templates aligned with the EU AI Act to procure AI-enabled solutions responsibly, calibrated by risk level.⁵⁰ The template includes clauses such as AI vendors to maintain risk management systems, data governance, technical documentation, audit logs, and human oversight, while ensuring transparency and the ability to explain individual AI-driven decisions to affected citizens.	• Strong emphasis on risk assessment before procurement. • Procurement is closely integrated with the EU's trustworthy AI framework and transparency obligations.	• No centralized government-wide pricing model exists. • Pricing is negotiated on a contract-by-contract basis rather than through a single EU-wide SaaS agreement.	EU's procurement framework encourages public authorities to use Pre-Commercial Procurement ⁵¹ (PCP) and Public Procurement of Innovative Solutions (PPI) to design, prototype, test, and validate innovative technologies,

⁴⁶ Commission to invest €1.3 billion in artificial intelligence, cybersecurity and digital skills, https://ec.europa.eu/commission/presscorner/detail/en/ip_25_907.

⁴⁷ Updated EU AI model contractual clauses (MCC-AI), <https://public-buyers-community.ec.europa.eu/communities/procurement-ai/resources/updated-eu-ai-model-contractual-clauses>.

⁴⁸ Public Buyers Community, <https://public-buyers-community.ec.europa.eu/communities/procurement-ai>.

⁴⁹ EU Public Procurement Directives, <https://eur-lex.europa.eu/legal-content/EN/LSU/?uri=celex:32014L0024>.

⁵⁰ The MCC-AI templates and guidelines are split into two risk tiers: First is tailored for high-risk AI systems (e.g., biometric categorization, recruitment tools). It mandates conformity assessments, risk management systems, and technical documentation aligned with the AI Act. The second one is a customizable framework for non-high-risk systems that enforces fundamental transparency and trustworthiness without being disproportionately complex.

⁵¹ Types of Innovation procurement support, https://research-and-innovation.ec.europa.eu/strategy/support-policy-making/shaping-eu-research-and-innovation-policy/new-european-innovation-agenda/innovation-procurement_en

			The contract templates also secure the public buyer's rights to data sets, requiring vendor cooperation on impact assessments and corrective action, and include audit and AI-registry provisions to prevent vendor lock-in and ensure ongoing accountability.			including AI, before large-scale deployment. ⁵² While lower thresholds or exemptions for pilot projects aren't explicitly identified, the use of pilots and trials reflects an enabling approach and preference for gradual adoption.
Singapore	N/A	Yes; - Public Sector AI Playbook⁵³ - Outcome-Based Procurement guidance⁵⁴ - GovTech Singapore's website detailing avenues for industry collaborations⁵⁵	The Public Sector Artificial Intelligence Playbook recommends government departments to pursue a structured accredited-supplier pathway. According to Singapore's Public Sector Artificial Intelligence Playbook, government agencies can procure commercially through the Green Lane Approach, which allows procurement from Government Technology Agency of Singapore (or GovTech) endorsed/accredited firms. Agencies are obliged to first consider the Panel of Accredited Companies, which includes frontier tech firms/start-ups⁶² evaluated under IMDA	Flexible frameworks Government agencies are encouraged to rely on accredited suppliers, but flexibility is retained to allow for use of bulk tenders, outcome-based procurement, research	No standardised pricing model found.	N/A

⁵² EU | Types of innovation procurement support,

https://research-and-innovation.ec.europa.eu/strategy/support-policy-making/shaping-eu-research-and-innovation-policy/new-european-innovation-agenda/innovation-procurement_en

⁵³ Public Sector AI Playbook, <https://www.developer.tech.gov.sg/products/collections/data-science-and-artificial-intelligence/playbooks/public-sector-ai-playbook.pdf>

⁵⁴ Outcome-Based Procurement, <https://www.developer.tech.gov.sg/guidelines/procurement/outcome-based-procurement.html>

⁵⁵ GovTech | industry collaborations, <https://www.tech.gov.sg/products-and-services/collaborate-with-us/industry-collaboration/>

⁶² Innovative Technology Companies Directory, <https://www.imda.gov.sg/resources/innovative-tech-companies-directory>

		Others (<i>frameworks that influence procurement</i>): - Generative AI security controls⁵⁶ - AI Verify (AI governance testing framework)⁵⁷ - Model AI Governance Framework⁵⁸ - Model AI Governance Framework for Generative AI⁵⁹ - Advisory Guidelines on Use of Personal Data in AI Recommendation and Decision Systems⁶⁰ - Sectoral guidelines⁶¹	accreditation programmes – which assess factors like technical capability, financial and operational strength, and ability to serve government or enterprise customers.⁶³ GovTech also has a Data Science and AI (DSAI) software and services bulk tender to reduce procurement lead time for agencies. If these routes are unsuitable, agencies can consider other sourcing methods. AI procurement is routed through general government procurement/ICT channels such as GeBIZ.	collaborations, or other methods. Under the Outcome-Based Procurement (Not AI-specific), Singapore provides flexible public-sector ICT procurement guidance. Agencies are encouraged to define the problem statement, desired capabilities and KPIs, and trial vendor solutions through validation tests before deciding whether to proceed to pilot or deployment.		
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⁵⁶ Generative AI security controls, <https://info.standards.tech.gov.sg/ssp/gen-ai/>

⁵⁷ AI Verify, <https://www.imda.gov.sg/about-imda/emerging-technologies-and-research/artificial-intelligence>

⁵⁸ Model AI Governance Framework, <https://ai.bsa.org/wp-content/uploads/2019/09/Model-AI-Framework-First-Edition.pdf>

⁵⁹ Model AI Governance Framework for Generative AI, <https://aiverifyfoundation.sg/wp-content/uploads/2024/05/Model-AI-Governance-Framework-for-Generative-AI-May-2024-1-1.pdf>

⁶⁰ Advisory Guidelines on Use of Personal Data in AI Recommendation and Decision Systems - <https://www.pdpc.gov.sg/-/media/files/pdpc/pdf-files/advisory-guidelines/advisory-guidelines-on-the-use-of-personal-data-in-ai-recommendation-and-decision-systems.pdf>

⁶¹ Principles to Promote Fairness, Ethics, Accountability and Transparency (FEAT) in the Use of Artificial Intelligence and Data Analytics in Singapore's Financial Sector - <https://www.mas.gov.sg/~/-/media/MAS/News%20and%20Publications/Monographs%20and%20Information%20Papers/FEAT%20Principles%20Final.pdf> ; AI in Healthcare Guidelines, [https://www.hcsa.gov.sg/licensable-healthcare-services/moh-mhc-cir-0024-2026-updated-moh-artificial-intelligence-in-healthcare-guidelines--aihgle-2-0-/moh-mhc-cir-0024-2026-updated-moh-artificial-intelligence-in-healthcare-guidelines--aihgle-2-0-/](https://www.hcsa.gov.sg/licensable-healthcare-services/moh-mhc-cir-0024-2026-updated-moh-artificial-intelligence-in-healthcare-guidelines--aihgle-2-0-/moh-mhc-cir-0024-2026-updated-moh-artificial-intelligence-in-healthcare-guidelines--aihgle-2-0/)

⁶³ IMDA Accreditation, <https://www.developer.tech.gov.sg/guidelines/procurement/imda-accreditation.html>



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