

GovTech Connect

Transforming Government, Together

GovTech 4 Impact World Congress

21-23 May 2024

Post event report – Key insights from
Panels

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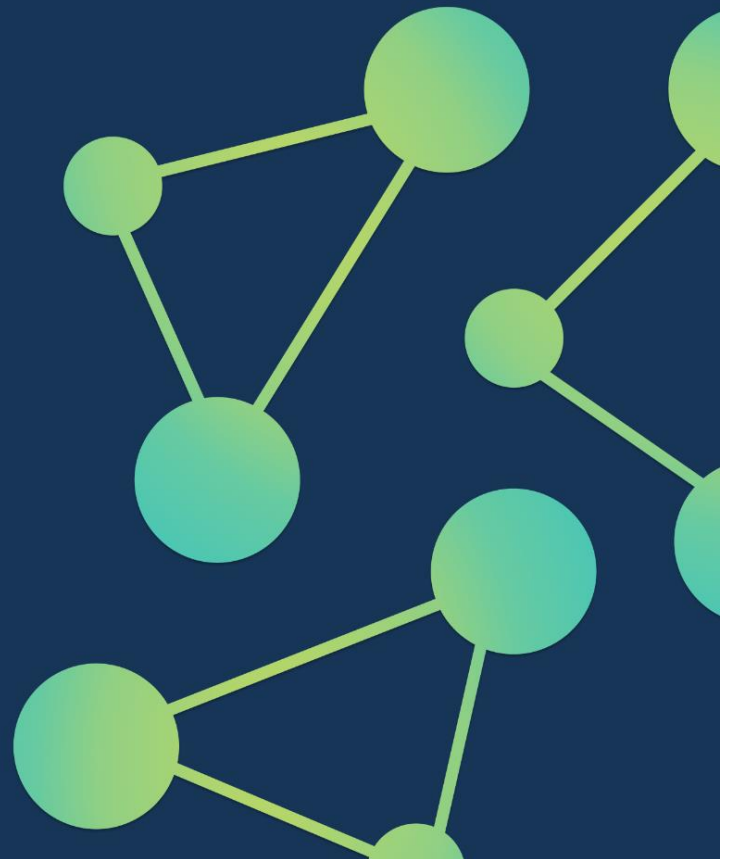
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GovTech 4 Impact World Congress 2024

Event and Organizers overview

GovTech 4 Impact World Congress 2024

<https://g4i-congress.com/>

Organized by **Kenes Group**, knowledge partner **Gobe**, supported by **Madrid City Council**

The inaugural **GovTech 4 Impact World Congress**, was held in Madrid from May 21st to 23rd, provided a unique opportunity to explore the **transformative potential of GovTech in data-driven governance, smart public services, building resilient infrastructure and fostering innovation**. The event got over 1000 registrations from delegates all over the world, including experts, public administration officials, policymakers, elected representatives, international NGOs, decision-makers from state-owned enterprises, GovTech startups, corporates, and media personalities. It was an event filled with **collaboration, innovation, and forward-thinking discussions, setting the stage for continued progress in the GovTech arena**.

This report summarizes some of the main Panels attended by the Project Team, with the most interesting insights and takeaways.

Towards a Single European GovTech Market

Moderator	Idoia Ortiz de Artiñano Goñi	Founder and CEO of Gobe Studio, G4I Chief Knowledge Strategist, Spain
	Pedro Tavares	Former State Secretary for Justice, Portugal
	Nicolas Brien	Chairman of the European Startup Network, France
Speakers	Mark Boris Andrijanič	Former minister of digital transformation of Slovenia. Member of the governing board, European Institute of Technology (EIT), UK
	David Osimo	Director of Research, Lisbon Council, Belgium
	Giovanna Galasso	Partner, EU Account lead, Intellera Consulting, Italy

This panel discussed the **prospects and challenges of establishing a unified Govtech market across Europe**, exploring strategies for fostering collaboration, innovation, and entrepreneurship in the European GovTech ecosystem.

Mark Boris Andrijanič drew a parallel between the GovTech market and Technology market. He said that in both there is the need for some specific elements, namely: **unified**

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standards, open borders, talent and capital. In particular, this last element of capital is lacking in the EU, also due to the long sales cycles in Europe. In his view, there is the need for a European GovTech Fund and he suggested the possibility of **joint procurement at EU level**, with the creation of a EU-wide procurement platform.

Pedro Tavares emphasized that successful GovTech initiatives depend on the **private sector's openness to collaborate with government and public servants who possess the necessary skills and can align with startup culture.** Additionally, ensuring a robust GovTech strategy withstands political changes is crucial.

Nicolas Brien underlined that the **real fuel for GovTech startups growth is not VC investment, but rather public procurement.** It is necessary, in his view, to overcome government subsidies to arrive to structured contracts and procurement processes. Right now, another issue that needs to be addressed, is to **put startups directly in contact with public sector representatives, without the mediation of big consulting companies.**

David Osimo highlighted the importance of **soft measures and ecosystem building in GovTech.** He pointed to **Denmark** as a successful example, where a well-designed GovTech ecosystem functions effectively. In this context, the European Commission plays a crucial role by incentivizing participation of key players in the ecosystem. **Transparency in data procurement**, revealing the extent startups are involved, serves as a catalyst for other startups and public sector entities to participate, thus contributing to a cohesive Single Market.

Giovanna Galasso explained how the EU GovTech market, estimated to exceed 90 billion euros, includes over 1000 active startups, primarily in Western and Northern Europe. Despite this, **startups face significant challenges in cross-border expansion due to market fragmentation, inconsistent legislation, lack of transparency in GDPR enforcement, and language barriers.** These issues are compounded by varying regulatory environments and integration difficulties with legacy systems. Galasso recommended **establishing a unified EU platform to centralize procurement opportunities and facilitate compliance with common standards.**

European GovTech Projects: Learnings from the Ground

Moderator	Natalia Aristimuño	Director of Digital Enablers & Innovation, European Commission's Directorate-General for Digital Services (DIGIT), Luxembourg
	Johnny Hugill	Deputy Director and Procurement Expert, PUBLIC, UK
Speakers	Marina Manzoni	Policy officer and Project Manager, Joint Research Center of the European Commission, Italy
	Bernardo Branco Gonçalves	CEO & Founder, MyPolis, Portugal

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Olivier Delteil

Senior Impact and Product Development at
Direction interministérielle du numérique
(DINUM), France

This panel delved into the reality of European GovTech projects, **exploring firsthand experiences, successes, and challenges encountered on the ground.**

Johnny Hugill highlighted a **significant shift in recent years with increased involvement from the European Commission in GovTech.** Despite this progress, startups still face challenges navigating national government regulations. Additionally, many national GovTech projects have failed to scale to the EU level and some have been discontinued.

Marina Manzoni discussed findings from a recent JRC study on factors influencing cross-border expansion of GovTech startups. She emphasized that technological factors alone are not decisive in this arena; rather, **softer factors play a critical role.** She stressed the need for **stronger enforcement of EU regulations at the national level.**

Bernardo Branco Gonçalves offered insights from the startup perspective, emphasizing their role as advocates for innovation. He explained how MyPolis adopts a **co-creation approach** when collaborating with the public sector and stressed the importance of **creating opportunities for startups to engage with public sector champions.** Projects like GovTech Connect, he noted, play a crucial role in fostering such interactions.

Olivier Delteil underscored the potential for the European Commission to **promote the dissemination of GovTech applications** and support initiatives like EDIC and GovTech4all. He also emphasized the importance of **solution reusability** and the development of **open-source applications for everyday use.**

Creating Public Value in the Age of Data and AI

Moderator	Thomas E. Abell	Director of Digital Technology for Development Division, Asian Development Bank (ADB), Philippines
Speakers	Calum Inverarity	Senior Researcher at the Open Data Institute, UK
	Adrián Escribano Vitón	Spanish Royal Mint, Spain
	Juan Corro	Director of the Autonomous Information Technology Organization of the Madrid City Council, Spain

This panel focused on the **strategies and implementations of data and AI to enhance public value.**

Calum Inverarity highlighted the **crucial role of open data**, pointing out that a significant portion of training data for AI models, such as ChatGPT, is derived from open sources. He

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discussed the **challenges in recognition and compensation for the use of these datasets by private entities.**

Adrián Escribano Vitón presented **Spain's recent AI strategy**, emphasizing a **€1.5 billion investment to promote ethical AI use and innovation.** A notable initiative is the development of a Spanish Large Language Model (LLM) supporting multiple official languages, aimed at reducing reliance on English-centric AI solutions. He shared a success story from the Spanish Royal Mint, where AI-based face recognition is used for digital identity verification, ensuring data privacy by keeping personal data on user devices.

Juan Corro discussed the **approach of the Madrid City Council in creating public value through AI.** His framework includes "swim, dive, and breathe": **initiating projects, ensuring data quality, and focusing on core services.** He emphasized the need for building in-house AI architecture and highlighted the challenges in scaling up AI use cases due to regulatory and accuracy issues.

Navigating Digital Regulations: Impact on SME Competitiveness in the EU

Moderator	Victor Calvo Sotelo	Acting General Director, DigitalES, Spain
	Isabel Benjumea	Member of the European Parliament, Spain
Speakers	Alexa Möller	COO at Polyteia, Germany
	Rachel Dignam	Director of Public Affairs for Europe, SAGE, France

This panel addressed the **complexities SMEs face in complying with evolving digital regulations in the EU.**

Isabel Benjumea outlined the continuous increase in regulations and the associated compliance costs, stressing the need for **capacity building and training for SMEs** to remain competitive.

Alexa Möller shared the **struggles of navigating through various regulatory landscapes without dedicated legal and compliance offices**, which often diverts resources from core business activities. She emphasized the difficulties in achieving interoperability and standardization across different countries, which hinders the scalability of startups. One example of major burden for startups is the GDPR compliance.

Rachel Dignam discussed the importance of **supporting SMEs to adapt to new regulations like the Digital Markets Act (DMA) and the Digital Services Act (DSA)**, aiming to place SMEs at the center of the digital transformation agenda. She highlighted the necessity of clear, accessible regulations to facilitate easier compliance and support for cross-border operations. She affirmed that in EU it exists a capital to be invested in SMEs, but right now there is not the legal framework to allow this operation. For this reason, SMEs go outside of Europe to get financing.

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Fostering Grassroots Technology: GovTech Startups

Moderator	Ignacio Azorín	Digital Strategy Director, Comunidad de Madrid, Spain
Speakers	Manuel Marina Breysse	Co-founder and Executive Director at IDOVEN, Spain
	Wietse Van Ransbeeck	Co-Founder and Executive Director of CitizenLab, Belgium
	Joseph Oliver	CEO at Vision Plan, UK
	Paola Santana	Founder and Executive Director at Glass, USA

The panel explored **the role of GovTech startups in driving grassroots innovation within the public sector.**

Manuel Marina Breysse discussed his experience from both inside and outside the public sector, highlighting **how startups can accelerate innovation and the importance of aligning key performance indicators (KPIs) across stakeholders.**

Wietse Van Ransbeeck shared CitizenLab's journey in international markets, stressing the need for startups to understand government operations and procurement processes. He emphasized the **shift from a product-oriented to a change management approach, focusing on capacity building and stakeholder engagement.**

Joseph Oliver spoke about the **transformation brought by Software as a Service (SaaS) solutions in the public sector,** advocating for a single European market to streamline processes and reduce barriers for startups.

Paola Santana emphasized the significance of **external perspectives in fostering innovation,** sharing her experience in shifting focus from government projects to startups, which helped in identifying key drivers for public sector service delivery. She also highlighted the challenges faced by GovTech startups in market size estimation and securing investments.

Closing Keynote: Closing Notes: GovTech: What's Next? A Financial Perspective on Growth, Opportunities, Trends, and Dynamics

Keynote Speaker	Ibrahim Köran	Head of GovTech at Heliad AG, Germany
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Ibrahim Köran discussed the significant **growth potential within the GovTech sector,** emphasizing its projected market size of USD 573.4 billion by 2025, which is approximately **2.1 times larger than the current FinTech market.** Europe is expected to hold around 45% of this market, equating to USD 348 billion. He highlighted the immediate potential to **unlock over EUR 200 billion in public tender volume for European GovTech**

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startups, noting the current minimal investment. Köran presented key investment theses, predicting **massive growth in government spending on security and defense**, rapid **adoption of tech-driven solutions in core government services**, and **infrastructure transformations to maintain sovereignty**. He stressed the **need for innovative procurement strategies and private capital involvement**, citing emerging trends such as data analytics, AI, cybersecurity, digital identity, cloud models, IoT, and augmented reality. Köran also addressed challenges like IT competency, demographic changes, legacy systems, and digital sovereignty, advocating for **expanded networking and collaboration** through initiatives like OECD OPSI and GovTech Connect to foster a robust GovTech ecosystem.

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