AI POLICY · IRELAND · JULY 2026

The Governance-Confidence Gap

Commentary and policy recommendations on DETE's targeted sectoral consultation on enterprise adoption of artificial intelligence

On 24 July 2026 Amata Consulting responded to the consultation informing the first phase of DETE's Sectoral Strategy for Enterprise Adoption of AI. The portal was anonymised by design. This briefing puts our name to the positions we submitted, expands the arguments the survey compressed, and sets out six concrete instruments — built around one claim: the Irish SME adoption gap is a governance-confidence gap, not a technology gap.

Silviu Preoteasa · Daryll Collins
Founders & Principals · Amata Consulting · Dublin, Ireland · July 2026

This briefing comments on a public consultation informing a strategy in development; departmental positions may evolve. Analysis date-stamped 24 July 2026.
Produced with AI assistance under the editorial review and responsibility of the authors · hello@aifactor.ie

01 · WHY WE PARTICIPATED

A submission, attributed

On 24 July 2026, Amata Consulting submitted a response to the Department of Enterprise, Tourism and Employment's targeted sectoral consultation on enterprise adoption of artificial intelligence — the consultation informing the first phase of DETE's Sectoral Strategy for Enterprise Adoption of AI, with the underlying study conducted by Accenture on the department's behalf.

The consultation portal was anonymised by design: responses are shared exactly as written, but no submission is traceable to its author. This briefing therefore does two things. It puts Amata's name to the positions we submitted, and it expands the arguments the survey's format necessarily compressed.

Amata Consulting is an indigenous Irish ICT firm. We build governed AI adoption for enterprises and SMEs: deployments in which data stays on the customer's own premises or within verified EU-resident infrastructure, model routing is enforced by policy rather than by trust, and every deployment produces the audit-grade evidence a customer, insurer or regulator will eventually ask for.

We responded under the ICT services lens — the sector the consultation rightly treats as both an adopter of AI and the delivery layer for everyone else's adoption.

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02 · THE FRAMING GAP

What the consultation asked — and what it missed

The consultation was well constructed. It segmented respondents on a five-stage digital maturity ladder (Early stage → Digitalising → Digital Business → Connected Enterprise → Intelligent Enterprise), asked for expected AI impact across the variables a strategy will be scored on — revenue, profitability, productivity, employment, new business models, products and services — and posed open questions on adoption, barriers and policy supports.

Its barrier framing, however, offered “skills, cost, data, trust, organizational readiness” as the example categories — and nowhere framed governance and compliance as the binding constraint. That is the gap our submission was written to fill, and it is the central claim of this briefing:

> **The Irish SME adoption gap is a governance-confidence gap, not a technology gap.**

In our work with Irish SMEs, demand for AI is strong and consistently stalls at the same point. Firms fear data leaving their premises. They cannot verify where a model runs or what jurisdiction touches their data. They have no audit trail to show customers, insurers or regulators. And with EU AI Act obligations arriving, they do not know what evidence they will be asked for — so they defer. Cost, the variable most adoption schemes are designed around, ranks below all of these.

A strategy that reads “trust” as a communications problem will miss it. Trust here is an engineering and evidence problem: SMEs will adopt when adoption can be proven safe, workload by workload, to the people the SME answers to. There is currently no standard way for an Irish SME to adopt AI and prove, to a customer or a regulator, what its data touched. Creating that standard is a policy opportunity — and a cheap one.

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03 · OUR POSITIONS AS SUBMITTED · I

Five positions, in our own name

1 Barrier truth

The binding constraint is trust friction, not tooling. As we submitted: *"SME customers want AI but fear data leaving their premises, cannot verify where models run or what jurisdiction touches their data, and have no audit trail to show customers, insurers or regulators. That fear lengthens sales cycles and stalls pilots regardless of tooling quality."* Instruments that subsidise access to tools attack a constraint that is not binding; instruments that manufacture verifiable confidence attack the one that is.

2 Governance-conditional supports

Adoption funding should be vendor-neutral but governance-conditional: fund deployments that keep data under the SME's control and produce compliance-grade documentation. Generic cloud credits route Irish public money to non-EU platforms and leave the real blockers untouched. Our proposed design — a voucher covering a 30–60 day pilot of a governed AI workflow, paid against delivery of the working deployment plus its evidence pack — buys the SME capability and AI Act readiness in one instrument.

3 Indigenous capability

Ireland has indigenous firms operating in the layer AI cannot commoditise: governance, sovereignty assurance and verified deployment. As software production itself is commoditised, the durable value in Irish ICT services migrates to exactly this layer. The strategy should treat these firms as exportable national capability — public-sector reference customers, inclusion in adoption schemes, demonstration projects — rather than treating ICT as a pure adoption channel for non-EU platforms. Procurement access belongs here too: schemes designed around large or non-EU platforms exclude the firms best placed to deliver governed adoption.

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03 · OUR POSITIONS AS SUBMITTED · II

4 The first workload

Strategy phase 1 needs fast, measurable productivity evidence. In our work with SME clients in manufacturing and construction, quoting and estimating is consistently the highest-ROI first AI workload: messy inbound requests, deterministic pricing logic, measurable labour cost, and turnaround speed that wins orders. It is also structurally suited to governed adoption — classification by AI, calculation by deterministic logic, human approval before anything leaves the building. Supports targeting this single workflow would generate the fastest and most defensible evidence base on precisely the impact variables the consultation measured.

5 Timing

Article 50 of the EU AI Act applies from 2 August 2026, with transparency obligations falling on deployers as well as providers and an enforcement regime carrying fines of up to €15 million or 3% of worldwide turnover. The widely repeated claim that AI Act deadlines were “delayed” by the Digital Omnibus is true only of standalone high-risk obligations (deferred to December 2027); Article 50 and its penalties land on schedule. Any adoption measure that ignores compliance therefore manufactures SME exposure at public expense. AI Act readiness should be folded into every support instrument from day one — not offered as a separate compliance programme SMEs must discover on their own.

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04 · RECOMMENDATIONS TO DETE · I

Instruments, not aspirations

R1 — Create a Governed AI Pilot Voucher. Vendor-neutral, fixed-value, covering a 30–60 day pilot of one governed AI workflow in one SME. Payment against two deliverables: the working deployment and its evidence pack (data-flow record, model and residency register, human-oversight design, AI Act transparency posture). The instrument is self-auditing: the evidence pack that qualifies the payment is the same artefact that de-risks the SME.

R2 — Publish a fundable definition of "governed deployment". A short, criteria-based standard — data locality and control, verifiable model residency, audit trail, human oversight, AI Act transparency compliance — referenced by every adoption instrument. It costs a working group, not a capital programme, and it converts "trust" from a sentiment into a checklist any SME, vendor or evaluator can apply.

R3 — Open procurement and adoption schemes to indigenous governance-layer firms. Public-sector reference deployments are the single highest-leverage measure available: one governed deployment in an Irish public body does more for SME confidence than any awareness campaign. Review eligibility criteria that structurally presume large or non-EU platforms.

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04 · RECOMMENDATIONS TO DETE · II

SKILLS

R4 — Teach governance literacy, not tool use. Skillnet and Enterprise Ireland programmes should equip SME decision-makers with deployer-side AI Act literacy: what the Act requires of them, what evidence a deployment must produce, and how to keep humans accountable in the loop. Tool-specific training depreciates with each model release; governance literacy compounds.

EVIDENCE

R5 — Fund quoting/estimating demonstration projects in manufacturing and construction. A small cohort of instrumented demonstrations, measured on quote turnaround, labour hours and win rate, published as case studies. This gives phase 1 its productivity evidence within months, in the two consulted sectors where the workload is most acute.

MEASUREMENT

R6 — Score every instrument against the strategy's own impact variables and the compliance calendar. The consultation asked respondents to project AI impact on revenue, profitability, productivity, employment and new models, products and services. Each support instrument should state which of these it moves, how the movement will be measured — and its Article 50 posture, explicitly.

05 · THE WINDOW

Strategy phase 1 meets Article 50

Phase 1 of the sectoral strategy will land in the same period in which Article 50 obligations begin to bite. That coincidence is an asset.

A strategy that fuses adoption support with compliance readiness — that makes the governed path the funded path — would give Irish SMEs something no generic adoption programme in the EU currently offers: a way to adopt AI that is simultaneously productive, provable and safe to defend.

Ireland’s regulatory depth is routinely narrated as a burden on this sector. The instruments in this briefing convert it into the proposition.

We are available to the department and to the study team to expand on any element of this commentary.

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THE BOTTOM LINE

The Irish SME adoption gap is a **governance-confidence gap**, not a technology gap.

Fund the governed path: vouchers paid against working deployments and their evidence packs; a published, fundable definition of a governed deployment; public-sector reference customers for indigenous governance-layer firms.

Start where the evidence is fastest — quoting and estimating in manufacturing and construction — and fold Article 50 readiness into every instrument from day one.

Make the governed path the funded path, and Ireland's regulatory depth becomes the proposition.

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APPENDIX · THE SUBMISSION, VERBATIM · I

Submitted 24 July 2026. Classification: ICT Services · IT-enabled / Managed Digital Services · Micro (1–9 employees) · Dublin. Self-assessment: Intelligent Enterprise; combination of cloud-based and on-premises systems.

On our organisation's experience with AI (Theme 1)

"As an indigenous Irish ICT firm we build governed AI adoption for SMEs: deployments where data stays on the customer's premises or in verified EU-resident infrastructure and every use produces audit-grade evidence. In our own delivery model, AI is embedded across development, documentation and operations. Demand from Irish SMEs is strong but consistently stalls at governance: firms fear data leaving their premises and cannot evidence compliance to customers or regulators. The adoption gap we see is a confidence gap, not a technology gap. The ICT sector's dual role in this strategy is real: we are both adopters and the delivery layer for everyone else's adoption, and the constraint we hit in both roles is the same — no standard way for an Irish SME to adopt AI and prove, to a customer or a regulator, what its data touched."

On barriers (Theme 2)

"The binding constraint is not technology but trust friction in our market: SME customers want AI but fear data leaving their premises, cannot verify where models run or what jurisdiction touches their data, and have no audit trail to show customers, insurers or regulators. That fear lengthens sales cycles and stalls pilots regardless of tooling quality. Compliance uncertainty ahead of AI Act deadlines compounds it: deployers do not know what evidence they will be asked for, so they defer. For us as a micro ICT firm, the further barriers are procurement access — adoption schemes and public frameworks designed around large or non-EU platforms — and the absence of any standard, fundable definition of a governed deployment that we can build to. Cost ranks below all of these in our experience."

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APPENDIX · THE SUBMISSION, VERBATIM · II

On policy supports (Theme 3)

“Make adoption supports governance-conditional: vendor-neutral funding for deployments that keep data under the SME’s control and produce compliance-grade documentation. Generic cloud credits route Irish public money to non-EU platforms and leave the real blockers untouched. A practical design: a voucher covering a 30-60 day pilot of a governed AI workflow, paid against delivery of the working deployment plus its evidence pack — capability and AI Act readiness bought in one instrument. For the ICT sector itself: treat indigenous firms in the sovereignty and governance layer as exportable national capability, through public-sector reference customers, inclusion in adoption schemes, and demonstration projects showing governed adoption working in Irish SMEs. Skills programmes (Skillnet, EI) should teach governance literacy — what the AI Act requires of a deployer and what evidence a deployment must produce — not just tool use. The durable value in Irish ICT services is moving to the layer AI cannot commoditise: governance, sovereignty assurance and verified deployment. Strategy should back Irish firms building that layer rather than treating ICT as a pure adoption channel.”

Additional comments

“Two closing points. First, Article 50 of the EU AI Act applies from 2 August 2026, with transparency obligations falling on deployers as well as providers. Any adoption measure that ignores compliance manufactures SME exposure; fold AI Act readiness into every support instrument from day one. Second, on sequencing: in our work with SME clients in manufacturing and construction, quoting and estimating is consistently the highest-ROI first AI workload — messy inbound requests, deterministic pricing logic, measurable labour cost, and turnaround speed that wins orders. Supports targeting that single workflow would generate the fastest and most measurable productivity evidence for the first phase of the strategy.”

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SOURCES

[01] **Department of Enterprise, Tourism and Employment** — Targeted sectoral consultation on enterprise adoption of artificial intelligence (13–24 July 2026). https://enterprise.gov.ie/en/consultations/targeted-sectoral-consultation-on-enterprise-adoption-of-ai.html

[02] **EUR-Lex** — Regulation (EU) 2024/1689 (Artificial Intelligence Act), Official Journal L 2024/1689. https://eur-lex.europa.eu/eli/reg/2024/1689/oj/eng

[03] **EUR-Lex** — Digital Omnibus on AI — Commission proposal COM(2025) 836 amending Regulation (EU) 2024/1689. Status: political agreement adopted by Parliament (16 June 2026) and Council (29 June 2026); Official Journal publication pending at time of writing. https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex:52025PC0836

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