



GovMesh Horizons 2025

Doing more with less through
digital transformation

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Executive Summary

2025 has been a year of big choices in the digital government world, with various definitions of the digital state emerging against a period of rapid geopolitical, economic and technological change. In the contexts of rising citizen expectations and tightening budgets, it placed the question of how technology might evolve statecraft more in the foreground than ever.

Approaches have differed – from Albania’s [all-out embrace](#) of Artificial Intelligence to the [leadership](#) of India and Brazil in the Digital Public Infrastructure (DPI) space, from [whole-of-government shared services](#) in the UK to the [nascent “Agentic State”](#) in Ukraine.

But governments have been united by wrestling with the same digital government “polarities”: balancing digital sovereignty and collaboration; maximising the benefits of private sector collaboration while minimising its risks; and embracing AI in a responsible way.

GovMesh Horizons brings together the collective thought leadership and voices of a dozen members of the GovMesh community, formed at the start of 2025 to create an intimate space for governments to discuss the digital government present and future. Through their voices, this paper reflects on the year just gone, and speculates about how to build positive momentum into 2026.

2025 is framed as “a year of big choices”, with questions of digital sovereignty and AI adoption front of mind. As security, risk management and control become increasingly prominent themes, governments are increasingly thinking about how to derisk without being isolated and going digital alone.

The pressures around rolling out AI are not unrelated. Many interviewees raise the idea of “AI panic”, a feeling of being left behind if unwilling or unable to roll out AI in the short-term, and an awareness of the growing gap between the development of AI technology and actual adoption in government. Our leaders are navigating how to resist the urge to rush into adoption without rejecting the opportunity of AI, focusing on choosing the right pilots and setting themselves up structurally for success.

In navigating these themes, our interviewees highlighted five lessons from 2025:

1. Sovereignty is about knowing when and where to lean on trusted partners, not about doing everything on one’s own
2. Embracing an AI rollout is a question of state capacity, not a moment in time
3. AI transforms service delivery when it is used as part of a bigger state redesign, not an add-on
4. Leaders need time to step back, not just push forward
5. In a time of heavy digital change, good communications are more important than ever

Looking ahead to 2026, the prospect of needing to do more with less is clear. Funding cuts in international development and a sense of government services bursting at the seams mean there is near consensus around the need for what the UAE’s Abeer Tahlak calls “radical reimagination triumphing over incremental improvements”.

Scaling digital success will involve contextualising global offers, building resilience across and throughout government, and getting the perennial challenge of investment right.

In doing so, our leaders offer five further reflections for the year ahead.

1. Doing more with less requires redesigning government, rather than stretching its limits, but countries do not have to start from scratch and go it alone
2. Scaling transformation comes from embracing horizontal opportunities over asserting central control
3. Successful AI scaling will depend not just on builds, but contextualisation and reuse
4. Creative approaches to strategic investments remain a gap, especially with regards to multi-agency and cross-border initiatives
5. Cross-border collaboration will likely become more the norm, and more necessary

Methodology

GovMesh was founded as a community for digital government leaders at the beginning of 2025, focused on creating an intimate closed-door space for governments to share lessons and discuss digital government challenges with those “beyond the usual suspects” who they might regularly see on the international circuit. Through events in [Singapore](#), [Berlin](#) and [Vilnius](#), the community has scaled to 20+ countries and international organisations.

GovMesh Horizons brings together the collective thought leadership of the GovMesh participants, reflecting on the year just gone and the key themes of the year ahead. The report is formed around a series of semi-structured interviews with participation from:

Azerbaijan – **Sabina Huseynova**, Advisor on International Cooperation at the DOST Digital Innovations Centre; Digital Public Goods Alliance – **Lucy Harris**, Secretariat COO; Iceland – **Sveinbjörn Ingi Grimsson**, Public Innovation Specialist at the Icelandic Financial Management Authority; India – **Vinay Thakur**, Special Director-General at the Bhaskaracharya Institute for Space Applications and Geoinformatics; Indonesia – **Pandu Putra**, Special Advisor for Digital Transformation to the Minister at Kementerian PANRB; Japan – **Chikako Masuda**, Head of Intelligence Research and International Strategy at Japan Digital Agency; Lithuania – **Dovilė Gaižauskienė**, GovTech Sector Manager at the GovTech Lab of the Innovation Agency Lithuania; Netherlands – **Hessel van Oorschot**, Program Manager of Startup in Residence Intergov at South Holland Province; Republic of Korea – **Jaesin Yoo**, Senior Professional in the Public Business Group at SamsungSDS and former Executive Principal at National Information Society Agency (NIA) ; Taiwan – **Rosalind Liu**, Project Manager at the Open Culture Foundation and former System Planning Manager at Ministry of Digital Affairs (MODA); United Arab Emirates – **Abeer Tahlak**, Director of the Mohammad Bin Rashid Centre for Government Innovation; Ukraine – **Kateryna Frolova**, Head of Innovation Piloting at Global GovTech Centre Kyiv.

Interview contributions reflect personal perspectives and do not necessarily represent official government positions. Quotes have been maintained verbatim where possible, but in some cases have been lightly edited for clarity.

Introduction

Early in November, interweave and its partners at GovTech Lab Lithuania hosted a gathering of GovMesh alongside the GovTech Leaders conference in Vilnius – an intimate space for digital government leaders to meet, share their work, and collaboratively imagine the next few years through futures exercises.

The theme of the broader event had been billed as “GovTech Dilemmas”. But as the day progressed, the idea of dilemmas was flipped on its head as “polarities”, not a framing of either/or but potentially a both/and that needs to be managed carefully over time. Throughout the day’s conversations, the participants explored the idea of an adaptive government that could pursue both digital sovereignty and international collaboration; work with the private sector without selling out to it; and embrace AI without becoming overwhelmed by it.

That event encapsulated 2025 as a year of big choices in the digital government world, throwing up preliminary answers about what the nature of tomorrow’s digital state ought to be. Our inaugural GovMesh Horizons report – built around semi-structured interviews with digital leaders from a dozen governments and international organisations across Europe and Asia – picks up where that day left off, gathering and sharing the viewpoints of some of the leaders at the forefront of these changes.

A year of big choices

It has been a tumultuous year for global politics – from ongoing wars to the introduction of tariffs, pressures in supply chains to cuts in foreign aid budgets. Around the world there has been increased pressure for governments to do more with less, as citizen expectations rise and government wallets tighten. Digital has often been touted as one of the solutions to this challenge, but as 18F and the US Digital Service [found out](#) following the introduction of DOGE in the United States, digital teams are not immune to cost-cutting attempts or political manoeuvring either.

Unsurprisingly, pressures around delivering with digital are front and centre of GovMesh Horizons this year. In the view of Taiwan’s Rosalind Liu, “governments are still grappling with working out what can be solved by digital and what can’t”. Similarly, in the UAE Abeer Tahlak is reflecting on “a continuous tension between quick wins and long-term transformation”. “We know that complex challenges take time to solve”, she says, “and different parts of society need to come together”. “And yet, we are increasingly expected to show results quickly; not as shortcuts, but as visible signals of progress that sustain momentum and confidence while the deeper change takes shape”.

Nowhere is this clearer than in the world of AI. Despite huge evolutions in the technology this year – and successes such as the [Humphrey Suite](#) in the UK – the view from our interviewees is mixed. One interviewee assesses AI as still being used opportunistically and “completely at random” in their country. More broadly one of the predominant themes is ‘AI panic’, with governments “scrambling” to keep pace with what Iceland’s Sveinbjörn Grímsson describes as a growing gap between “the pace of adoption and the pace of development of new technologies”.

Concerns about governments adopting AI for AI's sake, or locking in otherwise outdated government processes by digitising them with AI, are taken up by DPGA's Lucy Harris. "Remember when 3D movies were a phase, and every movie was a 3D movie?", she asks. "Over time it started to be just a subset of movies that were 3D. As a means of efficiency, governments and organisations need to ask, does every tiny thing have to have an AI component?"

At the centre of this question – and the other ones that (re)emerged through interviews on digital sovereignty, public-private interactions, and scaling digital successes – are questions about the fundamental nature and role of the modern state.

As Lithuania's Dovilė Gaižauskienė puts it, "is it even the same state that we should be digitising?"

2025 has also been a big year for digital government theory – the emergence of the concept of the Agentic State and DPI's growing prominence within the mainstream have presented bold visions for the future of technology in government. Governments are increasingly placing digital transformation front and centre of their visions for their countries.

The leaders interviewed for GovMesh Horizons see this as a line in the sand, and expect this to continue apace into 2026, having prepared the foundations for shifts in AI and digital sovereignty in 2025. Gaižauskienė continues – "we need a better connection between digital transformation and digitalisation going forward – the actual digital shift and the reimagining of the state".

Chapter 1 | 2025 look back: navigating a series of digital polarities

Lucy Harris's description of 2025 as "a year where unforeseen shifts in geopolitics and funding meant things moved faster than predicted" is an apt summary of the uncertain themes that dominated the last year for our interviewees, as they navigated constantly shifting political and technological priorities and parameters. At the heart of these questions was a tension between security and convenience, a theme that plays out across both digital sovereignty and AI-implementation debates.

Digital Sovereignty

The question of digital sovereignty has been globally front of mind through 2025: sometimes geopolitical, sometimes about the state's relationship with the private sector, and always about the government's level of control over its own data and services. In Taiwan, it's a question of trying to build traditional Mandarin language AI; in India building a domestic AI ecosystem; and in Europe reducing dependence on big tech providers in case "we all need to push the pause button" (Hessel van Oorschot).

Lucy Harris frames the challenge as a question of "strategic autonomy": "if I build, I have complete control but it's expensive. If I procure something there's a question about who owns it, what am I locked into, who owns the data". A trade-off between capacity and control, security and convenience. In South Korea, where a government data centre fire [wiped out](#) 858 terabytes of data earlier this year, Jaesin Yoo reflects on that event as a demonstration of "clear limitations to the public sector operating digital government entirely on its own". And yet, he continues, "the hardest problem in the public sector is undoubtedly security".

When asked about how they are approaching sovereignty, and what steps have worked for them, the GovMesh interviewees' answers fall into two categories. First, there is the importance of being clear on what needs to be sovereign and what doesn't. Secondly, there is a commitment to "not just walling up by yourself on an island" (Harris), but to finding newer and more flexible forms of international collaboration.

To the first point, Grimsson warns against what he calls "a defensive reaction to massive vendor lock-in". He describes governments going to the private sector and saying "we want a specific solution to this pre-defined problem" and "if it's not ready right now, we will make it ourselves in-house", leaving little room for co-creation. "If you try to control an ecosystem like this, you will fail", he says. Instead, through co-creation with market players, government can move from passive buyers to priority customers – early adopters in shaping emerging technologies.

Indonesia's Pandu Putra concurs. "If you do it all yourself, you will be bloated and wasteful", he says. For Ukraine's Kateryna Frolova, it's the same story: "we need to involve private companies at the proposal and business analysis stage, to help them tailor what they offer a bit more".

One solution, say our interviewees from the Netherlands, Ukraine and Iceland, is being bolder in treating procurement as a market-shaping tool, not simply a technique of avoiding vendor lock-in. Grimsson continues, “procurement is the mechanism through which sovereignty, innovation, collaboration and digital capacity become real”, but only if a government is clear on what it needs.

He gives a hypothetical example of a hospital at full occupancy because of elderly people who have nowhere to otherwise go. “Building a new hospital is not necessarily the solution there”. “Government cannot do the whole 360 on its own, it needs to be a great procurer of needs”. To this end, van Oorschot and his team have recently [developed a blueprint](#) on how governments and startups can better work together.

On the international collaboration front, there are a number of case studies that the interviewees point to as evidence of success – France and Germany’s [collaborative document platform](#) chief among them. They are also enthusiastic about the potential of digital public goods (DPGs), which Harris refers to as “a third path” between building oneself and giving away sovereignty, “reusing something that someone has built, without having to reinvent the wheel”. From the idea of the digital commons in Europe to Latin America, “where there is lots about making digital ID interoperable through open-source layers”, it feels for many that this has been the year of DPGs and DPI, and many expect 2026 to be more of the same.

AI use in government

On the AI front, many governments have found a series of early successes in AI this year, from Indian pilots in healthcare to the DOST chatbot in Azerbaijan.

What this points to, as the Netherlands’ van Oorschot summarises, is AI working best when used “on specific sectors and targets”. He points to an example of a “Ministry of Agriculture programme on subsidies” in his own country – “a little subsidy buddy where a tool has a ChatGPT kind of approach to interacting with people in need of a subsidy”. The tool has already reduced subsidy application times from 72 hours to 15 seconds.

But beyond these targeted examples, our interviewees are largely equivocal about AI and particularly so with regards to the tension between a perceived pressure to roll it out and its as yet unresolved challenges. Harris talks about a “panicky feeling that you’ll be left behind if you don’t use AI – when you have a hammer everything looks like a nail”. “Citizens are using AI by themselves, but government is somewhat still afraid”, says Japan’s Chikako Masuda, caught between the opportunities of AI and the need for its responsible implementation.

At its worst, this ‘AI panic’ can lead to everyone “doing AI for the sake of AI, putting AI into everything” (Putra), or as another interviewee frames it, “burning capital” with isolated attempts across ministries and municipalities.

Recognising these challenges, the governments we speak to are largely more focused on preparing an AI-ready government rather than charging gung-ho towards its implementation. If 2024 was about governments having their first initial conversations on AI, then 2025 has been about laying the foundations for its structural use.

For Korea's Yoo, the biggest lesson of the year has been that "an institutional foundation must be established first before new technology can be introduced". Another government is still wrestling with cross-government set-up for AI delivery – "many ministries want to lead. Who is going to be the captain of the ship?"

One strong example of structural progress has been in Azerbaijan, where the DOST Innovations Centre has "implemented an internal structural reorganisation and recruited qualified engineers", setting up an AI application division, and identified and piloted use cases such as chatbots and disability fraud detection.

When I ask Sabina Huseynova about the idea of AI panic, and the timing for rolling out AI, she talks about the moment for scaling not as a specific point in time, but as one when three criteria are met. "First, it is when we have the internal capacity – skilled personnel, appropriate infrastructure, and clear processes – to adopt new technologies effectively. Second, it's when the needs of our users and the demands of the social sector align with the opportunities that technology offers. Third, it's informed by lessons from our previous initiatives – knowing what groundwork has been laid and where gaps remain".

Beyond foundations like these, governments are also thinking about two non-technical components of transformation – creating space to 'step back' and thinking about AI in the broader context of transformation, and communicating across departments and to citizens.

For Indonesia, a lot of this year has been one of "revisiting, reviewing and reframing" in an attempt to "accelerate" on plans for 2030 and 2050. Tahlak also raises the problem of "reflecting enough on the challenge for public sector innovators of keeping the space open to work on deep, systemic issues" – the country's [possibilities framework](#) is one way to do this. When we discuss plans for the year ahead, both the UAE and Japan are keen to institutionalise future thinking in their agencies – Masuda is thinking about "what will happen to the digital agency in 2040 and 2050".

The transformation also goes beyond immediate service provision, and governments are thinking about their use of AI in terms of a country's broader digital capacity. In Lithuania, "we are trying to evaluate what the capacities in the state are". "If you need to put AI into everything, do you have enough calculation capacity and enough data to feed it into models". India has emerged as a standout example to this end, and Thakur describes the launch of a national mission to set up an ecosystem which includes national LLM, applications, compute, GPUs and AI upskilling.

In terms of communications, the challenge is two-fold: "being educated and educating others" (Liu). Here initiatives like Australia's whole-of-civil-service AI training will serve as a model for governments to adopt and adapt in 2026. As Masuda says, "it is not just about making the process user-friendly, it is also about making it us-friendly". Similarly in Lithuania, it has been a few years of learning how "to put the critical questions to people – even if it seems that we are going into the future at light speed" (for example, in a GovTech AI sandbox or in the process of building a National AI strategy).

Strong communications may do something to help contextualise citizen expectations too, a point that Taiwan's Liu and Azerbaijan's Huseynova both make. "We should take time to educate more people on the limitations of technology, especially digitisation",

says Liu. “It will help them differentiate the effects of policy; implementation; technology and legislation”.

Lessons from the year

1. Sovereignty is about knowing when and where to lean on trusted partners, not about doing everything on one’s own
2. Embracing an AI rollout is a question of state capacity, not a moment in time
3. AI transforms service delivery when it is used as part of a bigger state redesign, not an add-on
4. Leaders need time to step back, not just push forward
5. In a time of heavy digital change, good communications are more important than ever

Chapter 2 | 2026 look ahead: redesigning the state at scale to do more with less

It is somewhat inevitable that – in the contexts of rapid transformation in technology and demands on digital security, sovereignty and autonomy - the big theme as our interviewees look ahead to 2026 is “doing more with less”.

It is not just the rising technological and citizen demands that governments are dealing with – aid cuts across the world mean there is less and less money for digital transformation. As Rosalind Liu says, “it has been a crazy chaotic year across the world, not just USAID getting cut, but most budgets”. In Lithuania, Gaižauskienė is clear that we “need to start cutting down things as well and make hard decisions along the way”. At an international level, in the DPGA’s climate work, the “urgency is not going away, but we need to work out how to do more with less”.

A chance to redesign the state?

Despite these multifaceted challenges, governments are priming themselves to rise to the challenge. When I ask Ukraine’s Frolova about her biggest takeaway of 2025, it’s “the inspirational lesson that government representatives are eager to change and are not comfortable with the status quo”.

Returning to Lithuania, Gaižauskienė is clear-eyed about the opportunities to use this challenging period to redesign the way that the state works – “if something isn’t working”, she says, “adding extra power to it will not work”. Over in Iceland, Grimsson feels the same way: “we can keep pumping money in, or we can reinvent government”.

Much of Tahlak’s work in the UAE this year has focused on this: “asking better questions, challenging assumptions and creating new workflows all together”. She highlights examples of this in practice, what she calls “radical reimagination triumphing over incremental improvements”. In Bogota, entire areas of the city have been [redesigned around care](#), and in Freetown the ‘[Freetown the Treetown](#)’ initiative has involved citizens in the maintenance of national infrastructure.

Scaling successful reimagination

The trick, as we move into 2026, will be trying to scale successful initiatives like Freetown the Treetown or indeed something like Ukraine’s [Diia](#) superapp. As Gaižauskienė puts it, it’s “really about how innovation initiatives across government transform into something that is of bigger value and part of systemic change”.

Collectively, the GovMesh Horizons interviewees are working on four steps or solutions to scale: building resilience throughout government; adequately investing in contextualisation; committing to reuse; and thinking more creatively about strategic investment.

1. Building resilience throughout government

One of the perennial challenges of digital government is joining up solutions across departments – it comes up across all our interviews this year. It is a challenge that no

one has quite got right yet, but van Oorschot highlights Ukraine as a country excelling in this.

In Ukraine, each department and Ministry has a CDTO right from the Ministry of Digital transformation down to the provincial and municipal level. In fact, Frolova used to be one of them. Van Oorschot highlights the resilience of a government where “if something really suitable comes out of a municipality, it can be translated up to the level of central government”.

2. Adequately investing in contextualisation

One of the biggest challenges that Tahlak is grappling with right now is “how to socialise new technology and make it practical for the whole public sector and our citizens”. Her team’s response has been to think more deeply about contextualisation, “curating a tool and technology to customise it and make it tailored to a region”.

She gives the example of the “[synthetic memories](#)” project, an attempt to adapt the work of a Spanish startup that uses Generative AI to help people visually reconstruct their personal memories. The UAE has clinical trials running, and has been engaging scientific, health and cultural communities as well as the technical ones. “By bringing in photographers and archivists, we make this not just about the tool but way bigger”.

This is an area where India has also been working for a few years. Thakur tells me how “there are 22 official languages in government, and we are now able to [use AI](#) for text-to-speech and speech-to-text. If you talk in Hindi it can listen in other Indian languages or UN languages”, with an accuracy level of 65-70%.

3. Committing to reuse

Exporting good practice and international collaboration is on the mind of leaders across the digital space, as outlined in the digital sovereignty section of this paper. Frolova is thinking about it heavily in Ukraine: “everyone loves Diia, but what do we do to promote it in other countries or export it?”.

As one solution, there is an increasing focus on joining up and re-use. Ukraine is cooperating heavily with the ITU’s [GovStack](#) programme, while for Indonesia interoperability is the route to scaling success: “instead of using or finding new innovative data, there’s something more important in sharing data to enhance what is already there”, shares Pandu. In Taiwan too, a new law has paved the way for new legislation which has “tried to expand access to government datasets to improve data availability”, says Liu.

The DPGA is driving many global efforts. Digital public goods are playing a practical role with regards to reuse, since they are openly licensed and designed for adaptation – meaning that governments can repurpose these technologies rather than starting from scratch. Harris also notes that “open data will be important for feeling the benefits of AI equitably around the world”, and her and her team have been hard at work defining what constitutes an AI DPG. “We set a very high bar”, she tells me, “not only the model has to be open source but also the data too”.

4. Thinking more creatively about strategic investments

Finally, there is a question about investments and funding decisions. Much of the thinking here is nascent for our interviewees, but there is a shared commitment to working out how to make funding more horizontal.

Putra brings this up, telling me “there’s not much discussion about economic and cost-benefit analysis and mechanisms that value horizontal thinking”. “When three ministries go to the Ministry of Finance and say, ‘we want to build a shared system’, how does it get funded?”. Separately but relatedly, Ukraine, the Netherlands and Iceland are each thinking about “how to procure innovations and pilot products as well as fully-fledged digital services”.

Getting the mechanisms for investment right will be an important focus in 2026, especially in funding cross-border projects like DPGs or in moving past a problem of “persistent piloting” that governments are facing – where they are unable to scale successful early-stage experiments.

Reflections for the year ahead

1. Doing more with less requires redesigning government, rather than stretching its limits, but countries do not have to start from scratch and go it alone
2. Scaling transformation comes from embracing horizontal opportunities over asserting central control
3. Successful AI scaling will depend not just on builds, but contextualisation and reuse
4. Creative approaches to strategic investment remain a gap, especially with regards to multi-agency and cross-border initiatives
5. Cross-border collaboration will likely become more the norm, and more necessary

Conclusion

As we move from 2025 to 2026, there are a number of unresolved questions about how to scale successes in government, better collaborate, and ultimately do more with less. Those that have worked in digital government for several years are keen to remind me that these problems are nothing new. But, as Gaižauskienė reminds me, “times have changed and managing services might mean cutting them down or rethinking ways of how to design or fund them”. It feels like these pressures are more apparent than ever.

Looking ahead to the next year, there are a clear set of lessons and a clear set of focuses that the GovMesh community are taking with them. Cross-government resilience, reuse, procurement and working across national boundaries are thorny problems, but those working on them clearly have ideas to solve them. Most of our interviews end on an entirely positive note and a reminder of the determination of governments to once again roll up their sleeves for the year ahead – the collective spirit of those public servants who “are eager to change and are not comfortable with the status quo”.

About interweave

interweave.gov is a platform to support global public sector innovation – built to reflect the realities of 21st century government.

We believe that public sector innovation is a uniquely level playing field, where small and agile countries are just as likely to be leading the way as economic powerhouses.

Yet traditional diplomatic and international structures rarely reflect this reality, and few spaces exist for these governments to connect. interweave exists to change that.

Through our free weekly newsletter, original thought pieces and interviews, and our flagship “GovMesh” summits for digital leaders, we bring together the reformers pushing the boundaries of how governments work, build, and serve their citizens.

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