



# Shaping the Future of AI Governance in Agriculture and Related Industries

Katz Y\*

HIT – Holon Institute of Technology, Israel

\*Corresponding author: Katz Y, HIT – Holon Institute of Technology, Israel; E-mail: [aron@ykatz.com](mailto:aron@ykatz.com)

## Abstract

This paper explores the transformative potential of artificial intelligence (AI) in agriculture, focusing on Israel's rapid advancements. AI offers new opportunities to enhance agricultural productivity, optimize resource use, and drive economic growth. However, these benefits also come with risks, including ethical concerns about AI surpassing human control. Israel's leadership in AI innovation, driven by a vibrant startup culture and government support, highlights the country's role in shaping global AI norms. This study emphasizes the need for ethical frameworks to ensure AI development in agriculture aligns with human values and supports sustainable, equitable growth.

**Keywords:** AI; Banking; Healthcare; Agriculture; Governance

## Introduction

Humanity is in the age of artificial intelligence (AI), a technology that can transform society by unlocking new avenues for economic growth, enhancing social welfare, and propelling medical advancements. Nevertheless, these advancements bring substantial risks. This paper investigates the dual nature of AI, exploring its potential to uplift and pose existential threats to humanity. This raises profound ethical questions about maintaining control and ensuring that AI serves human interests. The need for robust ethical frameworks and regulatory measures is critical to guide AI's development, particularly as it approaches superintelligent capabilities. Focusing on Israel's rapid AI development, this study examines its consequences for national security, economic growth, and global AI governance. As a leader in AI innovation, Israel's position is bolstered by a dynamic startup culture, which offers a model for other nations aiming to leverage AI for economic growth. A proactive approach is necessary to balance technological innovation with robust safety and security measures. This includes developing comprehensive regulations, enhancing security protocols, and fostering a culture of resilience and trust to ensure that integrating new technologies does not come at the expense of fundamental security principles. The government's commitment to

AI is evident through its strategic policies and initiatives to bolster digital technologies. It has steadily increased its budget allocation for IA technology to keep pace with the rapidly evolving threat landscape. This financial commitment supports R&D grants, startup acceleration programs, and public-private partnerships. The R&D investments have fostered technological innovation, enabling cutting-edge solutions that effectively counter sophisticated threats. The support for startups has accelerated the growth of a vibrant industry, with many companies gaining global recognition for their advanced technologies and services. Combining a vibrant startup environment, government support, and academic collaboration, Israel has emerged as a global AI leader. However, this leadership carries responsibilities. As AI technologies become more pervasive, efforts to address the ethical and regulatory challenges can provide valuable lessons for the international community. By focusing on Israel's unique position in the global AI landscape, the study offers insights into how a nation-state can navigate the complexities of AI governance. It also contributes to shaping international norms, particularly in sensitive areas like military applications and privacy concerns, facilitating the creation of universally accepted guidelines for AI governance.

**Received date:** 02 January 2025; **Accepted date:** 08 January 2025; **Published date:** 15 January 2025

**Citation:** Katz Y (2025) Shaping the Future of AI Governance in Agriculture and Related Industries. SunText Rev Econ Bus 6(1): 223.

**DOI:** <https://doi.org/10.51737/2766-4775.2025.123>

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## Methodology

Israel's experience with AI reveals this technology's extraordinary opportunities and complex ethical terrain. As AI evolves, its impact on global dynamics, national security, and individual rights will increase significantly. This study provides insights into the challenges of AI governance and emphasizes the importance of integrating ethical considerations into technological advancements. By analyzing Israel's approach to AI, policymakers worldwide can better understand the broader implications of AI and work towards a future where technology aligns with human values and societal goals. Israel's AI innovation ecosystem offers a model for other nations aiming to leverage AI for economic growth and security. Combining a vibrant startup environment, government support, and academic collaboration, it has emerged as a global AI leader. However, this leadership carries responsibilities. As AI technologies become more pervasive, the efforts to address the ethical and regulatory challenges can provide valuable lessons for the international community. By focusing on Israel's unique position in the global AI landscape, the study offers useful insights into how a nation-state can navigate the complexities of AI governance. It also contributes to shaping international norms for AI development, particularly in sensitive areas like military applications and privacy concerns, facilitating the creation of universally accepted guidelines for AI governance. The study examines ethical challenges related to AI deployment, particularly AI's critical role in driving economic growth, creating jobs, fostering new industries, promoting financial resilience, and attracting further investment. The findings lay a foundation for further research into AI's broader social, economic, and political impacts. The study's recommendations aim to shape future policy decisions, ensuring that AI development is aligned with societal values and goals. The study promotes international dialogue and collaboration by examining the implications of Israel's AI advancements. It emphasizes the need for a coordinated global approach to managing AI's risks and maximizing its benefits by identifying key trends, challenges, and opportunities associated with AI in Israel, setting the stage for understanding the broader implications of its advancements in AI. It mainly concentrates on Israel as a test case for using technology and innovation in a competitive world while focusing on the banking, healthcare, and agriculture sectors. This insight can inform policymakers, industry leaders, and other stakeholders about best practices and areas for further development.

## AI in Banking

Israel's adoption of Artificial Intelligence in banking and the economy has led to transformative changes, enhancing operational efficiency, risk management, and customer experience. Integrating

AI into banking and the economy led to significant advancements in fraud detection, customer service, credit scoring, algorithmic trading, economic forecasting, personalized financial services, regulatory compliance, and operational efficiency. The application of AI technologies in these areas has enhanced the effectiveness and efficiency of Israel's financial and economic operations. AI innovations are driving operational efficiency and automation in the global banking sector. AI technologies are being developed and implemented in banks worldwide to automate routine tasks, reduce operational costs, and improve productivity. Cohen and Ben-Zur show how AI-driven automation transforms back-office operations and contributes to cost savings in the international financial industry [1]. Israel's Artificial Intelligence (AI) advancements have significantly contributed to banking and the global economy. Its innovations are reshaping domestic financial practices and influencing global economic systems. Israel's contributions to AI in banking and the economy have had a profound global impact, from enhancing fraud detection and customer service to revolutionizing credit scoring and investment strategies. The adoption of AI technologies worldwide highlights the country's leadership in AI innovation and its role in shaping the future of global financial systems. Integrating AI technologies in the banking sector has significantly improved operational efficiency by automating routine tasks, reducing manual errors, and optimizing back-office operations. This adoption has resulted in substantial cost savings and productivity gains, positioning Israeli banks as leaders in leveraging AI for operational efficiency and serving as a model for the global banking sector. AI innovations have revolutionized fraud detection and risk management practices in the banking sector. AI systems designed for real-time transaction monitoring, predictive analytics, and anomaly detection have set new global standards. These technologies enhance banks' ability to detect and prevent fraudulent activities, making them critical tools for improving domestic and international financial security. Yagudin and Baranova note that AI models effectively detect and prevent fraudulent activities by analyzing vast amounts of transaction data for patterns and anomalies [2]. International banks increasingly adopt these systems to enhance their fraud prevention mechanisms.

One of the first domains where autonomous applications have taken off is in financial markets, with most estimates attributing over half of trading volume in US equities to algorithms [3]. King discuss several ways autonomous financial agents could commit financial crimes, including market manipulation, which is defined as 'actions and trades by market participants that attempt to influence market pricing artificially'. Simulations of markets comprising artificial trading agents have shown that, through reinforcement learning, an AI can learn the technique of order-book spoofing, which involves placing orders with no intention of

ever executing them to manipulate honest market participants [4]. AI has become a critical tool in detecting and preventing fraud in the banking sector. Machine learning algorithms analyze transaction patterns and identify anomalies that may indicate fraudulent activities. Yagudin and Baranova found that Israeli banks utilize AI systems to enhance fraud detection capabilities, leveraging algorithms that continuously learn from historical data and adapt to emerging threats. AI technologies also improve global regulatory compliance and anti-money laundering (AML) efforts, designed to help banks globally monitor transactions for suspicious activities and ensure adherence to AML regulations. Avrahami and Ben-David show how AI solutions are integrated into international compliance systems to streamline regulatory processes and enhance financial security [5]. AI-driven chatbots and virtual assistants are widely used in Israeli banks to improve customer service and operational efficiency. These AI systems handle routine inquiries, process transactions, and provide personalized recommendations. Levy and Hadar show how AI chatbots deployed by Israeli financial institutions have significantly reduced response times and operational costs while enhancing customer satisfaction [6]. AI is also transforming credit scoring and loan underwriting processes in Israel using advanced algorithms to evaluate creditworthiness more accurately. AI models analyze a broader range of data, including social and behavioural factors, to provide a more nuanced assessment of borrowers. Friedman and Vardi explain that Israeli financial institutions are adopting AI to enhance the precision of credit scoring models and reduce default rates [7].

Israeli firms employ AI in the investment sector for algorithmic trading and investment strategies. AI systems analyze market trends, news, and economic indicators to make informed trading decisions. Levin and Perlman show how Israeli hedge funds and trading firms use AI-driven algorithms to optimize trading strategies and enhance investment performance [8]. AI is also used for economic forecasting and analysis in Israel, providing insights into macroeconomic trends and market dynamics. Machine learning models analyze vast datasets to predict economic indicators such as inflation, GDP growth, and employment rates. Rosen and Doron found that Israeli researchers and financial institutions employ AI for more accurate economic forecasting and policy analysis [9]. AI innovations in personalization benefit the global financial services industry. Israeli fintech companies have developed AI systems that provide tailored financial advice and product recommendations, which financial institutions are now using globally. Goldberg and Meir show that AI-driven personalization tools enhance customer engagement and satisfaction in the international financial sector [10]. Israeli fintech firms have pioneered AI-driven customer service solutions that are now used worldwide. Chatbots and virtual assistants, developed by

Israeli companies, are enhancing customer interactions in global financial institutions. Levy and Hadar highlight the global adoption of Israeli AI chatbots, which have significantly improved customer service efficiency and satisfaction in various countries. Israeli banks and fintech companies use AI to offer personalized financial services tailored to individual customer needs. AI algorithms analyze customer data to provide customized financial advice, investment recommendations, and product offerings. Goldberg and Meir highlight how Israeli fintech startups use AI to enhance personalization and customer engagement in financial services. AI helps Israeli banks and financial institutions comply with regulatory requirements and combat money laundering. AI systems monitor transactions for suspicious activity and ensure adherence to anti-money laundering (AML) regulations.

Developments in credit scoring and loan underwriting influence financial practices worldwide. AI models from Israeli startups use diverse data sources to assess credit risk more accurately, a practice adopted globally. Friedman and Vardi explain that these advanced AI systems improve credit assessment and reduce default rates in international banking sectors by providing more precise evaluations of borrower creditworthiness. AI technologies are leading innovations in algorithmic trading and investment strategies globally. AI-driven trading algorithms, initially developed by Israeli firms, are now widely used by investment banks and hedge funds worldwide. Levin and Perlman describe how these algorithms analyze market data and execute trades highly, enhancing investment returns and market efficiency. AI systems developed in Israel have advanced global economic forecasting and market analysis. Israeli AI technologies analyze large datasets to predict economic trends and market behaviours, contributing to more informed economic policies and investment decisions worldwide. Rosen and Doron discuss how Israeli international financial institutions employ AI models to improve the accuracy of economic forecasts and policy analysis. AI contributes to operational efficiency in the banking sector by automating routine tasks and processes. AI-driven solutions streamline back-office operations, reduce manual errors, and improve productivity. Cohen and Ben-Zur discuss how Israeli banks implement AI for process automation, leading to cost savings and operational improvements [11].

## AI Transforms Healthcare

Israeli startups are at the forefront of using AI to revolutionize medical diagnostics, leveraging advanced machine learning algorithms and data analytics to enhance the accuracy, speed, and accessibility of diagnostic processes. Israeli companies are developing AI-driven solutions that have the potential to transform healthcare by improving patient outcomes, reducing costs, and

making diagnostics more accessible. Israel aims to become a world leader in medical applications of AI, with companies developing algorithms that use patient data and lifestyle information to speed up and inform diagnoses [12]. Israel is positioning itself as a world leader in medical AI applications, contributing significantly to advancements in various medical fields, including radiology, pathology, and personalized medicine. The innovative AI solutions developed by Israeli companies are transforming healthcare systems worldwide, enhancing patient care, and democratizing access to medical diagnostics. AI-driven solutions significantly improve the accuracy and speed of medical diagnostics, help lower healthcare costs by optimizing resource use, reduce unnecessary procedures and hospital admissions, and prevent complications through early detection. They further utilize and identify early detection and predictive analytics, identify health risks before symptoms appear, and provide personalized medical recommendations based on individual health profiles, enhancing treatment efficacy by considering genetic, environmental, and lifestyle factors. Zebra Medical Vision is a leading Israeli startup that uses AI algorithms to analyze medical imaging data, such as X-rays, CT scans, and MRIs, to detect various diseases, including cancers, cardiovascular conditions, and liver disease. Their AI tools are trained on vast datasets to identify patterns and anomalies that human radiologists may miss. Zebra Medical Vision aims to reduce diagnostic errors, improve early disease detection, and reduce healthcare costs by automating image analysis. Ben-David highlight that AI algorithms can enhance radiology efficiency by up to 50%, freeing radiologists to focus on more complex cases and improving overall diagnostic workflows [13].

Another prominent startup, Aidoc, focuses on AI solutions for radiology. Aidoc's AI software assists radiologists by prioritizing the most critical cases, identifying abnormalities in medical images in real time, and generating alerts for urgent conditions such as brain hemorrhages or pulmonary embolisms. Minai and Ben-David found that AI tools like those developed by Aidoc significantly reduce the time required to diagnose life-threatening conditions, leading to quicker interventions and better patient outcomes [14]. This AI-driven approach has demonstrated a 30% reduction in turnaround times for emergency room patients requiring radiological evaluation. EarlySense, a health technology company, utilizes AI and sensor-based technology to continuously monitor patients' vital signs and detect early signs of deterioration. The system uses AI algorithms to analyze data in real-time, such as heart rate, respiratory rate, and movement patterns, to provide early warnings of potential health issues like sepsis or cardiac arrest. AI-powered monitoring tools can reduce hospital stays and prevent adverse events by enabling timely medical interventions [15]. Diagnostic Robotics leverages AI to create advanced triage and clinical prediction tools for healthcare providers. By analyzing

patient symptoms, medical history, and existing clinical data, their AI system provides preliminary diagnoses and recommendations for treatment. This technology is instrumental in emergency departments, where it can help prioritize patients based on the severity of their conditions, potentially reducing wait times and improving resource allocation. AI-driven triage systems can reduce unnecessary hospital admissions by up to 20% while maintaining high diagnostic accuracy [16].

Israeli startups are effectively using AI to revolutionize medical diagnostics by addressing several critical challenges in healthcare. AI algorithms reduce diagnostic errors by offering a second opinion, particularly in complex cases where human judgment may be prone to error. This is especially valuable in specialties like radiology and pathology, where the volume and complexity of data can overwhelm human practitioners [17]. By automating routine tasks, such as image analysis and triage, AI systems free up medical professionals to focus on patient care. This reduces workload pressures and allows for faster diagnostic decision-making, which is crucial in emergency settings. AI-based diagnostics help lower costs by reducing unnecessary procedures and hospital admissions, optimizing the use of medical resources, and preventing complications through early detection. AI technologies can democratize access to high-quality diagnostics, especially in underserved or remote areas where specialists may be lacking. Cloud-based AI diagnostic tools allow medical professionals worldwide to access and utilize cutting-edge diagnostic capabilities. Israel's advancements in Artificial Intelligence (AI) have significantly transformed medical diagnostics, enhancing accuracy, efficiency, and accessibility in healthcare. Leveraging its robust technological ecosystem and innovative research, Israel has developed AI solutions that have revolutionized various aspects of medical diagnostics. Israel's contributions to AI in medical diagnostics have led to significant improvements in imaging accuracy, early disease detection, personalized treatment, and accessibility to healthcare services. Through innovative AI technologies, Israeli researchers and companies have transformed medical diagnostics, leading to better patient outcomes and more efficient healthcare systems. Israeli AI technologies have made substantial strides in medical imaging, particularly radiology. For instance, developing AI algorithms for interpreting medical images, such as those for detecting tumours or fractures, has improved diagnostic accuracy and efficiency. A notable example is the work of Zebra Medical Vision. This startup has developed AI algorithms to analyze medical imaging data to identify various conditions, from cancer to cardiovascular diseases. AI-based systems can match or exceed radiologists' performance in detecting certain conditions, improving diagnostic precision and reducing human error [18].



Israeli AI innovations are also advancing early detection and predictive analytics in healthcare. Technologies developed by companies like Medial EarlySign use AI to analyze electronic health records (EHRs) and other patient data to identify individuals at risk of developing severe conditions, such as cancer or cardiovascular diseases, before symptoms appear. AI models trained on large datasets of patient information can predict disease onset with high accuracy, leading to earlier intervention and improved patient outcomes [19]. AI has revolutionized personalized medicine by enabling more tailored and effective treatment plans. Israeli companies like K Health use AI to analyze patient data and provide personalized recommendations based on individual health profiles. AI-driven personalized medicine approaches can significantly enhance treatment efficacy by considering a patient's unique genetic, environmental, and lifestyle factors [20]. Israeli advancements in AI have also impacted the field of pathology. Technologies developed by PathAI, another Israeli startup, utilize AI to assist pathologists in analyzing biopsy samples and identifying pathological conditions. AI algorithms could improve the accuracy of pathological diagnoses, reducing the incidence of diagnostic errors and enhancing the reliability of cancer diagnosis. AI solutions from Israel also improve accessibility to diagnostic services, particularly in underserved or remote areas. AI-powered telemedicine platforms and diagnostic tools can offer high-quality medical evaluations and recommendations without requiring physical access to advanced healthcare facilities. AI technologies can bridge gaps in healthcare accessibility, providing valuable diagnostic support to regions with limited medical resources [21].

### AI-Driven Agriculture

AI significantly impacts agriculture in Israel by enabling more efficient, sustainable, and precise farming practices. Israel, known for its innovative technology sector and challenging agricultural conditions, has leveraged AI to address water scarcity, crop management, and resource optimization issues. Israel's AI industry is rapidly growing and gaining global recognition for its innovation and research capabilities. As a major hub for technology and startups, AI is central to Israel's vibrant ecosystem. The government actively supports the sector through various initiatives, grants, and policies to foster innovation and entrepreneurship. The advancements have significantly impacted agriculture globally, enhancing productivity, efficiency, and sustainability in farming practices. With its technological innovation and research capabilities, Israel has developed various AI-driven solutions that address some of the most pressing global agricultural challenges. Israel transfers its AI-driven agricultural technologies to other countries through collaborations and partnerships, improving local

agricultural productivity and sustainability. These initiatives enhance food security and support rural economies worldwide, establishing Israel as a leader in global agrotech innovation [22]. AI technologies in Israel streamline agricultural supply chains, from logistics and inventory management to reducing waste and improving operational efficiency. These advancements help farmers make informed, data-driven decisions that boost productivity and lower costs, aligning with global sustainability goals [23]. By leveraging AI, Israel addresses its local agricultural challenges and positions itself as a global leader in innovative, sustainable farming solutions. Israel's AI advancements in agriculture have provided innovative solutions to critical global challenges, such as water scarcity, crop management, and sustainable farming. Through the development of precision agriculture technologies, automated irrigation systems, and AI-powered crop monitoring tools, Israel has significantly contributed to enhancing agricultural productivity and sustainability on a global scale. Israel is renowned for pioneering precision agriculture, which uses AI to analyze large datasets collected from sensors, drones, and satellites. AI algorithms process this data to give farmers actionable insights into irrigation, fertilization, pest control, and crop management. Zarco-Tejada found that precision agriculture techniques, including those developed in Israel, have increased crop yields by optimizing water use, minimizing input waste, and reducing the environmental footprint of farming operations [24].

Israeli companies are developing AI tools to help farmers adapt to changing climate conditions, such as AI-driven systems predicting weather patterns and assessing their impact on agriculture. These advancements support sustainable farming practices, contributing to long-term resilience and environmental conservation [25]. AI technologies, such as precision irrigation, crop monitoring, and automated pest control, enable farmers to optimize resource use, including water, fertilizers, and pesticides. These innovations improve crop yields and reduce environmental impact by minimizing input waste and maximizing efficiency, addressing critical issues such as water scarcity and sustainable farming practices. Israel faces significant water scarcity, making efficient water management crucial for its agricultural sector. AI-powered systems like those developed by CropX, an Israeli tech startup, use machine learning and data analytics to optimize irrigation. These systems analyze soil moisture, weather patterns, and crop needs to provide farmers with precise irrigation recommendations. This approach conserves water and improves crop yields, addressing environmental and economic challenges. AI-driven agricultural solutions contribute significantly to global food security by optimizing sustainable farming practices. Israeli innovations help reduce food waste, enhance resource allocation, and increase agricultural productivity, supporting global efforts to ensure a

stable food supply amid climate change and population growth. Innovations in agriculture have contributed to global food security by enhancing sustainable farming practices. They help optimize resource allocation, reduce food waste, and increase agricultural efficiency, thereby supporting global efforts to ensure a stable food supply in the face of climate change and population growth [26]. Israel collaborates with various countries to implement AI-driven agricultural technologies. For example, partnerships with African and Indian governments have introduced Israeli AI solutions to local farmers, improving agricultural productivity and resilience. Mussa discusses how technology transfer from Israel to other regions has enabled the adoption of AI in agriculture, enhancing food security and supporting rural economies.

AI technologies also transform crop health monitoring in Israel. Startups like Taranis use AI-driven aerial imaging and computer vision to detect early signs of disease, pest infestation, or nutrient deficiencies in crops. These technologies analyze high-resolution images from drones or satellites to identify issues early, allowing farmers to take preventive action promptly. This approach reduces the need for chemical treatments, promotes sustainable farming practices, and minimizes crop losses. AI enables data-driven decision-making in Israeli agriculture, supporting farmers with real-time insights to optimize their operations. AI platforms combine data from various sources, including sensors, weather data, and satellite imagery, to offer actionable recommendations for planting, fertilization, and harvesting. AI-driven solutions in Israel promote sustainable agriculture by reducing resource consumption and enhancing productivity. AI technologies like precision irrigation, automated pest control, and predictive analytics help farmers use fewer resources while maximizing output. This focus on sustainability aligns with global goals to reduce the environmental impact of farming, ensuring long-term food security and resilience [27]. Prospera, an Israeli agritech company, uses AI to provide digital farming solutions that help farmers improve productivity and manage resources more efficiently. Such platforms enhance farm management by providing tailored insights, boosting yields, and reducing costs [28]. Other developments similar to those in agricultural AI are making significant strides in related fields, showcasing the country's innovation across various sectors, such as using drones and remote sensing. Israeli companies like Taranis and AgroScout use drones and remote sensing technologies to monitor crop health, optimize irrigation, and manage pests. These technologies provide detailed, real-time data, enabling farmers to make informed decisions and enhance crop yields.

Startups like CropX develop AI-based soil sensors that provide insights into soil conditions and crop needs. These sensors help in precision irrigation and nutrient management, reducing waste and improving resource efficiency [29]. Companies like Netafim, a

pioneer in drip irrigation technology, are incorporating AI to develop intelligent irrigation systems. These systems use data from weather forecasts, soil moisture sensors, and crop requirements to optimize water use, which is crucial in Israel's arid climate [30]. Startups like Watergen are using AI to improve water purification and recycling processes. Their technologies help generate clean drinking water from the air and optimize water treatment facilities [31]. Startups like Ecoligo are applying AI to monitor and manage environmental impacts. They use AI to track pollution levels, manage waste, and optimize energy consumption, contributing to more sustainable environmental practices [32]. Israeli innovations include AI-driven solutions for climate adaptation. Companies like BGN Technologies are working on AI systems that help farmers adapt to changing climate conditions by predicting weather patterns and assessing their impact on agriculture. Companies like Redefine Meat are revolutionizing the food industry with AI-driven techniques to produce plant-based meat alternatives. These innovations address sustainability and food security challenges [33]. AI technologies are being used to streamline agricultural supply chains. Startups like Taranis are developing AI solutions for logistics and inventory management, improving efficiency and reducing waste. Given its arid climate, Israel has focused on developing AI-powered irrigation technologies that efficiently manage water resources, a critical aspect of sustainable agriculture. For example, companies like CropX and SupPlant use AI to analyze soil moisture levels and weather data, optimizing irrigation schedules to conserve water while maximizing crop output. AI-driven irrigation systems have reduced water usage by up to 30% globally, with Israeli technologies playing a pivotal role in these advancements [34]. Israel's contributions to AI-based crop monitoring and pest management have been transformative. Tools like Taranis and Prospera use AI to analyze real-time images of crops, identifying diseases, pests, and nutrient deficiencies at an early stage. Kamilaris & Prenafeta-Boldu, highlighted how AI applications, including those from Israeli companies, have improved crop health monitoring and pest control methods, reducing the need for chemical pesticides and contributing to more sustainable agricultural practices globally [35].

## AI Innovation Strategy

Israel's emphasis on global resilience reflects its understanding that national and international are closely interconnected. According to Israel International Cyber Strategy, achieving this goal involves integrating technological, policy, and diplomatic efforts [36]. Israel's AI capabilities have become a source of international interest and a foundation for global cooperation. By contributing to global resilience, Israel recognizes that collaborative efforts are essential to navigating the complex and evolving landscape.



Socially, Israel's AI excellence transcends social divides, promoting inclusivity and connecting remote areas to central hubs. According to the World Bank, The government aims to position Israel at the forefront of the global knowledge economy. To achieve this, it has invested heavily in building human capital, recognizing skilled human resources as a vital strategic asset in a knowledge-based society. The quality of this human capital, developed through a robust higher education system supported by government initiatives, has been a cornerstone of Israel's success in the high-tech industry. According to the Global Cybersecurity Outlook, the pace at which emerging technologies are being developed and adopted is accelerating rapidly, making them more widely available [37]. This integration into everyday use has created a situation where the speed of technological uptake has outstripped the capacity of civil society, regulators, and organizations to establish and enforce safety and security principles adequately. As a result, there is a significant gap between the deployment of these advanced technologies and the ability to ensure their safe and secure use. They advocate that strengthening the foundational systems that support these leading-edge technologies is crucial to responsibly implementing them. These systems include infrastructure, regulatory frameworks, security protocols, and ongoing monitoring and adaptation capacity. Organizations risk compounding security, resilience, and trust deficiencies without this reinforcement.

Israel's concerted efforts to build its technology sector have established the country as a global leader in high-tech innovation. Government policies, strategic investments in human capital, and a culture of innovation have all contributed to this success, making Israel a central player in the global knowledge economy. Furthermore, the government actively promotes collaboration between public institutions and private companies. This collaboration, which leverages the expertise and resources of both sectors, ensures that Israel's efforts are comprehensive and adaptable to the changing nature of global needs. By fostering this collaborative environment, Israel ensures its cybersecurity efforts are inclusive and benefit from various perspectives and expertise. AI innovation has re-emerged as a critical strategy across various sectors in Israel, reflecting the broader global push towards integrating AI technologies to enhance efficiency, innovation, and competitive advantage with a solid technological base, government support, and a strategic focus on becoming a leader in AI applications. AI innovation has re-emerged as a strategic priority for Israel's banking, medical, and agricultural sectors due to its potential to drive efficiency, enhance accuracy, and foster sustainability. The country's vibrant AI ecosystem, supported by government policies, strong research institutions, and dynamic startups, positions Israel as a global leader in applying AI across diverse domains. Israel's sectors will likely see even more

significant transformations as AI technologies evolve, fostering innovation and competitive advantage globally.

AI in the banking sector is transforming how financial institutions operate, from customer service to risk management. Israeli banks and fintech startups leverage AI for advanced data analytics, fraud detection, customer relationship management, and regulatory compliance. AI-powered chatbots and virtual assistants are becoming more prevalent, providing personalized customer service and improving user experience. This highlights the importance of AI in detecting and preventing fraud. Machine learning algorithms analyze transaction patterns to identify real-time suspicious activities [38]. AI tools optimize lending decisions and credit risk assessment by evaluating vast amounts of data more quickly and accurately than traditional methods. As such, Israeli banks are increasingly adopting AI to streamline operations, reduce costs, and improve financial security [39]. AI is revolutionizing diagnostics, treatment planning, and personalized medicine in medicine. Israel, often dubbed the "Startup Nation," has seen rapid growth in AI-driven healthcare innovations. These include AI algorithms that assist in diagnosing diseases through medical imaging, developing personalized treatment plans, and managing patient data more efficiently. AI-driven diagnostic tools detect conditions like cancer and cardiovascular diseases earlier and more accurately, often exceeding the capabilities of human practitioners. Israeli companies such as Zebra Medical Vision and Aidoc have pioneered AI applications in medical imaging, helping healthcare providers interpret scans more quickly and accurately. AI tools significantly reduce the time needed for diagnosis and improve patient outcomes by allowing faster interventions [40]. Additionally, AI-driven health data analytics platforms predict patient outcomes, manage chronic diseases, and reduce healthcare costs through early intervention and precision medicine [41]. AI is increasingly applied in agriculture to optimize resource use, improve crop yields, and ensure sustainability. With its advanced agricultural technology sector, Israel is at the forefront of implementing AI in farming practices. AI tools are employed for precision agriculture, using machine learning algorithms to analyze weather patterns, soil health, and crop conditions. These tools enable farmers to make data-driven decisions about irrigation, fertilization, and pest control, ultimately enhancing productivity and sustainability [42-44]. Israeli agri-tech companies like Prospera and Taranis leverage AI for innovative farming solutions, such as automated crop monitoring and real-time data analysis. Studies show that AI applications in agriculture can increase yields by optimizing planting schedules and reducing water and pesticide use, which is particularly crucial for Israel's arid climate.

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