



SERVICE DELIVERY PARTY
POLICY PAPER

Artificial Intelligence in the Public Interest

A Governance Framework for AI in Cape Town

A comprehensive policy setting out how AI will be governed in the public interest and how it relates to the SDP's Energy and Renewables Policy.

Comprehensive policy paper

SD-P.ORG

SDP Policy Paper: Artificial Intelligence in the Public Interest

Preamble

Artificial intelligence raises legitimate public concern. Its effects on employment, social cohesion, privacy, electricity consumption and the concentration of economic power cannot be dismissed as anti-technology sentiment. Civil society organisations are right to ask whether government is moving quickly enough to understand and regulate the consequences of increasingly powerful AI systems.

The Service Delivery Party (SDP) holds that artificial intelligence is a set of technologies and applications. A data centre is physical infrastructure that supports digital services, cloud computing and AI systems. This policy governs the technology. A short section below addresses data centres directly. The SDP's full framework for data centre infrastructure, energy and water is set out in the SDP Energy and Renewables Policy. The two documents are to be read together.

Data Centres: The Short Version

Data centres are addressed in full in the SDP Energy and Renewables Policy. Two commitments from that policy apply directly here and are restated for clarity.

First, no large-scale data centre will be approved in Cape Town until the applicant has submitted a full Digital Infrastructure Disclosure, covering its projected electricity demand, water demand and the contracted source of both.

Second, the Cape Town Digital Infrastructure Utility, set out in full in the Energy and Renewables Policy, is the mechanism that makes this disclosure a structural precondition rather than a discretionary request. Operators must contract with the platform for power, cooling and connectivity rather than self-supplying, so the disclosure cannot be avoided by building around the City.

This AI policy governs what AI systems may do. The Energy and Renewables Policy governs the infrastructure AI runs on.

Governing AI in the Public Interest

AI systems used by public bodies will be lawful, necessary, proportionate, transparent and subject to human oversight. They will not be used to make high-impact decisions about access to essential services, employment, education, housing, policing or social support without clear accountability, a documented review process and a right of appeal.

Residents have the right to know when they are interacting with an AI system, or when an automated system materially influences a decision about them. The City will maintain a public register of significant AI systems used in its operations. It will conduct an impact assessment before any such system is deployed and will publish plain-language information about each system's purpose, data sources, limitations and safeguards.

The SDP will establish a Municipal AI Oversight Office, reporting to Council, responsible for maintaining the public register, reviewing impact assessments and receiving complaints from residents. The Office will publish an annual report on AI use across City departments.

Data Governance and Rights

AI systems must comply with South Africa's constitutional framework and applicable legislation, including the rights to dignity, equality, privacy, freedom of expression, administrative justice and access to information.

Personal information will be processed lawfully and securely, with particular care given to sensitive personal data, biometric information, children's data and information relating to health, finances or political activity.

The SDP holds data governance to five standards: data minimisation, purpose limitation, accuracy, security and accountability. Public and private organisations will not collect or retain personal information merely because it may become useful in future. Data used to train or operate AI systems will be obtained lawfully and with safeguards against discrimination, misuse and unauthorised disclosure.

AI systems will be tested for bias and unequal impact before deployment and monitored throughout their operation. Where a system produces discriminatory outcomes, unreliable results or unacceptable risk, its use will be suspended. Responsibility for an AI system's conduct remains with the department or company that designed, procured or deployed it. Responsibility cannot be delegated to an algorithm.

A Just Transition and Digital Inclusion

AI can improve productivity and create new opportunity, but workers will not be treated as disposable inputs. Employers introducing AI into the workplace will consult affected workers, assess the likely impact on employment and working conditions, provide retraining where appropriate and ensure that algorithmic management does not undermine dignity, privacy, fair pay or collective bargaining.

Public investment will prioritise education, digital literacy and lifelong learning. Schools, colleges, universities and vocational institutions will be resourced to teach both technical and human skills, including critical thinking, creativity, communication, ethics and civic participation.

The benefits of AI must reach townships, informal settlements, rural communities, small businesses and public-interest organisations. The SDP will support local innovation, open standards, affordable connectivity and community technology hubs, in partnership with universities and technical institutions. Public procurement will create opportunities for South African firms and will not lock government into opaque systems that cannot be independently audited or replaced.

AI will be used to improve public services, including electricity management, water conservation, transport planning, healthcare administration, disaster response and education support, wherever it can do so safely and fairly. Efficiency will never be used to justify removing human contact from essential services or excluding residents who lack digital access.

Oversight, Policing and Competition

AI systems used for policing, surveillance or public safety require the strictest safeguards. Facial recognition and other biometric technologies will not be deployed without a documented legal basis, a necessity assessment, independent oversight and evidence that their use will not produce discriminatory or disproportionate harm. Security concerns will not be used to bypass constitutional rights.

The SDP will resist monopolistic control over essential digital infrastructure. Competition policy must address excessive concentration in cloud computing, data services, AI models and digital platforms. Public authorities will favour interoperability, portability and open standards, so that residents and institutions are not trapped by a single provider.

Implementation: Council Resolution

Council is asked to adopt the following resolution.

That the City establish a Municipal AI Oversight Office, reporting to Council, responsible for a public register of significant AI systems, mandatory impact assessments prior to deployment and an annual public report.

That no City department deploy an AI system for a high-impact decision affecting access to essential services, employment, education, housing, policing or social support without a documented review process and a right of appeal for affected residents.

That facial recognition and other biometric surveillance technologies not be deployed by the City, or on the City's behalf, without a documented legal basis, necessity assessment and independent oversight.

That this AI policy be read together with the SDP Energy and Renewables Policy in respect of any data centre, cloud computing or digital infrastructure development within the City.

This is not anti-AI. It is not anti-business. It is pro-Cape Town. It is pro-resident.