

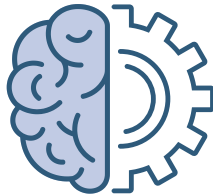
# Understanding AI Agents and Agentic Capabilities

Artificial intelligence (AI) is entering a new phase: one defined not just by generating information, but by taking action. This shift is driven by agentic AI. At the direction of users, these systems are designed to pursue goals, make decisions, and complete tasks with increasing independence.

## WHAT THEY ARE

### AI Model

An AI model is like a **brain**: it processes information and generates responses.

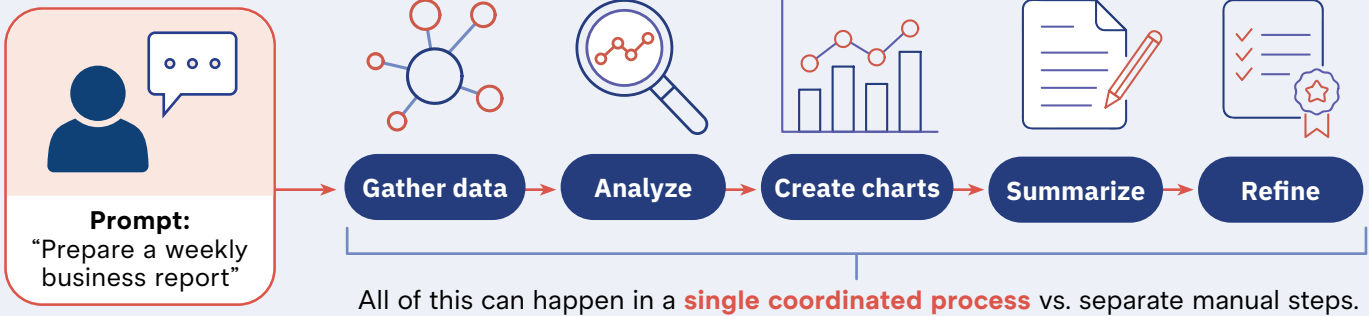


### AI Agent

An AI agent is like a **delegate**: it uses that brain, along with tools, to actually get things done.

Traditional AI Services	AI Agents
<ul style="list-style-type: none"> <li>Respond to direct user input</li> <li>Operate in a single interaction</li> <li>Require step-by-step human guidance</li> </ul>	<ul style="list-style-type: none"> <li>Initiate actions independently based on learned behavior from prompts</li> <li>Sequence multiple tasks</li> <li>Operate over time toward a broader goal</li> </ul>

## HOW THEY WORK

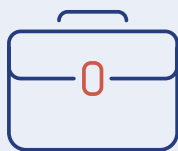


## WHY THEY MATTER FOR INNOVATION

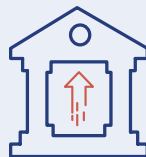
AI agents represent a significant evolution, from tools that **inform** to systems that **perform**.



Economic Growth & Competitiveness



Support for Small Businesses



Government Efficiency & Service Delivery



Inspiring Entrepreneurship



A New Model of Human-Technology Collaboration