



TRENDS & CHALLENGES IN PREVENTION OF AND COMBATING CORRUPTION

NEW TECHNOLOGIES

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Artificial intelligence

- *AI algorithms: Instructions that enable machines to learn, analyze data & take decisions based on knowledge.*
- **Compliance & Corruption risks:**
- Algorithms can be amenable to bias, unfair treatment and corruption
- algorithms are constrained by decisions (incl. bias & values) of **those who design them**
- **Definition:** “Abuse of *AI* systems by (entrusted) power holders for their private gain.” (*TI Corruption risks of AI*)

NEW **TECHNOLOGIES** TO PREVENT & COMBAT CORRUPTION



- **Examples - Compliance & Corruption risks:**
- **Use of AI** based on hyperrealistic imitations of audio-visual content (**deepfakes**) for fraud schemes. (case of transfer of 240k USD by CEO who believed to be speaking to boss of company)
- **Field of Competition & Antitrust:** AI algorithms can be used as tools for “algorithmic collusion”, such as where algorithms autonomously coordinate, **to fix prices** in a collusive manner.
- **Recruiting:** HR departments may plan to implement an AI system to autonomously prescreen applicants. The commissioner could corrupt the AI systems by setting it up to illegitimately favor a particular group of applicants (in exchange for private gain, such as a bribe or kickback payment)



- **TI - Recommendations on how to reduce risks:**
- **Accountability:** Institutions that use AI should be held **accountable** (negative & unintended consequences)
- **Transparency** obligation for public sector organizations using AI.
 - *i.a.* publication of information about algorithms to promote responsible use of AI, public oversight & mitigate bias.
- **Audit:** Algorithms used by a public body should be able to be reviewed and **audited** to ensure it is serving the public good. Auditors should evaluate systems for security risks such as vulnerabilities for abuse of algorithm.
- **+ Ethics training, specified CoC & Regulation**



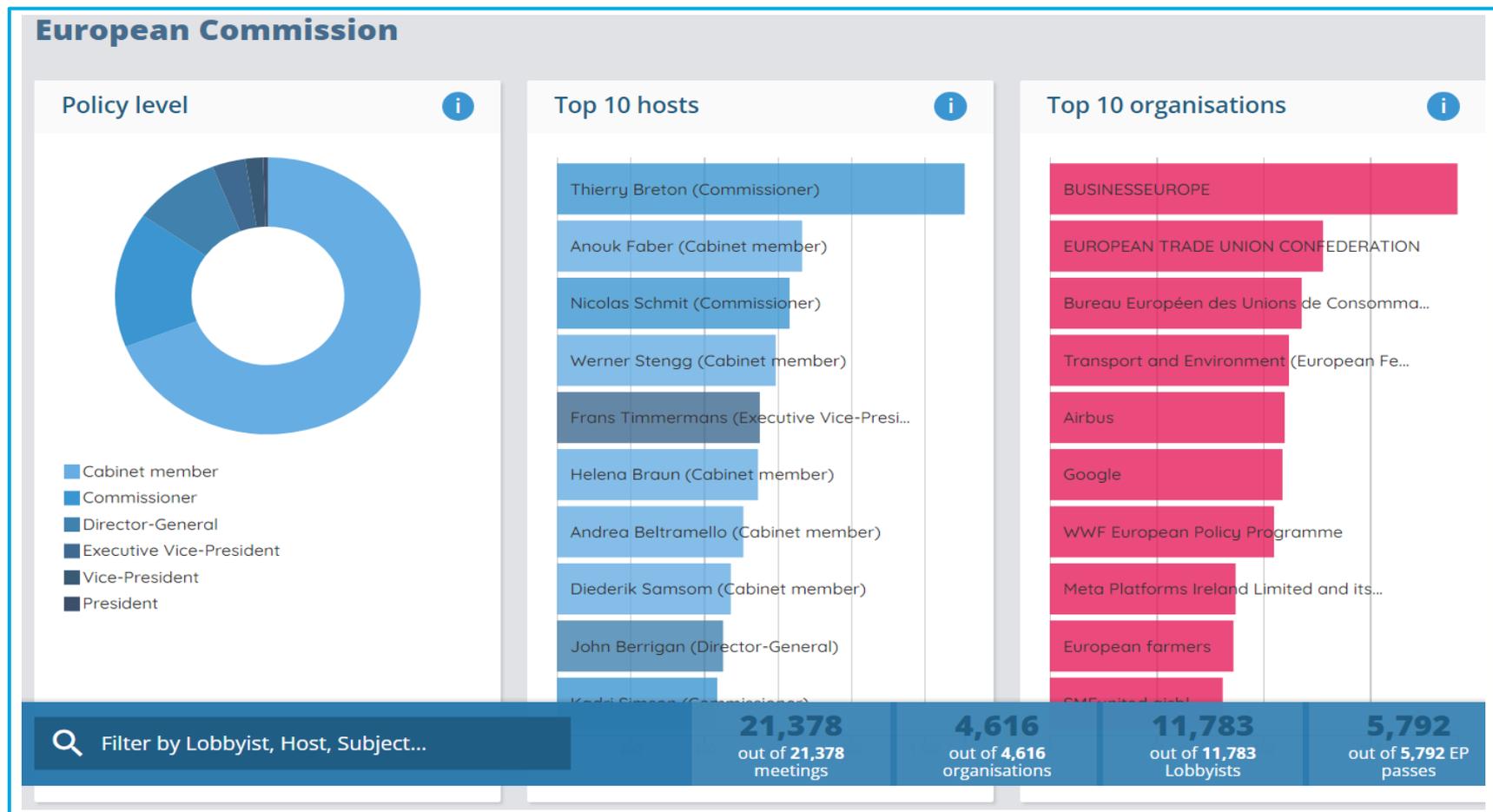
- **Aspects for transparency of algorithms:**
- Goal & Purpose
- developer/ programmer etc.
- Assumptions and variables of algorithm
 - „Code transparency“
- Margin of error
- Accuracy rate

NEW **TECHNOLOGIES** TO PREVENT & COMBAT CORRUPTION



- **New technologies** to prevent & detect and investigate:
- **1) Whistleblowing** software
 - Online-tools with option for **anonymous** reporting
- **2) Open data / TI Integrity watch**
 - User-friendly interactive database / **Open data**
 - * High-level **lobby meetings** published by the European Commission
 - * Declaration of financial interests and lobby meetings published by Members of the European Parliament.

NEW TECHNOLOGIES TO PREVENT & COMBAT CORRUPTION





• 3) Crowdsourcing platforms

- IPaidABribe (India)
- Online platform where citizens report their experiences with corruption (bribes)

1081
CITIES

198023
REPORTS

30.01B
RUPEES

4) E – Procurement

- Open Bidding Process
- Real-Time Access
- Audit Trail

ACROSS INDIA

TOTAL REPORTS
198023

TOTAL AMOUNT
30.01B

BRIBES PAID
38167

BRIBES FIGHTERS
3556

HONEST OFFICERS
1083

BRIBE HOTLINE
155217

