Artificial Intelligence in regulation – risks, benefits and potential impact on compassionate regulation

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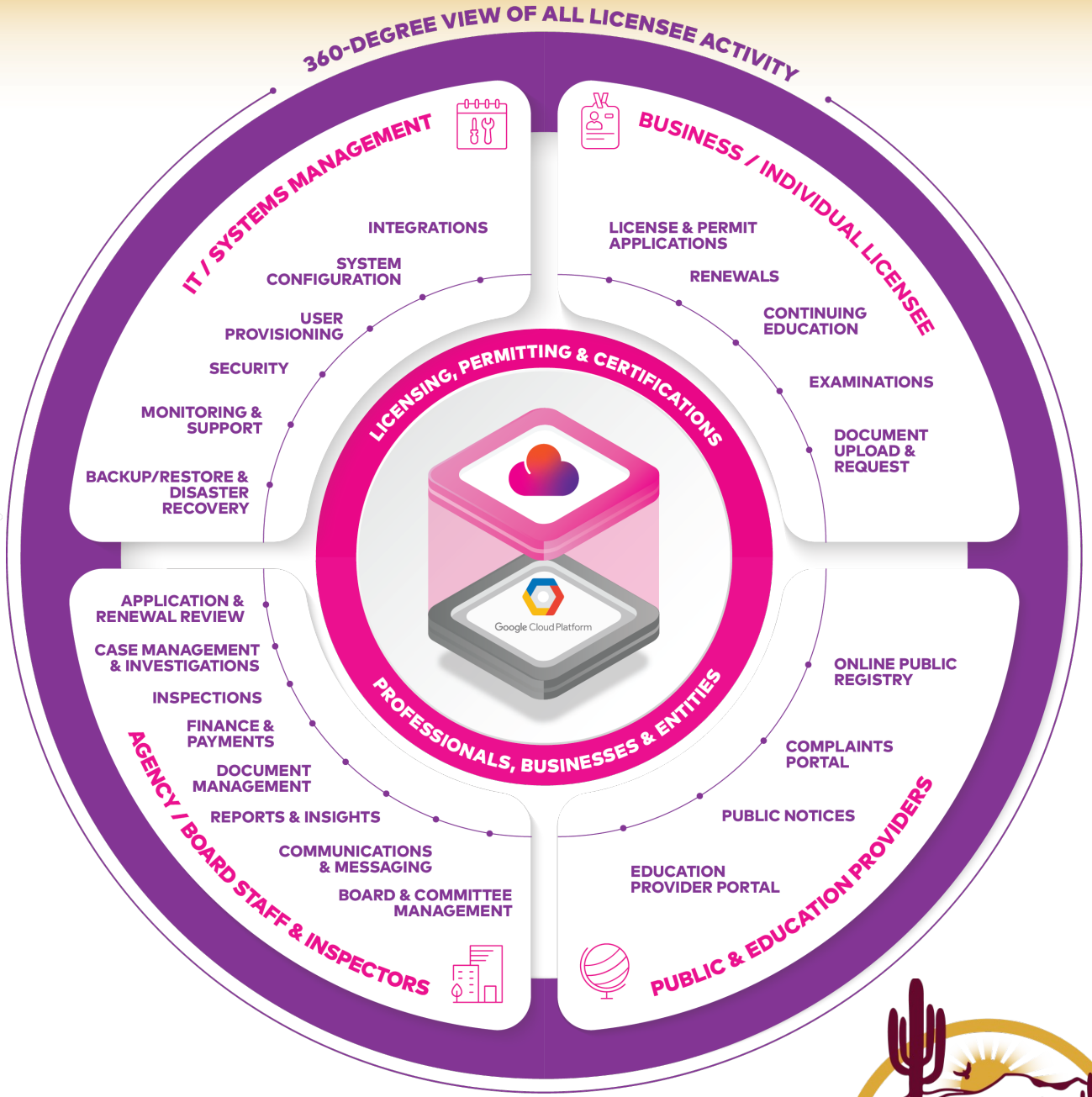
Coding Kindness: Regulatory Approaches to Technology and Compassion

Thentia's cloud-architected platform empowers innovation, efficiency and adaptability

- One platform that integrates the entire regulatory ecosystem
- SaaS, Cloud based and fully digital
- Centralized data with holistic view of all licensee information and activities



Thentia's vision and guiding principles for AI

Our vision

To incorporate safe, ethical, and transparent AI solutions into our technology platform to enhance regulatory efficiency and effectiveness so that regulatory agencies have more time to focus on public protection and the public interest.

Thentia's vision and guiding principles for AI

Principle 1

We will ensure that AI solutions in our platform are safe, secure and compliant with relevant laws of the jurisdictions we operate in, including on data privacy and security.

Principle 2

We will ensure AI solutions in our platform are aligned with our corporate company values.

Principle 3

We will assess risks of AI solutions and make decisions informed by our ability to mitigate them.

Principle 4

We will consider the ethical aspects of AI when selecting, implementing and managing solutions.

Principle 5

We will be open and transparent with our clients about AI and support their understanding of the technology.

1. Document Recognition & Verification

Use Cases

1. Validate correct documents are uploaded
2. Confirm documents are legible and in the name of the applicant
3. Detect edited documents

Benefits (+) vs. Risks (-)

+ Faster application processing; improved quality and cost effectiveness

+ Increased applicant satisfaction

- Variance of Documents = False Positives

- Large sample dataset required

2. Identity Verification

Use Cases

1. Determining if a photo matches identity documents
2. Integration with government databases

Benefits (+) vs. Risks (-)

+ Enhanced Security

+ Fraud Prevention

- Access to government databases could be a challenge

- False positives/negatives

3. Natural Language Data Querying

Use Cases

1. Request information and reports by simply writing our / saying request in natural language
2. Ad-hoc queries about an individual, scenario, list, etc.

Benefits (+) vs. Risks (-)

+ Allows new information discoveries by non-data-savvy staff

+ Faster/ Easy access to information

- Potential limited scope of understanding

- Misinterpretation of queries

4. Application Assessment / Risk Rating

Use Cases

1. Evaluate an application based on historical decision data
2. Determine a risk score based on data submitted with application and other data
3. Provide applicants with information during submission process

Benefits (+) vs. Risks (-)

+ Improves application processing time and consistency in decision-making

+ Reduce operational costs [?]

+ Identifies potential risks that might be overlooked (informed decision making)

- Bias in algorithm based on previous decisions

- Over-reliance on AI for decisions

5. Complaint Assessment

Use Cases

1. Triaging a complaint and notifying the correct departments
2. Identifying possible violations, and providing assistance to investigators
3. Identification of precedent and relevant documents/clauses (e.g. in regulations, rules, bylaws) related to potential breach

Benefits (+) vs. Risks (-)

+ Reduces triage time

+ Improves overall complaint processing efficiency and quality; reduces costs [?]

+ Improves staff wellbeing (supported decisions)

- Bias in algorithm based on previous decisions

- Potential for misclassification

6. Data Insights & Reporting

Use Cases

1. Looks at the entire dataset to determine potentially useful insights / patterns
2. Find potential patterns between compliance and other variables e.g. qualifications, etc.
3. Opportunities for regulatory policy/standards/practice improvement e.g. use of NLP to review feedback

Benefits (+) vs. Risks (-)

+ New data patterns that would otherwise be missed by a human.

+ Faster

- Raising insights that may be statistically relevant but not useful.

- Requires all data to be centralized

Panel discussion

Key Takeaways

- AI is here to stay. It is incumbent on regulators to catch up and/or get ahead.
- AI in regulation is as important as regulating the use of AI by regulated community.
- AI brings risks and issues but also many opportunities and value for regulators, regulated entities and the public. Regulators should facilitate its use appropriately, as with any other tool or technology.
- Do not make decisions on implementing AI based on the promise of reducing costs only. It may not, or may, but have other unintended impacts. Consider all factors e.g. user experience through regulatory purpose and DEI lens.
- Require technology partners to implement ethical guidelines for use of AI and partner with them in implementation of AI in open and transparent way.

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Key Takeaways

- There are already varied approaches to regulating AI developing in different jurisdictions. Collaborate and partner with other regulatory bodies at local, national or international level to ensure alignment and consistency of standards.
- Despite different regulatory governance models, there are common threads that we all share in the utilization and regulation of AI. Coding kindness - ensuring appropriate, effective, non-discriminatory implementation of AI consistent with our mission to protect the public - is key. Through our varied perspectives and experiences, we can better understand and achieve these threads together.

Questions?

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