



EBA VIRTUAL WORKSHOP

CHALLENGES IN THE AI ADOPTION

THURSDAY, 29 OCTOBER 2020,
10:00 – 12:30 CET



CHALLENGES IN AI ADOPTION

Agenda



10:00 - 10:05 – *Welcome and opening remarks*

Piers Haben, Director of Banking Markets, Innovation and Consumers at EBA

10:05 - 10:20 – *Keynote speech*

Frédéric Van Weyenbergh, Partner at McKinsey & Company

10:20 - 11:20 – *PANEL A: Industry stakeholders*

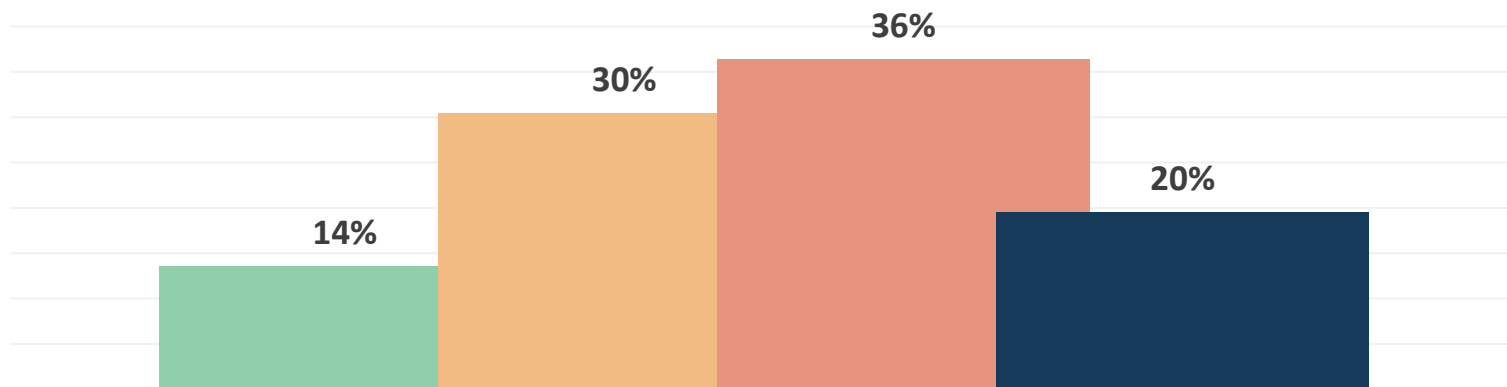
11:20 - 12:20 – *PANEL B: Public authorities*



CHALLENGES IN AI ADOPTION

Poll results

Q1. Based on your experience, what are the biggest challenges for the AI adoption in the financial services?



- Ethical challenges
- Organisational and operational challenges (e.g. internal culture/access to talent/budget)
- Data challenges (e.g. lack of data, data quality issues)
- Regulatory challenges

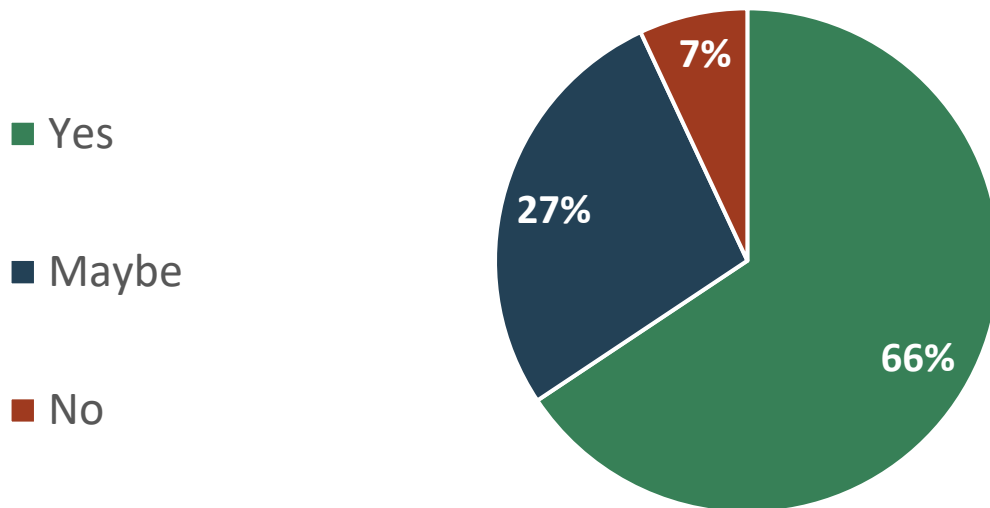


CHALLENGES IN AI ADOPTION

Poll results



Q2. Would the development of regulatory and supervisory guidance on the use of AI applications in finance promote the AI adoption?



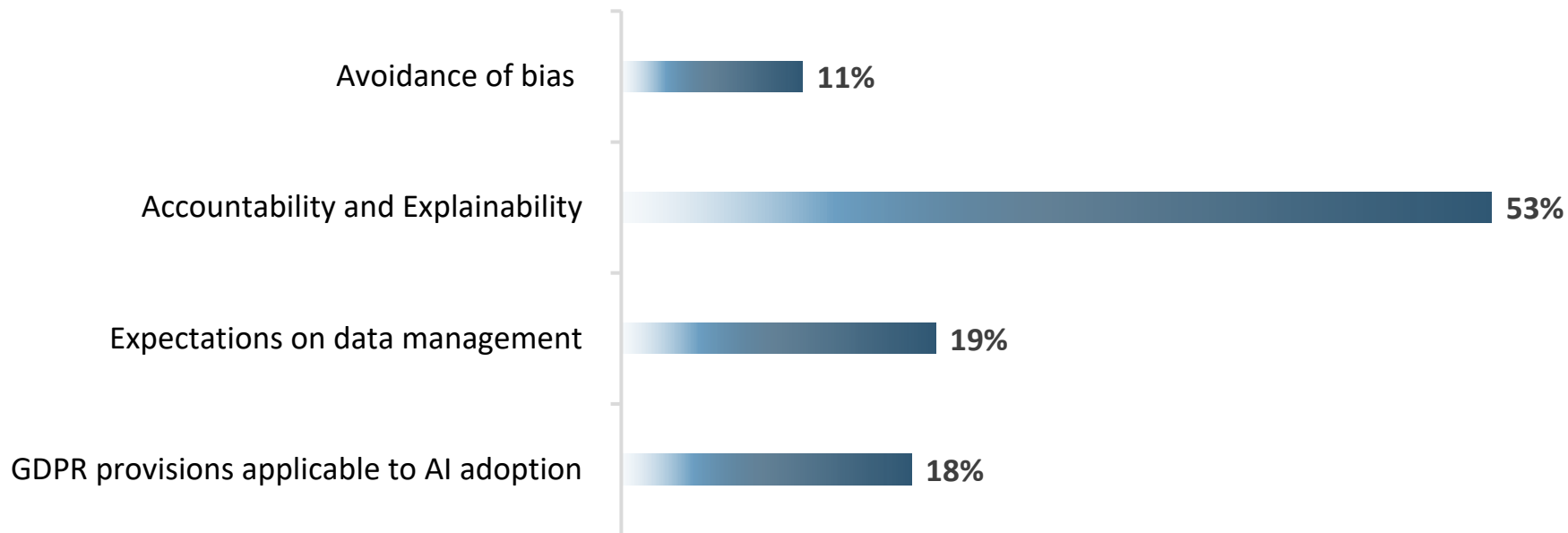


CHALLENGES IN AI ADOPTION

Poll results



Q3. Which areas could benefit from regulatory clarity to support the AI adoption in the finance sector?





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Links shared by participants



- **BCBS 239:** <https://www.bis.org/publ/bcbs239.pdf>
- **ISO/IEC CD 23894:** <https://www.iso.org/standard/77304.html>
- **Alan Turing Institute:** <https://www.turing.ac.uk/news/new-collaboration-fca-ethical-and-regulatory-issues-concerning-use-ai-financial-sector>
- **Academic paper on ‘Explainable Machine Learning in Credit Risk Management’:**
<https://link.springer.com/article/10.1007/s10614-020-10042-0>
- **EBA BD&AA report:** <https://eba.europa.eu/eba-report-identifies-key-challenges-roll-out-big-data-and-advanced-analytics>
- **Google research ‘Attacking discrimination with smarter machine learning’:**
<https://research.google.com/bigpicture/attacking-discrimination-in-ml/>
- **Article on ‘Meaningful information and the right to explanation’:**
<https://academic.oup.com/idpl/article/7/4/233/4762325>



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- **Bank of England - Staff Working Paper on 'Parametric inference with universal function approximators':** <https://www.bankofengland.co.uk/-/media/boe/files/working-paper/2019/shapley-regressions-a-framework-for-statistical-inference-on-machine-learning-models.pdf>
- **Bank of England - Staff Working Paper on 'Machine learning explainability in finance: an application to default risk analysis':** <https://www.bankofengland.co.uk/working-paper/2019/machine-learning-explainability-in-finance-an-application-to-default-risk-analysis>
- **Open-source toolkit:** <https://interpret.ml/>
- **Video on "friends don't let friends deploy black box models" by Rich Caruana:** <https://www.youtube.com/watch?v=Z40piwPgPsE>



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- **Blog post:** <https://www.fca.org.uk/insight/ai-transparency-financial-services-why-what-who-and-when>
- **Microsoft's whitepaper on Fairness Toolkit:** https://www.microsoft.com/en-us/research/uploads/prod/2020/05/Fairlearn_whitepaper.pdf
- **Public article:** <https://www.finextra.com/the-long-read/62/what-should-be-taken-into-account-if-artificial-intelligence-is-to-be-regulated>
- **European Commission's Digital Finance Strategy:** <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52020DC0591>
- **ACPR Discussion document on 'Governance of Artificial Intelligence in Finance':** https://acpr.banque-france.fr/sites/default/files/medias/documents/20200612_ai_governance_finance.pdf



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- **Consumer Financial Protection Bureau blog post:**
<https://www.consumerfinance.gov/about-us/blog/cfpb-tech-sprint-october-2020-consumer-adverse-action-notices/>
- **EDPS-GDPR: Guidelines, Recommendations, Best Practices:** https://edpb.europa.eu/our-work-tools/general-guidance/gdpr-guidelines-recommendations-best-practices_en
- **MIT Technology Review blog post:**
<https://www.technologyreview.com/2019/10/17/75285/ai-fairer-than-judge-criminal-risk-assessment-algorithm/>
- **EDPS Guidelines on the targeting of social media users:** https://edpb.europa.eu/our-work-tools/public-consultations-art-704/2020/guidelines-082020-targeting-social-media-users_en