Glovo's contribution to the public consultation on the Artificial Intelligence Act
August 2021

Glovo welcomes the European Commission's proposal for an Artificial Intelligence Act as this represents an opportunity for the EU to make the best of AI applications and a step forward towards more innovation and algorithmic transparency. Our response to the public consultation will outline Glovo's role in AI innovation as well as recommendations for specific elements of the proposal to be improved or maintained.

About Glovo

Glovo is a Spanish start-up active in 23 countries and +900 cities that aims to give everyone easy access to anything in their city. Glovo is the "everything app" that connects customers, shops and couriers - one of Europe's largest and one of Spain's two "unicorns". Since its birth in 2015 in Barcelona, it has grown to operate in Europe, Asia and Africa, helping European technology and industry compete successfully on the global market and at home.

Glovo has assisted in the digitization of various trade verticals, such as restaurants, supermarkets, bookstores, florists, clothing stores, accessories, toy stores, stationery stores, chocolate shops, cosmetics stores, among others. Glovo provides all these operators with solutions based on data, algorithms and digital management that are of enormous value for their growth.

Glovo's role in fostering Artificial Intelligence innovation
For our business, Artificial Intelligence - especially applications in logistic and platform work - represent both an opportunity and a challenge. On one hand, they create competitive advantages for users, businesses and riders; on the other hand, they transform the relations established between these parties and create new ways to manage logistics and organise work.

In this context, platforms represent an ideal testing ground as they are spaces of innovation that are constantly betting on being at the forefront of any tech development. Furthermore, platforms have a high level of capillarity in the cities, which entails close proximity to many urban and social issues that are impacted by algorithmic management.

In particular, algorithmic models make Glovo's user experience friendlier, improve logistics and add value to multiple businesses, making room for the development of competitive practices. In this regard, Glovo is committed to explaining its models and being vocal in the making of regulation.

Glovo is committed to fostering fair AI models through the elimination of biases. Algorithm transparency and accountability are therefore key objectives, also included in the Statement of Principles we have co-drafted along the main European delivery platforms as part of the European Purpose Project.

Glovo's contribution to the public consultation on the Artificial Intelligence Act
Glovo welcomes the European Commission's initiative laying down harmonised rules on Artificial Intelligence - the Artificial Intelligence Act. We particularly value the objective to align AI usage standards with EU principles. This represents an opportunity for the EU to make the best of AI applications and a step forward towards more innovation and algorithmic transparency.

As a general comment, we would like to highlight the importance of introducing harmonized rules for AI systems - both as a framework for the development of fair algorithms and as a tool to reduce uncertainty for companies developing such systems.

In this regard, **clear and comprehensive definitions** are key. Introducing a degree of uncertainty through regulation can affect the industry's competitiveness in the long term, as companies will tend to avoid pursuing innovative AI practices. Most importantly, this might eventually affect users: if companies decide not to pursue certain applications, the objectives of more transparency, accountability and non-discrimination might not be reached.

1. Prohibited artificial intelligence practices (Title II)

AI practices that are not compatible with fundamental rights are a main concern for Glovo. The current wording of the text ("*subliminal techniques beyond their consciousness*"), however, is ambiguous and could lead to low-risk systems - such as recommender systems or some reinforcement learning models - to be banned along with higher risk systems. As this is a highly sensitive matter, it would be crucial to outline a more specific definition of what constitutes prohibited practices.

2. High-risk AI systems (Title III)

We believe that the definition of "bias" is of utmost relevance, as tackling unfair impact resulting from the application of AI systems is key to building EU-based algorithms. Our understanding, however, is that research has not converged to a proper definition of AI bias yet.

In order to clarify such definition, we therefore propose some changes to the text, in particular:

- Associate the introduction of biases with **intent or negligence**, when determining that a bad practice is not compliant with the regulation;
- Include a definition of bias that **does not necessarily depend** on other terms. An example would be a definition grounded in well-known statistical concepts and measures. Specifically, we would favour definitions that feature language similar to Moritz Hardt[1] definitions for fair classifiers, that are clearly stated in statistical terms. This would allow practitioners to implement automatic tests of algorithm fairness and leave no uncertainty on whether the regulations are being followed or not (see example below).

> **Equalized odds:** A predictor Y satisfies equalized odds with respect to protected attribute A and outcome Y, if Y and A are independent conditional on Y. $P(Y=1|A=0,Y=y) = P(Y=1|A=1,Y=y)$, $y \in \{0,1\}$. This means that the probability of a person in the positive class being correctly assigned a positive outcome and the probability of a person in a negative class being incorrectly assigned a positive outcome should both be the same for the protected and unprotected group member.

In this regard, we would like to highlight the potential downsides of introducing concepts that lack technical applications as this increases uncertainty in the development of new models.

3. Transparency obligations for certain AI systems (Title IV)

Glovo is already one step ahead on AI transparency, as it is in the process of drafting working guidelines on soft transparency to make its AI systems available to anyone.

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[1] Hardt, M., Price, E., & Srebro, N. (2016). Equality of opportunity in supervised learning. *Advances in neural information processing systems*, *29*, 3315-3323.

Most importantly, Glovo is co-leading the [European Purpose Project](#), an initiative that gathers Europe's most relevant delivery platforms with the aim of elaborating a series of documents to implement a [Statement of Principles](#) of EU technology platforms.

Being a responsible user of technology and data is one of these principles, and entails fostering algorithm transparency and accountability; the ability of users to have control of their personal data; making processing of personal data transparent; having responsive communications; and the implementation of best practices.

These principles will be materialized in a Code of Conduct as well as in a Playbook of tried and tested regulatory solutions to facilitate and accelerate the adoption of such practices by tech companies.

On this matter, is it relevant to stand out the fact that transparency obligations regarding AI models should at all times take into consideration the protection of intellectual property and should in no case introduce principles that entail the disclosure of highly valuable commercial assets for companies.

4. Measures in support of innovation (Title V)

Glovo fully supports the adoption of measures to foster innovation and has been active in the conversation regarding sandboxes by making available its models and resources.

As mentioned above, one of the positive outcomes of harmonizing regulations on AI is that it improves legal certainty for companies to develop innovative products. As a former start-up, Glovo also welcomes the initiative of reducing burdens for SMEs and developing businesses.

5. Codes of conduct (Title IX)

In regards to the voluntary application of certain requirements for high-risk systems to non high-risk ones, we would like to highlight the fact that Glovo's working pipeline includes the development of an explainability module, with the goal to incorporate transparency dynamics within the making of Glovo's AI models.