



## Response to the Call for Inputs:

### The Use of Artificial Intelligence and the UNGPs

*Response prepared by: Optim.ai Foundation*

#### Introduction

This document addresses the intersection of artificial intelligence (AI) deployment and procurement by non-tech States and businesses with human rights, guided by the UN Guiding Principles on Business and Human Rights (UNGPs). It incorporates insights from scholarly and policy sources to identify risks, highlight positive practices, and propose actionable policy recommendations for the thematic report to the 59th session of the UN Human Rights Council in June 2025 “*The Use of Artificial Intelligence and the UNGPs.*”

The comments and inputs are presented to relevant questions as follows.

#### **1. What do you consider are the main human rights risks linked to the procurement and deployment of AI systems by States and in which area?**

Businesses and State-owned enterprises face distinct human rights challenges in AI procurement and deployment, including:

- i. **Bias and Discrimination:** AI models trained on biased datasets (Hickok, 2024) or biased algorithmic decision-making risk perpetuating systemic inequalities. Biases can translate into inequalities based on the grounds of age, sex, race, location or any other social or demographic factor, affecting specially protected groups. For example, risk recidivism algorithms have led to biased sentencing decisions in justice systems (Rubenstein, 2021), credit approval algorithms are biased against women (Cozarencu and Szafarz (2018), Le and Stefańczyk (2018).
- ii. **Erosion of Privacy:** Surveillance technologies, such as facial recognition, pose privacy risks and may violate constitutional norms (Coglianese, 2023). Digital ID systems using biometric technologies based on AI recognition, highly criticized include Aadhaar in India –the world’s largest biometric identification system with 1.2 billion people- and Huduma Namba Program in Kenya
- iii. **Accountability Deficits:** Proprietary systems often lack transparency, making it difficult to understand decision-making processes (Autio et al., 2023).
- iv. **Limited Stakeholder Involvement:** Failure to involve marginalized groups in procurement decisions of AI systems exacerbates inequalities in outcomes (Sloane et al., 2021).



## 2. What do you consider are the main human rights risks linked to the procurement and deployment of AI systems by business enterprises outside the technology sector in their operations, products and services and in which area?

The following the following examples illustrate the spectrum of human rights risks associated with AI deployment by businesses outside the technology sector and underscore the necessity for robust oversight and ethical practices in AI procurement and deployment:

- i. **Workplace Discrimination:** Automated hiring tools may unfairly exclude candidates from marginalized communities (Zick et al., 2024). For example, an AI hiring system used by a multinational retail company systematically excluded female candidates from certain roles, as its algorithm was trained on historical hiring data reflecting gender biases in the workplace (Autio et al., 2023). This case highlights how biased training datasets can perpetuate discriminatory hiring practices.
- ii. **Consumer Harm:** AI in financial services may deny loans to vulnerable groups due to algorithmic biases (Autio et al., 2023). A regional bank in Latin America, for example, used AI to determine creditworthiness. The algorithm disproportionately flagged applicants from lower-income neighborhoods as high-risk, reducing their access to financial products and reinforcing existing economic inequalities (Hickok, 2024). This occurred because the model relied on geolocation data strongly correlated with socio-economic status.
- iii. **Lack of Redress Mechanisms:** Insufficient mechanisms for addressing harm caused by AI decision-making undermine justice and accountability (Hickok, 2024).
- iv. **Privacy Intrusions:** A global insurance firm deployed AI to analyze customer health data for personalized policy recommendations. However, inadequate safeguards led to unauthorized sharing of sensitive medical information with third-party marketing firms, violating privacy rights (Rubenstein, 2021). In 2021, reports surfaced that Amazon's AI-powered delivery driver monitoring system, powered by cameras and sensors in delivery vans, flagged drivers for poor performance based on metrics such as abrupt braking or late deliveries. Drivers were terminated based on these automated assessments without a clear explanation of the decision-making process or an opportunity to contest the findings. Many drivers reported that external factors, such as traffic or road conditions, were not adequately accounted for, leading to unfair terminations. The lack of an accessible grievance mechanism and transparency in the AI's operations sparked widespread criticism, highlighting the risks of relying on opaque AI systems without proper redress options.
- v. **Bias in Customer Interactions:** An AI-powered chatbot used by an e-commerce company to handle customer service inquiries showed a pattern of preferential treatment for queries in English over those in local languages. This led to slower



response times and lower satisfaction scores among non-English-speaking customers (Sloane et al., 2021).

- vi. **Lack of transparency:** A hotel chain implemented a dynamic pricing AI system. Customers in specific demographic groups reported consistently higher rates for the same services, as the algorithm factored in attributes like browsing history and income proxies without disclosure (Coglianese, 2023).
- vii. **Health and Safety:** A manufacturing firm deployed AI to optimize workplace schedules, but the system ignored employee fatigue and health metrics, leading to increased workplace injuries and unsafe working conditions (Autio et al., 2023).
- viii. **Exclusion of Vulnerable Groups:** An AI-based mortgage application system used by a real estate company was found to decline applications from individuals without extensive credit histories, disproportionately affecting young applicants and immigrants (Zick et al., 2024).
- ix. **Algorithmic Redlining:** A utility company implemented an AI-driven system for energy subsidies. Communities in historically underserved areas were mistakenly flagged as low-priority due to outdated demographic data, exacerbating existing inequalities in service provision (Nagittaa et al., 2022).

**3. Are there any policies, regulations or frameworks taken at the national, regional and international levels to address the human rights risks linked to the procurement and/or deployment of AI by States? Please provide examples. What are the main opportunities to adopt and/or strengthen these frameworks?**

Some frameworks aim to mitigate AI-related human rights risks, including:

- i. **European Union's AI Equality Act:** This legislation mandates risk assessments and transparency for high-risk AI systems.
- ii. **Canadian Directive on Automated Decision-Making:** This directive requires algorithmic impact assessments for government AI systems.
- iii. **World Economic Forum's AI Procurement Guidelines:** These guidelines help integrate ethical considerations into procurement processes.

To enhance existing frameworks:

- i. **Make Transparency and Accountability a Must**

Governments and businesses must integrate transparency into every stage of the AI lifecycle. This involves mandatory disclosure of:

- Data sources used for training algorithms.
- Decision-making processes and underlying models.
- System limitations, such as the scope of applicability and risks.



Public disclosure policies, modeled after the EU's General Data Protection Regulation (GDPR), should ensure transparency while safeguarding proprietary interests. Transparency fosters public trust and enables stakeholders to identify and address potential biases early.

## **ii. Mandate Explainability**

AI systems used in high-stakes domains must be explainable. This means ensuring that users, auditors, and affected stakeholders can understand:

- How decisions are made by AI systems.
- What factors influence AI predictions or classifications.

Regulators should require developers to implement Explainable AI (XAI) techniques that provide clear justifications for decisions, particularly in critical areas such as credit, healthcare, and law enforcement. A commitment to explainability reduces risks of errors, discrimination, and misunderstandings.

## **iii. Mandate Human Oversight**

AI systems should augment, not replace, human decision-making. Regulators should require:

- A designated human-in-the-loop (HITL) for oversight in all critical decisions.
- Regular intervention points for review of AI-generated recommendations, especially in life-altering domains such as justice or welfare services.
- Clear protocols for overriding automated decisions to ensure accountability and ethical compliance.

Ensuring human oversight preserves individual rights and mitigates risks associated with automation bias.

## **iv. Establish a Clear Framework of Responsibility**

Define clear responsibilities across stakeholders to address accountability gaps. This framework should:

- Assign liability for developers, vendors, and deployers of AI systems.
- Mandate binding agreements in procurement contracts, specifying ethical and legal obligations.
- Enforce penalties for non-compliance or misuse of AI systems.

Such a framework ensures that all parties involved in AI systems are accountable for their impacts, including unintended harms.



#### **v. Develop Context-Specific Guidelines**

Tailored procurement guidelines should address the unique sociopolitical, economic, and cultural contexts of each region:

- Governments can adapt global principles, such as those outlined by the OECD or UNESCO, to local needs.
- For example, AI systems deployed in healthcare in rural areas might require specific safeguards to ensure equitable access and prevent biases based on limited datasets (Nagittaa et al., 2022).

This ensures AI systems are effective and relevant in diverse deployment environments.

#### **vi. Mandate Stakeholder Engagement**

Regulators should require proactive involvement of affected communities in AI procurement and deployment processes:

- Businesses and governments must engage with stakeholders such as marginalized communities, advocacy groups, and local organizations to identify risks and expectations.
- Establish regular consultation periods to gather feedback and improve accountability (Sloane et al., 2021).

Stakeholder engagement builds trust and ensures that AI systems are inclusive and equitable.

#### **vii. Standardize Audits**

Regular auditing of AI systems is critical to ensure compliance with ethical and legal standards:

- Require third-party audits for AI systems before deployment and at regular intervals thereafter.
- Audits should assess datasets, algorithmic fairness, privacy safeguards, and compliance with regulatory frameworks.
- Develop and adopt standardized auditing templates and tools to streamline this process across industries (Coglianese, 2023).

Standardized audits provide an independent mechanism to identify and rectify biases, errors, or risks before significant harm occurs.

**5. Are there any emerging positive business practices that include human rights requirements when procuring and deploying AI? Please provide examples.**



Examples include:

- i. **Algorithmic Fairness Pledges:** Companies like Microsoft have adopted internal policies to mitigate bias in AI products (Rubenstein, 2021).
- ii. **Transparent Hiring Systems:** Firms using Explainable AI (XAI) in hiring processes ensure fairness and transparency (Nagittaa et al., 2022).
- iii. **Adoption of Human Rights Impact Assessments (HRIAs):** A global logistics company incorporates HRIAs during the procurement of AI systems to assess potential impacts on employees and customers. This includes evaluating the risk of discriminatory outcomes in automated scheduling and routing systems. These assessments ensure the company proactively identifies and mitigates risks to human rights, such as equitable access to services and fair treatment of workers (Sloane et al., 2021).
- iv. **Ethical Procurement Policies:** Microsoft's Responsible AI program integrates human rights principles into procurement contracts. Vendors must comply with ethical AI standards, including transparency, bias mitigation, and accessibility. By embedding these requirements in procurement contracts, Microsoft ensures accountability across its AI supply chain (Rubenstein, 2021).
- v. **Stakeholder Engagement in AI Design:** IBM regularly engages with civil society organizations and advocacy groups during the development and deployment of AI systems. For instance, when deploying AI-driven hiring tools, the company involved diverse stakeholders to test and refine its systems for fairness and inclusivity.
- vi. **Implementation of AI Fairness Toolkits:** Google developed the "What-If Tool," an open-source platform for identifying bias in AI systems. Businesses use the tool during AI procurement and deployment to test datasets for discriminatory patterns, ensuring fairness before systems are operationalized. This proactive step helps align AI systems with global human rights standards.
- vii. **Transparent AI Deployment:** A financial services firm using AI for loan approvals disclosed the factors influencing algorithmic decisions to customers. They provided clear channels for customers to appeal decisions and offered explanations on how creditworthiness was assessed. This transparency fosters trust and ensures adherence to human rights principles like non-discrimination (Autio et al., 2023).
- viii. **Grievance Mechanisms for AI Systems:** A global retail company implemented an operational grievance mechanism allowing employees and customers to report issues arising from its AI systems, such as biases in automated hiring or pricing algorithms. The company reviews complaints through an independent ethics board to address and resolve concerns effectively (Nagittaa et al., 2022).
- ix. **Regular Auditing and Compliance Checks:** A multinational healthcare provider mandates regular third-party audits of its AI systems used for patient diagnostics. These audits verify that algorithms do not discriminate based on gender, age, or ethnicity, ensuring compliance with ethical and legal standards (Coglianese, 2023).



- x. **Open-Sourcing Ethical Guidelines:** Salesforce publicly shares its ethical AI principles and frameworks, encouraging other businesses to adopt similar practices. The guidelines include mandatory considerations for fairness, transparency, and privacy in AI procurement and deployment processes (Zick et al., 2024).
- xi. **Inclusion of Explainable AI in Contracts:** A leading energy company ensures that all procured AI systems must provide explainable results. For example, if an AI system predicts energy demand, the model must clearly outline the variables influencing its prediction, ensuring stakeholders understand and trust the system (Sloane et al., 2021).

**6. How have businesses outside the technology sector included human rights impacts related to the procurement and deployment of AI systems in their human rights due diligence processes? Please provide examples.**

Businesses have integrated human rights into AI due diligence through:

- i. **Pre-Deployment Risk Assessments:** These assessments evaluate potential harms, particularly to marginalized groups (Autio et al., 2023).
- ii. **Ethical AI Toolkits:** Organizations adopt frameworks like the OECD AI Principles to align technology use with human rights standards (Coglianese, 2023). An agricultural company uses AI to optimize crop yields and ensures ethical deployment by integrating the OECD AI Principles into its due diligence process. The company examines how AI-driven decisions might affect small-scale farmers and adjusts its systems to avoid exacerbating inequities (Zick et al., 2024).
- iii. **Human Rights Impact Assessments (HRIAs):** A global retail chain conducts HRIAs as part of its due diligence process when deploying AI-driven employee scheduling tools. These assessments identify risks such as discriminatory shift allocations or potential overworking of certain groups (Sloane et al., 2021). The company mitigates these risks by adjusting algorithms to ensure fairness and by engaging with employee representatives.
- iv. **Embedding Human Rights into Procurement Criteria:** A European banking institution incorporates human rights considerations into its procurement contracts for AI-powered credit risk systems. Suppliers are required to demonstrate compliance with non-discrimination standards and provide transparency on how algorithms evaluate creditworthiness (Coglianese, 2023).
- v. **Stakeholder Engagement in AI Risk Mitigation:** A multinational energy company consulted with local communities and workers before deploying AI for predictive maintenance on critical infrastructure. The company integrated insights from these



stakeholders to ensure the AI system's implementation would not inadvertently cause job losses or compromise safety measures (Autio et al., 2023).

- vi. **Regular Auditing and Monitoring of AI Systems:** A healthcare provider using AI for diagnostics includes regular bias audits as part of its due diligence. These audits assess whether the system's predictions disproportionately disadvantage certain demographic groups, such as older patients or women. Audit findings are used to retrain and refine the AI system to improve equity in outcomes (Rubenstein, 2021).
- vii. **Grievance Mechanisms for AI-Driven Decisions:** A logistics company using AI to evaluate delivery driver performance implemented a grievance mechanism allowing employees to challenge algorithmic decisions. The mechanism includes a human review process and opportunities for employees to provide additional context before adverse actions are taken (Nagittaa et al., 2022).
- viii. **Supplier Accountability Measures:** A multinational automotive company requires AI suppliers to meet specific human rights benchmarks, such as non-discrimination and transparency. Vendors must also undergo third-party evaluations to ensure compliance with ethical standards before contracts are finalized (Hickok, 2024).
- ix. **Training for Internal Teams:** A large retail organization trains its procurement teams to identify human rights risks associated with AI, including data privacy violations and bias. This training ensures that due diligence processes incorporate comprehensive evaluations of the ethical implications of AI use (Sloane et al., 2021).

**7. Are there any positive practices of businesses providing access to remedy when they have caused or contributed to adverse human rights impacts linked to the procurement of AI systems and their deployment across their activities, including through the establishment of operational level grievance mechanisms? Please provide examples.**

Examples include:

- i. **Operational Grievance Mechanisms:** Businesses establish processes to address complaints about AI-related harms (Nagittaa et al., 2022). After complaints about its AI-powered driver monitoring system, Amazon established a grievance process for drivers flagged for poor performance. The mechanism allows drivers to contest automated decisions through a combination of human review and the submission of additional evidence, such as proof of external circumstances (e.g., traffic delays) affecting performance. This practice enhances fairness and provides a pathway to address unjust terminations.
- ii. **Third-Party arbitration:** Uber implemented a third-party review mechanism for grievances related to dynamic pricing algorithms. When riders or drivers report





issues with unfair pricing or earnings reductions caused by algorithmic errors, these complaints are reviewed by independent arbiters. This ensures transparency and fairness in resolving disputes while holding the company accountable.

- iii. **Bias Remediation Programs:** Microsoft introduced an operational grievance mechanism tied to its AI systems, particularly those used in recruitment processes. When candidates report potential discrimination or bias, Microsoft investigates complaints through its ethics and AI governance team. The company uses feedback to refine its algorithms and reduce future harm while providing complainants with direct responses and remediation.
- iv. **Proactive Human Review Panels:** Facebook allows users to appeal decisions made by its AI-driven content moderation systems. Users can file grievances when they believe their posts were incorrectly flagged or removed. These cases are reviewed by a human oversight board, which has the authority to reverse decisions and adjust the AI model if systematic errors are identified. This provides both remediation for affected users and iterative improvement of AI systems.
- v. **Community-Based Redress Mechanisms:** When community advocates raised concerns about potential biases in Google's AI-driven housing recommendation tool, Google partnered with local housing organizations to create a redress system. Affected users can report disparities in housing suggestions, which are reviewed and corrected by the company. Google also commits to ongoing audits and data adjustments to prevent future harm.
- vi. **Employee-Centered Mechanisms:** Accenture implemented a grievance mechanism allowing employees to report concerns about its AI-powered productivity monitoring tools. Employees can challenge unfair performance evaluations, and the complaints are addressed through a human review committee. Accenture's commitment to remediation includes compensatory measures when adverse impacts are verified.
- vii. **Customer Advocacy Channels:** After adopting an AI system for credit approvals, Bank of America established an appeals process for customers denied loans. Customers can request a manual review of their application, where human representatives assess potential algorithmic errors. This practice ensures fairness and transparency in financial decisions.

## **11. Please provide any comments, suggestions or additional information that you consider relevant to this thematic report.**

### **i. Adopting a Holistic Approach to AI Governance**

The thematic report should emphasize the importance of integrating human rights considerations into every stage of AI system development, procurement, and deployment.



This includes not only compliance with legal and ethical standards but also the proactive identification and mitigation of risks through stakeholder engagement and transparent processes.

## ii. **Prioritizing Capacity Building for States and Businesses**

The report should encourage States and businesses to invest in:

- **Training programs** for public and private sector employees on ethical AI use, procurement best practices, and human rights due diligence.
- **Partnerships with academia and civil society** to bridge expertise gaps, particularly in understanding how AI systems impact vulnerable populations.

## iii. **Emphasizing the Need for Cross-Sectoral Collaboration**

Collaboration among governments, businesses, civil society, and international organizations is crucial to ensuring human rights are respected in AI deployment. The report could suggest:

- Establishing multi-stakeholder working groups to draft procurement guidelines.
- Promoting global frameworks, such as OECD's AI Principles, tailored to local contexts.

## iv. **Strengthening Accountability Mechanisms**

The report should advocate for:

- **Mandatory auditing requirements** for AI systems, focusing on bias mitigation, transparency, and compliance with human rights standards.
- **Grievance mechanisms** to address harms caused by AI systems, ensuring accessibility, transparency, and fairness.
- **Human oversight** through a designated human-in-the-loop (HITL) for oversight in all critical decisions, as well as regular intervention points for review of AI-generated recommendations, especially in life-altering domains such as justice or welfare services.

## v. **Developing and Sharing Best Practices**

Highlighting examples of successful integration of human rights in AI systems can inspire adoption by other organizations. The report could include:

- Case studies of businesses and governments implementing explainable AI, transparent grievance mechanisms, and ethical procurement practices.



- Sharing open-source tools and frameworks that facilitate human rights assessments for AI systems.

#### **vi. Encouraging Regional and International Coordination**

AI technologies often cross borders, necessitating coordination at regional and international levels. The report should:

- Recommend harmonization of AI governance frameworks to facilitate international cooperation.
- Support capacity-building initiatives for low- and middle-income countries to align their AI deployment with human rights principles.

#### **vii. Focusing on Emerging Risks**

As AI evolves, new risks will emerge. The report should encourage ongoing monitoring and research into:

- The impacts of generative AI on misinformation and disinformation.
- Risks associated with advanced surveillance tools and the erosion of privacy rights.
- Potential inequalities exacerbated by AI adoption in global supply chains.

#### **viii. Advocating for an Inclusive Approach**

The thematic report should stress the need to involve underrepresented and marginalized groups in policymaking and procurement processes. This ensures that AI systems serve diverse populations and do not reinforce existing inequities.

#### **ix. Promoting the Role of Civil Society and Human Rights Defenders**

The report should underscore the importance of protecting human rights defenders and advocacy groups, who play a critical role in holding businesses and governments accountable for the impacts of AI systems.

#### **x. Establishing Metrics for Success**

To ensure practical implementation, the report could recommend establishing clear metrics to evaluate:

- Compliance with human rights standards in AI procurement.
- Effectiveness of grievance mechanisms.
- Inclusivity of stakeholder engagement processes.

#### **xi. Innovative Research:**



Support interdisciplinary studies on AI impacts in non-tech sectors, including in human rights impacts.

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