Stanford Computational Antitrust

ARTICLE

Generative AI Use by Competition Authorities: Why, Why Not, and What Might Be

Richard May*

Abstract. Competition authorities can leverage AI to improve how they collect intelligence or operate efficiently, either in-house or externally. The impact of this adoption could be significant, but it is not without risk or challenges. Some of these are specific to AI, others are more common to generally adapting to new technologies. Faced with such obstacles, this article argues that establishing a top-down governance strategy that identifies guardrails to manage risks and scaling plans to maximize impact are of paramount importance, as is benefiting as much as possible from cooperation with other authorities. Finally, it argues that competition policy makers should be mindful of the potential for a pro-competitive intervention based on AI, for example from AI-based consumer agents. While premature to advocate for such measures, their potential warrants further reflection.

KEYWORDS: Generative Artificial Intelligence; Competition Authorities; Computational Antitrust; Competition Enforcement; AI Governance; Agency Capacity; AI Agents.

JEL NOS: K21, L40, O33, H83, D83.

* Competition Expert at the OECD Competition Division. Views expressed are those of the author and do not necessarily reflect the views of the OECD or its members. The author is grateful to Ori Schwartz and Connor Hogg for helpful comments.

I. Introduction

The speed of developments relating to artificial intelligence (AI) is difficult for all but the most ardent technologists to track. Nonetheless, AI's potential to revolutionize economies, and even how we live, is widely known. While all technological evolutions are uncertain, how much and how quickly AI capabilities will continue to expand is particularly unpredictable. For example, whether general artificial intelligence will be achieved any time soon, or at all, remains unclear.[2] Despite recent advances having a significant impact, the full effects are still yet to be fully realized.[3] The adoption of AI also takes place within the context of movements to increase the interaction between computational techniques and the law, including the "law as code" movement which seeks to transition legal texts from analogue to machine readable formats, allowing an increased automation of a range of legal functions.[4]

The potential of AI has led to numerous discussions concerning its effects for competition, both for the supply of AI itself and its effects on other markets. For example, in 2024 the OECD's Competition Committee held a Hearing on AI, Data and Competition. While that discussion focused on competition within AI markets, the supporting background paper noted that there was another area of potential interest for competition authorities from AI, namely how they could leverage it in their own work.[5] Building on this, and the work of Stanford Computational Antitrust over the past few years[6], this short article discusses various aspects of how competition authorities might use AI for their own benefit, focusing on generative AI.[7]

---

[2] While an area of controversy in terms of exactly what it might mean, general artificial intelligence refers to the quest for a form of artificial intelligence cognitively equal, or superior, to humans across a general range of tasks, as opposed to being able to outperform humans only in a subset of areas.

[3] See for example: Francesco Filippucci, Peter Gal, Katharina Laengle & Matthias Schief, *Macroeconomic productivity gains from Artificial Intelligence in G7 economies*, 41 OECD ARTIFICIAL INTELLIGENCE PAPERS 1, 1-43 (2025).

[4] For more discussion of law as code, see: Burkhard Schafer, *Formalising law, or, the return of the Golem* in RESEARCH HANDBOOK ON LAW AND TECHNOLOGY 59-81 (Bartosz Brożek, Olia Kanevskaia & Przemysław Pałka eds. 2023); Samer Hassan & Primavera De Filippi, *The Expansion of Algorithmic Governance: From Code is Law to Law is Code*, 17 FIELD ACTIONS SCIENCE REPORTS 88, 88-90 (2017).

[5] Richard May, *Artificial intelligence, data and competition*, 18 OECD ARTIFICIAL INTELLIGENCE PAPERS 1, 1-62 (2024).

[6] For example, but not limited to Thibault Schrepel & Teodora Groza, *Computational Antitrust Worldwide: Fourth Cross-Agency Report*, V STAN. COMPUT. ANTITRUST 1, 1-97 (2025); Mariateresa Maggiolino, *Antitrust Concepts and Artificial Intelligence: The Case of Plausibility*, IV STAN. COMPUT. ANTITRUST 153, 153-175 (2024); David P. Brown, Daniel O. Cajueiro, Andrew Eckert & Douglas Silveira, *Information and Transparency: Using Machine Learning to Detect Communication Between Firms*, III STAN. COMPUT. ANTITRUST 198, 198-231 (2023).

[7] While generative AI is perhaps the famous face of recent technological advances, it is not the only relevant type of AI that is of interest, let alone technology. While other technologies will be of relevance to competition authorities, the breakthrough of generative AI in terms of

Ignoring the potential for AI would be a risk, at best leaving potential productivity gains untapped and requiring significant time to catch up. At worst, competition authorities, which frequently interact with firms likely to be using these tools, may find an increased differential between private and public resources which hampers their efforts to pursue their objectives. As public agencies, competition authorities will want to operate as efficiently as possible, all else equal, and this includes considering the most productive technology available.[8]

Authorities have already started using AI in their work.[9] At the same time, knowing how best to deploy rapidly evolving technologies is not straightforward, particularly in the context of often relatively small public organizations that are traditionally staffed by lawyers and economists. Further, new technologies bring new risks, and AI is no exception. Given these risks, a pragmatic approach that carefully balances the potential benefits against the risks is sensible for competition authorities.

There are many practical challenges for authorities to overcome as they seek to implement technological solutions. This is true for authorities of all sizes and maturities but is particularly the case for smaller and younger ones, where there may be particular challenges acquiring the skills required and fewer resources to divert away from pressing priorities. While AI holds the promise to boost the productivity of smaller agencies, there is also a risk that challenges in adopting AI will create greater divergence between authorities over time. Although competition authorities will likely hire more experts from the field of AI over time,[10] it seems unlikely that the fabric of authorities will change drastically over time or that economic or legal skills will become redundant.[11] As such, many non-technologists will have to continue to interact with the technology of AI if it is to be deployed and adopted successfully.

---

range of activities and ability to communicate in natural languages, define a potential watershed moment in the ability of public authorities to leverage technology.

[8] Public administration typically involves many objectives, and efficiency may sometimes conflict with some of these. As explored in more detail below, efficiency is a goal if it does not materially affect quality, and assuming there are not significant other costs from adopting technology. For more discussion on the role of efficiency in public administration, see, for example, Azhar Manzoor, *A Look at Efficiency in Public Administration: Past and Future: Past and Future*, 4(4) SAGE OPEN (2014).

[9] See, for example, the annual cross-agency reports of the Computational Antitrust project, latest two, Thibault Schrepel & Teodora Groza, *Computational Antitrust Worldwide: Fourth Cross-Agency Report*, V STAN. COMPUT. ANTITRUST 1, 1-97 (2025); Thibault Schrepel & Teodora Groza, *Computational Antitrust Within Agencies: 3rd Annual Report*, IV STAN. COMPUT. ANTITRUST 53, 53-106 (2024).

[10] For a discussion on the optimal design of competition authorities and their likely requirements for skills, see OECD, *The Optimal Design, Organisation and Powers of Competition Authorities*, 304 OECD ROUNDTABLES ON COMPETITION POLICY PAPERS 1, 1-36 (2023).

[11] Such skills are the core of competition policy. The technological jump required for such an eventuality to seem remotely feasible would need to be substantial.

This article aims to take stock of how authorities could continue to use AI, including what they use it for, how they use it, and the risks and challenges to consider in doing so. It then offers some ideas for mitigating these risks and challenges, arguing that authorities should consider starting with a deliberate governance strategy relating to AI use designed to manage risk and build scale, as well as being proactive regarding coordination and cooperation with other regulatory bodies relating to the use of AI. Finally, it argues that AI presents an opportunity for a pro-competitive form of intervention by competition authorities that, while by no means without problems, is at least worthy of further reflection going forward.

To set the scene, Section II considers how authorities can and could use AI, identifying the different potential categories of use and options for developing internally versus externally. As the article starts from the perspective that competition authorities will be adopting AI based applications, Section III considers the various risks and challenges. Having raised risks and challenges, Section IV considers potential mitigations, focusing on the role of governance and coordination. Finally, before a conclusion, Section V devotes some energy to discussing ambitious pro-competitive uses for AI.

II. Use of GenAI by Competition Authorities

II.1 Categories of use

AI is a general-purpose technology and encompasses a wide variety of end applications.[12] This section focuses on potential use by competition authorities of generative AI (GenAI),[13] broadly based on current technology and its potential evolution. While this article does not seek to provide a summary of use to date, it is clear that competition authorities are already exploring how to use GenAI.[14] For example, the UK's Competition and Markets Authority (CMA) has stated publicly that it is developing the capability of harnessing AI to help its work, based on the four principles of safety, ethics, transparency and accountability.[15]

This article argues that there are two main categories of uses for AI by competition authorities: using it to enhance intelligence gathering and for triggering

[12] See Flavio Calvino, Daniel Haerle & Sarah Liu, *Is generative AI a General Purpose Technology?: Implications for productivity and policy*, 40 OECD ARTIFICIAL INTELLIGENCE PAPERS 1, 1-62 (2025). For simplicity, the rest of this article refers to these range of applications generally as tools or solutions.

[13] Unless specified, the article will generally use AI to refer to recent advances in GenAI, rather than the broader range of AI systems or applications.

[14] For a clearer picture of how authorities are using AI, including generative AI, consider the many examples provided in Thibault Schrepel & Teodora Groza, *Computational Antitrust Worldwide: Fourth Cross-Agency Report*, SSRN (June 23, 2025), http://dx.doi.org/10.2139/ssrn.5305055, or previous editions. While use of AI is being widely considered, it is less clear if generative AI is being deployed as widely at this stage.

[15] See COMPETITION & MARKETS AUTHORITY, CMA AI STRATEGIC UPDATE (2024).

more efficient operations.[16] Enhancing intelligence-gathering reflects the potential use of the predictive and processing ability of AI in enhancing monitoring and analysis functions, allowing better identification of potential breaches of the law, more effective advocacy or even enhanced prioritization efforts.[17] More efficient operation, on the other hand, considers the use of AI to enhance the productivity of competition agencies across the day-to-day activities they undertake.[18] This delineation is not always clearcut with a blurred line between some activities and similar techniques potentially being relevant for both.[19] Nonetheless, differentiating between external and internal facing operations allows a focus on the particular needs of each use case, and an assessment of the different legal risks that each entails.

II.1.A Enhancing Intelligence-Gathering

Competition authorities use intelligence for many purposes, from identifying potential breaches of the law to understanding the scale and impact of competition issues and helping them decide where to prioritize resources. Generative AI is a predictive technology. Therefore, leveraging it to predict where competition issues are occurring is a natural starting point. Indeed, the use of computational techniques to further intelligence efforts is not new, with efforts long predating the generative AI era. For example, the OECD held a discussion on Data Screening Tools for Competition Investigations in late 2022, about the time that OpenAI launched ChatGPT.[20] The OECD's Background Note for that session, which focused on detecting cartels, noted the potential for AI to enhance the role of data screening tools. Several examples have also been documented through the work of the Stanford Computational Antitrust's annual reports, including its first and second reports in 2022 and 2023, respectively.[21]

---

[16] A third category, using AI tools for prosecutions, is also arguable. As uses in this area increase, it may be that a new category is required. However, for now, this paper considers that the uses of AI for prosecution likely fit within efficiency enhancing and detection.

[17] For example, the author is aware of authorities using AI based agents to help assist with the detection and analysis of potential breaches of the law.

[18] For example, the author is aware of authorities that are using AI based tools to assist with the organization and recall from their internal documents, as well as others using them to streamline the analysis of requested information from third parties.

[19] Forensic techniques, for example, may include elements of intelligence gathering and more efficient operation.

[20] OECD, DATA SCREENING TOOLS FOR COMPETITION INVESTIGATIONS (2022).

[21] For example, the first report describes efforts in Brazil to use computational tools to detect illegal activities, including cartels. The success of these projects, referred to as the Cerebro project, is then documented in the subsequent reports, notably its role in helping the Administrative Council for Economic Defense (CADE) uncover a large cartel in the highway sector. See Thibault Schrepel & Teodora Groza, *The Adoption of Computational Antitrust by Agencies: 2021 Report*, 2 STAN. COMPUT. ANTITRUST 78, 83-85 (2022); Thibault Schrepel & Teodora Groza, *The Adoption of Computational Antitrust by Agencies: 2nd Annual Report*, 3 STAN. COMPUT. ANTITRUST 55, 55-160 (2023); and Schrepel & Groza *supra* note 14. Similar examples exist from Spain, Finland, Mexico, Chile, Lithuania and Japan, amongst others.

In addition to screening, web scraping and various forms of machine learning have been available tools considered by competition authorities for some time.[22] Email alerts based on scraped data have long been used to summarize specific developments in a time efficient manner, for example to be alerted to news about acquisitions or partnerships.[23] Better technology increases the ability to undertake such tasks more effectively and efficiently. Moreover, recent generative AI applications provide the ability to synthesize text and summarize it meaningfully without substantial specific coding being required, opening up a greater potential for automated interaction with real-world data and expanding the potential to move beyond the reliance on scraping pre-defined data or analysis based on binary keywords.

For example, public information is available on markets, such as product offerings, prices or contractual terms, and the conduct of firms may therefore also be inferred, including potential breaches of competition law or cases when competition is not working well for consumers.[24] Another example could be using GenAI based solutions to identify potential anti-competitive regulations that emerge with a view to informing potential advocacy efforts.[25] Sifting through this information without a specific focus rarely makes much sense from a human perspective – needles and haystacks come to mind. The ability of AI based solutions to automate the extraction and assess information may change this equation.[26] For example, natural language processing (NLP) was used to analyze 300,000 earnings call transcripts between 2004 and 2022 with a view to identify collusion, reportedly leading to inspections from the European Commission.[27]

Other forms of market data could also provide starting points for analysis on how competition is developing, including comments on public digital fora, analysis

[22] For example, Australia reported that it uses web scraping to collect evidence in Schrepel & Groza, *supra* note 21, at 82.

[23] This is a necessity for regimes with a voluntary (i.e. non-suspensory) mergers regime and can also be useful for those wishing to monitor compliance with compulsory filing obligations.

[24] For example, earnings calls from firms could be a source of information for authorities, including to investigate whether forms of tacit collusion may be prevalent in an industry. See, for example, Richard May, *Coordination during times of Inflation*, COMPETITION POLICY INTERNATIONAL (July 27, 2023), https://www.pymnts.com/cpi-posts/coordinated-effects-in-times-of-inflation/.

[25] For example, as highlighted by the Canadian Competition Bureau, in Schrepel & Groza, *supra* note 14 or previous editions. The OECD has a substantive body of work on assessing the potential anti-competitive effects of regulations, underpinned by the OECD, FAIR MARKET CONDITIONS FOR COMPETITIVENESS IN THE ADRIATIC REGION: OECD RECOMMENDATION ON COMPETITIVE NEUTRALITY (2021).

[26] This article purposely sidesteps the debate over whether AI can understand or think, focusing on its ability to extract and summarize information rather than comparing it to a human.

[27] Tomaso Duso, Joseph E. Harrington, Jr., Carl Kreuzberg & Geza Sapi, *Public Communication and Collusion: New Screening Tools for Competition Authorities*, J. COMPET. LAW ECON. 1, 1-44 (2026).

of complaints, even analysis of publicly visible market outcomes. Conceivably, while all approaches rely on the availability of accurate and reliable data, increasingly agile and intelligent tools will increase the ability to parse, merge and clean datasets from a range of sources for further analysis.

The success of AI based approaches to intelligence might be measured in two main ways. Firstly, the overall number of promising leads that are generated, initially based on human analysis of their credibility, can provide a metric for the ability of the solution to generate useful volume. Second, whether leads result in investigations and successful enforcement outcomes can be measured. While the ultimate result of an AI-based intelligence tool will be to combine with human analysis into a holistic approach, using these AI specific measures as part of pilots and comparing the results to traditional methods will help competition authorities assess their potential.

II.1.B Efficiency enhancing

Using AI to enhance the efficiency of competition authorities could involve performing current tasks faster or implementing new ones that produce better results. As with uses for intelligence in the section above, utilizing digital technologies to enhance efficiency by authorities is not new. Few authorities still rely on typewriters or paper filing systems. As technologies emerge, it is natural to consider how best to leverage them, but adopting new technologies is rarely easy in practice. As business continuity is vital for competition authorities, as is a consistent minimum level of quality, incrementally adopting new solutions is likely the best course of action.[28]

Competition authorities undertake many tasks that have the potential to benefit from GenAI. This includes tasks from reviewing documents, through to analyzing them and even preparing documents. For example, some authorities are already making use of AI-based models to speed up the review of documents.[29] Another use is to improve knowledge retention and deployment internally, for example by creating databases of past cases or knowledge and making it more accessible.[30] More generally, AI- based productivity tools have the ability to enhance

[28] As discussed in more detail below, the consequences for an authority responsible for enforcing competition law of a significant lapse in operational capacity, and the associated risks to its reputation and outcomes on actual cases, are potentially severe.

[29] For example, in Canada, the Competition Bureau's Digital Enforcement and Intelligence Branch has enacted a number of measures to improve its ability to use technology to review documents, including its COMPASS system which is a generative AI platform able to process large volumes of data. Further, in Lithuania, the Competition Council has piloted the use of eDiscovery platforms to improve its review of dawn raid evidence. Other examples can be found in Australia and Austria, amongst others. See Thibault Schrepel & Teodora Groza, *The Adoption of Computational Antitrust by Agencies: 2021 Report*, SSRN (June 24, 2022), https://ssrn.com/abstract=4142225.

[30] For example, the French competition authority has engaged in a series of projects to improve the ability of its staff to access and search its existing previous decisions, improving knowledge retention. Similarly, the Argentinian National Commission for Competition

the efficiency of a range of tasks that authorities undertake, such as drafting and editing, research, fielding inquiries from the public, or coding.[31]

Beyond enhancement of how authorities work, they can also utilize tools to improve analysis and assessments by authorities, including for example in the compilation of data as described above in relation to intelligence-gathering, or in conducting certain forms of analysis.[32] Technology would also be useful in areas such as communications, allowing authorities to increase the reach and effectiveness of their messages. Improved communication could also increase the effectiveness of an authority's advocacy actions. Advancements in the machine readability of legal texts could further enhance the potential for competition authorities to use AI-based solutions in their everyday activities.[33]

As AI tools become embedded into internal processes and tasks, it will be useful to compare whether they have impact on productivity within the competition authority or a measurable effect on its usual metrics of success. This could be considered at a micro level, such as measuring the average resources employed when conducting a particular task, such as reviewing a suite of documents, or at the macro level when comparing inputs against outputs.

II.1.C Other categories of use

The categorization above seeks to broadly cover most of the ways that competition authorities will seek to use GenAI. One of the main benefits of separating the use of AI for intelligence-gathering from enhancing efficiency is that the former seeks to use technology creatively to help better understand the outside world, whereas the latter reflects changes to the internal operation of a competition authority. As explored further below, this changes the risk profiles of use.

Within these two categories however, there is significant variation, and some use cases will differ from others to the extent that alternative categorization could be

---

Defense (CNDC) has implemented an electronic document management platform and integrated it with its fully digitalized file management system, allowing the easy tracking and logging of documents, and streamlined case management. See Thibault Schrepel & Teodora Groza, *The Adoption of Computational Antitrust by Agencies: 2nd Annual Report*, 3 STAN. COMPUT. ANTITRUST 55, 57–59 and 92–94 (2023).

[31] FRANCESCO FILIPPUCCI, PETER GAL, KATHARINA LAENGLE & MATTHIAS SCHIEF, MACROECONOMIC PRODUCTIVITY GAINS FROM ARTIFICIAL INTELLIGENCE IN G7 ECONOMIES (2025).

[32] Such as, for example, the Canadian Competition Bureau's Eagle Eye tool, which supports competition analysis involving geographic elements, including allowing detailed mapping and identification of overlaps in merger reviews with local analysis. See Thibault Schrepel & Teodora Groza, *Computational Antitrust Worldwide: Fourth Cross-Agency Report*, SSRN (June 23, 2025), http://dx.doi.org/10.2139/ssrn.5305055.

[33] For example, monitoring compliance could be enhanced. However, unlike some other areas of the law, much of competition law involves the combination of interpreting complex economic tests with detailed firm specific information, which may limit the specific opportunities opened up in antitrust due to increased machine readability of law.

considered. For example, while arguably part of improving efficiency, using AI based solutions to help solve competition problems through remedies might be thought of as a separate category, as could monitoring compliance of existing remedies.[34] These examples illustrate that the categorizations above should be viewed as indicative, rather than absolute. To illustrate the point, if AI tools were to become part of solutions to improve competition, this would involve different considerations and approaches. Such a use would be more revolutionary and controversial. These ideas are discussed further in the final section of this short article.

II.2 Developing AI internally or externally

As well as a range of uses, there are also several approaches available to competition authorities regarding how they integrate AI-based tools in their work. At a simplistic level, approaches might be split along traditional lines of developing internally or outsourcing. This blanket distinction misses nuance, with all approaches requiring the purchasing of some goods or services from vendors, and some internal resources to implement.[35] Nonetheless, at a broad level, it is useful to identify options along a spectrum of fully implemented in-house solutions through to full outsourcing.

Given the nature of AI, incremental approaches are likely to be a pragmatic option for competition authorities. This may naturally favor in-house solutions through the development over time of internal capabilities and expertise, as these allow more control over the scale and scope of adoption.[36] Such an approach has many benefits. It is likely to provide a solution tailored to the needs of the authority within its existing systems, as well as lower costs and enhanced understanding of how it works. As discussed further below, given some of the risks of AI, this is an important consideration.

Another significant benefit of this approach is the potential spillover effects of acquiring these skills internally. Technical expertise can help competition authorities understand emerging technologies faster and, in more detail, provide significant benefits for them in their work. It is noteworthy that many authorities are actively seeking to boost their knowledge of emerging technologies to understand

[34] For example, competition authorities in Mexico and the Netherlands have both developed trials of using AI tools in the design of remedies, for example by utilizing more granular data or by allowing simulations for how potential remedies will work when implemented. See Thibault Schrepel & Teodora Groza, *supra* note 32, at 18-19.

[35] At a basic level for example, competition authorities typically do not produce their own computer hardware and are likely to require some as part of any AI based solution they develop internally. On the other hand, they will almost certainly have their own staff who will need to interact with any tool or solution.

[36] As already noted above, the CMA is following this model, amongst others. For reasons discussed further below, not all authorities will choose to make their activities in this area public.

their implication for competition, and expertise obtained for the use of AI is likely to provide valuable trustworthy technical knowledge in that endeavor.

However, in-house based approaches are not without challenges. They require obtaining relevant skills and expertise, with other costs, such as those relating to IT hardware, software licensing or network related costs. The availability of robust and advanced open resources, such as relatively open models and necessary resources, will be key to a successful internal deployment, as it will allow authorities to start from an advanced base rather than starting from the beginning.[37] As well as being developed, solutions must also be implemented. Given the novel nature of AI solutions, it can also be tricky to identify the exact requirements necessary to implement an effective solution *a priori*. This means longer lead out times and the risk of false starts. Ongoing training and knowledge capture could help embed and spread internal expertise. In-house approaches may also be less feasible for smaller authorities, where the prospect of significantly expanding their workforce to acquire the necessary skills is unlikely.

An alternative, or supplementary, approach would be some form of outsourcing or third-party solution.[38] Many options exist, from accessing off-the-shelf solutions through to bespoke. Due to the high costs of developing frontier foundation models, unless open-source options are available, access to applications based on these models will involve costs, either per use or based on a broader agreement.[39] Other options could see tools or expertise hired or licensed to provide part of a wider piece of functionality, or even a fully outsourced solution where a particular capability is developed and provided entirely by a third-party. A range of firms already offer potential solutions to competition authorities, and this list will surely grow over time.

Some started by offering solutions to private legal practitioners of competition law or economics consultants, perhaps even originating as in-house solutions that expanded to be offered to third parties.[40] Other potential solutions include start-ups by individuals or smaller firms, with business models still in development.[41] Beyond the private sector however, contractual relationships,

---

[37] For more discussion on the openness of AI models and their potential effects on developments and deployment, see Thibault Schrepel & Jason Potts, *Measuring the Openness of AI Foundation Models: Competition and Policy Implications*, 34 INF. COMMUN. TECHNOL. L. 279 (2025); or OECD, AI OPENNESS: A PRIMER FOR POLICYMAKERS 44 (2025).

[38] In some ways, it might be considered strange that competition authorities develop capabilities in-house, given that IT solutions are traditionally purchased in rather than developed internally by all but the largest of organizations.

[39] This article avoids the tricky topic of what truly constitutes an "open source" model in the AI space. For more discussion on these points see for example: Schrepel & Potts, *supra* note 37 or OECD, *supra* note 37.

[40] An example can be seen from Aiscension, developed by DLA Piper. See DLA Piper, *Aiscension: Use AI to detect bribery*, DLA PIPER, https://www.dlapiper.com/en-fr/about-us/law-and/aiscension-use-ai-to-detect-bribery.

[41] See, for example, CompetitionAI, *Antitrust and FDI, supercharged with AI*, COMPETITION AI, https://competitionlaw.ai/ or Taimet, *Serious expertise. Faster results: AI-powered merger analysis built with deep antitrust insights*, TAIMET, https://taimet.com/.

partnerships or collaboration could occur with academia, or even in theory, from other regulatory bodies including other competition authorities.[42]

While external solutions can allow competition authorities to quickly access advanced solutions, a risk of such an approach is the involvement of an external party with the functioning of the authority and the associated lack of control this entails. Working with external providers should therefore be carefully considered, with procurement processes preferring partners that can demonstrate sufficiently robust governance and operation procedures, as well as independence from any parties that might have an interest in influencing the workings of a competition authority. While this risk appears valid for all categories of AI use, it is most pressing for usage aimed at enhancing efficiency as this relates directly to the internal mechanisms of an authority.

Which method for implementing AI works best for an authority will depend on many factors, including their budget, internal expertise or their objectives. The type of approach chosen does not need to be exclusive, with different approaches potentially suitable for different activities. For example, a purely outsourced model may not make sense in the long-run, but not engaging with external providers could reduce access to useful tools in the short-run.

III. Risks and challenges

III.1 Risks relating to adoption of AI based solutions

Despite its promise, AI comes with risks of unforeseen costs or damage to the reputation of competition authorities. Most of these risks are relevant to all users of AI, but some are heightened by the context of how competition authorities operate, even if their likelihood and magnitude will vary depending on the context. Even within competition authorities, the specific context matters. Filtering through public documents for the purpose of generating a summary, for example, has a different risk profile than sifting through documents in an enforcement investigation, even if the techniques used are similar. The consequences of an error are materially different.

At the outset, it is important to stress that the existence of AI-related risks does not mean that authorities should avoid using it. Risk exists in all operations, including in how authorities currently run. Humans make mistakes and no organizational processes can completely eliminate risks from error, human or otherwise. This is something that authorities have always had to deal with and mitigate. Nonetheless, being aware of the risks is the first stage in reducing their likelihood of occurring and mitigating their potential effect.

[42] Another approach could include the joint development of solutions by cooperating competition authorities. The potential for collaboration is discussed in more detail in the cooperation section of this article.

One well-documented general risk from the use of GenAI is its potential to produce factually inaccurate information.[43] These are known as hallucinations.[44] In the legal environment in which competition authorities operate, the accuracy of information is understandably of concern. Errors could lead to significant damage to an authority's reputation and even affect the outcome of cases. There are already many examples of AI related hallucinations affecting legal proceedings, leading to warnings, dismissal of evidence, and even penalties. For example, Damien Charlotin produces a database that tracks examples of hallucinations within the legal field.[45] Others have noted that it is questionable whether AI tools are desirable in the context of decisions, in part due to the risk of hallucinations.[46]

If hallucinations remain a reality, it is unclear that even reducing their regularity will materially reduce the risks from using AI for competition authorities.[47] Indeed, as factual errors become less likely, the overall risk of them could actually increase as their possibility becomes less prominent in the mind of AI users who therefore exercise less caution. The significance of hallucination-based risk depends on the context, with low-impact tasks presenting limited risk. For some though, small undiagnosed errors could have significant repercussions. As noted above, unlike human error, the complete fabrication of information presented in identical fashion to accurate information is harder to spot. Certain types of analysis appear particularly at risk, such as those that rely on the accurate representation of facts as part of a legal decision. Even if not part of a formal proceeding, incorrect information could enter internal databases and distort future knowledge.[48]

---

[43] See, for example amongst many others, Michele Salvagno, Fabio Silvio Taccone & Alberto Giovanni Gerli, *Artificial Intelligence Hallucinations*, 27 CRIT. CARE. 180, 180-181 (2023).

[44] Hallucinations are when an AI based model presents original fictional content as factual.

[45] See his website, Damien Charlotin, *AI Hallucination Cases*, DAMIEN CHARLOTIN, https://www.damiencharlotin.com/hallucinations/. Other work suggests that hallucinations in a legal context are a significant issue, with LLMs hallucinating over half of the time. See, Matthew Dahl, Varun Magesh, Mirac Suzgun & Daniel E. Ho, *Large Legal Fictions: Profiling Legal Hallucinations in Large Language Models*, 16 J. LEGAL ANAL. 64, 64-93 (2024).

[46] For example, Eugenio Ruiz-Tagle W., *From Theory to Tech: Computational Antitrust*, DIÁLOGOS CENTROCOMPETENCIA (March 26, 2025), https://centrocompetencia.com/from-theory-to-tech-computational-antitrust/.

[47] As new frontier models emerge, they often claim reduced risk of hallucinations. Lower likelihood is not zero, however. For example, OpenAI claims that GPT-5 has been developed with a view to increasing accuracy, stating that it has a 6 times lower likelihood of making a factual error than their o3 model, see OpenAI, *Introducing GPT-5*, OPENAI (August 7, 2025), https://openai.com/index/introducing-gpt-5/. Whether such models can ever truly eliminate the risk of factual errors is subject to debate. For further discussion on the likelihood of ongoing hallucination issues see Ziwei Xu, Sanjay Jain & Mohan Kankanhalli, *Hallucination is Inevitable: An Innate Limitation of Large Language Models*, ARXIV (February 13, 2025), https://doi.org/10.48550/arXiv.2401.11817.

[48] A related risk concerns the existence of biases within models, which can derive from their training data. Akin to factual inaccuracies, if information relied upon by authorities is systematically biased in certain directions, this could have significant consequences for some use cases.

Risks also exist relating to the security of sensitive data with AI based solutions, either as part of the training of a model or fed in as part of a prompt or use case. Competition authorities routinely obtain, store and analyze data that is confidential in nature. The leakage of that data poses a significant reputational risk for the competition authority, as well as potential financial or legal consequences in some jurisdictions. It is therefore important that authorities understand how data will be held, stored and used, especially when relying on third party solutions or cloud-based computing services.[49] There are likely to be particular risks if the data is held outside of the relevant authority's jurisdiction – a common occurrence with international cloud providers. On the other hand, as AI based solutions become increasingly integrated with authority's internal systems, this may open them up to risk of external cyber-attack as they create security vulnerabilities.[50]

Finally, and as discussed in more detail below, another risk for competition authorities from AI is non-sanctioned unofficial use of tools by staff. Such use, if non-disclosed and difficult to monitor, can lead to organizations inadvertently taking many of the risks above, as well as disconnects between perception and reality by decision makers. For example, if AI tools are being used to conduct research that forms the basis of decisions, the absence of appropriate vetting and verification creates the risk of inaccurate information being used due to hallucinations as explained above. Employees could also be exposing sensitive information to risks of leakage, or relying on tools controlled or influenced by firms that may be involved in antitrust proceedings. More generally, while it is not necessary for decision makers to understand all inputs used as part of an investigation, if there are potentially significant risks being taken without proper safeguards, problems may ensue. This last point hints at another broader risk from AI use for competition authorities, based on the lack of transparency regarding how AI models work and reach their outputs. As accountable public authorities, competition authorities are likely to need to understand and be able to explain how they have obtained outputs in their work. A failure to be able to do so could lead to a reduction in public trust. As above, this risk will vary depending on the context in which AI tools are employed, and there may be some ability to increase understanding with in-house based solutions. Generating intelligence is less likely to require as detailed an understanding as reviewing evidence as part of litigation. Nonetheless, the nature of GenAI foundation models means an ongoing challenge in understanding their functioning is likely.

[49] For this reason, several authorities have already developed solutions within their own internal systems, allowing them to prevent data being taken outside.

[50] For a general discussion of these risks and potential mitigations, see FRENCH NATIONAL CYBERSECURITY AUTHORITY, BUILDING TRUST IN AI THROUGH A CYBER RISK-BASED APPROACH 12 (2025).

III.2 Challenges for competition authorities in using GenAI based solutions

In addition to risks, there are various challenges that may make adopting AI by competition authorities difficult.[51] Some challenges increase costs, others increase the chance of failure to use it effectively or to its full potential. As with risks, this should not dissuade usage but allow authorities to understand potential hurdles that may hinder progress with a view to improving their ability to navigate them. Challenges will inevitably involve an element of cost to resolve and will therefore likely be particularly difficult to overcome for authorities less able to spare sufficient resources for adopting AI solutions, including staff and finance.

As discussed briefly above, the availability of sufficiently robust data is a challenge for getting the most out of AI. While advanced techniques may allow the collection and cleaning of datasets at lower cost, data gaps are likely to remain. In some instances, the data simply will not exist, in others, it could be proprietary. Data protection or privacy concerns could also restrict the ability of authorities to access data on individuals.[52] In addition, the effective storage and retrieval of data, particularly involving legacy datasets, can continue to pose challenges.[53] This is most relevant for incremental implementation of AI that seeks to build solutions on top of existing systems.

More generally, a change of working methods inevitably raises challenges. Resistance to change, lack of understanding of the benefits, and even a lack of skills, can hold back the pace of change and limit the benefits of adoption. Further, re-jigging workflows to fully leverage new technologies is not straight-forward, with well-honed processes that may have been in place for decades suddenly having to adapt to a new reality.

Relatedly, using AI effectively is likely to require specialized knowledge and skills.[54] If an authority wants to develop a solution in-house acquiring this expertise is a must. Even if using an outsourced model, some level of upskilling may be required to make the most of the new capabilities. This will have cost implications but could also bring recruitment issues given the demands for AI based skills.[55] Many

[51] In many cases the line between a risk and a challenge is blurry at best.

[52] While competition authorities generally have significant legal powers to compel the provision of information from firms during investigations, in some jurisdictions certain types of data may rely on consumer consent or the creation of internal processes compliant with other legislation in order to be provided.

[53] In some cases, there may also be a complete lack of accessible records which hinders the ability to analyze or train models on historic data.

[54] For a broader discussion on the design and organization of Competition Authorities see OECD, *supra* note 10.

[55] See for example, FRANCESCA BORGONOVI, FLAVIO CALVINO, CHIARA CRISCUOLO, LEA SAMEK, HELKE SEITZ, JULIA NANIA, JULIA NITSCHKE & LAYLA O'KANE, EMERGING TRENDS IN AI SKILL DEMAND ACROSS 14 OECD COUNTRIES (2023).

authorities will struggle to compete on salaries alone and may not want to unbalance salary ranges in any case, which may mean vacancies and delays in filling skill gaps.

On the topic of costs, developing and deploying AI technologies is not without expense. While authorities are unlikely to be spending millions of dollars training state of the art models, deploying models requires compute power, which can be produced by purchasing hardware and internal systems, or by utilizing cloud computing services.[56] Costs will of course vary with the complexity of models used, and trends in usage cost are decreasing.[57] Nonetheless, as more powerful usages are contemplated, costs could rise substantially.

Another challenge relating to transparency, but in a different sense, is how much information is available to the outside world. As public organizations, competition authorities generally work on a principle of accountability and transparency in their actions. However, as enforcement agencies, there is also an understandable desire not to be too transparent on how authorities are using technology, particularly when it comes to solutions used to enhance intelligence. When seeking to uncover wrongdoing, it stands to reason that the less the wrongdoer knows about those efforts, the better. After all, authorities do not typically give significant advance notice for dawn raids.[58] Maintaining secrecy however comes with costs, such as reducing the ability of authorities to form meaningful partnerships with the private sector or limiting their ability to cooperate internationally,[59] so a challenge is to strike the right balance depending on the context.

IV. Mitigation Strategies

Having discussed some of the risks for competition authorities to consider in using AI, this section turns to some measures to assist authorities to overcome them. As above, this short article does not seek to map out all mitigation strategies for authorities, many of whom will be well along the curve already. Instead, it focuses on two angles. Governance safeguards, which are largely designed to restrict and mitigate risk; and cooperation, are an avenue to potentially overcome some of the challenges.

[56] With the associated risks of data security as discussed above.

[57] See for example, NESTOR MASLEJ, LOREDANA FATTORINI, RAYMOND PERRAULT, YOLANDA GIL, VANESSA PARLI, NJENGA KARIUKI, EMILY CAPSTICK, ANKA REUEL, ERIK BRYNJOLFSSON, JOHN ETCHEMENDY, KATRINA LIGETT, TERAH LYONS, JAMES MANYIKA, JUAN CARLOS NIEBLES, YOAV SHOHAM, RUSSEL WALD, TOBY WALSH, ARMIN HAMRAH, LAPO SANTARLASCI, JULIA BETTS LOTUFO, ALEXANDRA ROME, ANDREW SHI & SUKRUT OAK, THE AI INDEX 2025 ANNUAL REPORT (2025).

[58] See, for example, discussion of unannounced inspections by the CMA in CMA, GUIDANCE ON THE CMA'S INVESTIGATION PROCEDURES IN COMPETITION ACT 1998 CASES 16 (2024).

[59] The role of cooperation is discussed in more detail in the next section.

IV.1 Governance safeguards

The potential of AI is something that competition authorities will struggle to ignore. At the same time, the risks discussed above are real. As well as the harm that these risks could generate, they could lead to excessive risk aversion and a situation where the technology is underutilized, becoming merely a fringe activity on the margins. This would be a missed opportunity, and lead to authorities facing an increasingly uphill battle if the private sector they investigate is able to leverage the technology effectively. It is unlikely budgets will expand significantly to keep authority output growing in line with private sector AI based productivity growth. With the risks and challenges, it is clear that implementing AI based solutions within a competition authority is not something that should be left bottom-up. Vision, policy and safeguards through organizational governance are crucial to effective implementation.[60]

That AI requires governance responses and strategy is not a novel idea.[61] At national and regional governmental level there has been much discussion about regulating the sector.[62] More generally, government agencies have reflected on how they use AI. Nonetheless, with the lure of potential benefits and the excitement of new technology, it can be all too easy to begin experimenting before top-down strategies are devised. This may expose an authority to significant risk. Even if no active decision is taken to use AI, with AI-based applications proliferating amongst individuals, the chances that AI is being used by agency staff is high.

Identifying a deliberate AI governance strategy in advance would therefore benefit competition authorities. Risks could be mapped out for all potential uses, including unofficial or individual. Risk mitigation strategies can then be drawn up, after consideration of the authority's risk tolerance and its red lines. The outcome of this process should be a pathway for introducing relevant processes across the organization. Training may be required, and an output-based focus is essential; producing an internal policy document and not testing implementation is unlikely to succeed. Governance is unlikely to be one-size-fits-all and is likely to depend on the resources of the agency. It has been suggested that some authorities should consider internal, or if preferred external, steering groups to help navigate the adoption of AI. The most important elements for a strategy are to have clearly identified steps to

---

[60] This section uses the term governance broadly, covering a range of policy and processes instituted by organizational management. The main aim is to identify a clear strategy for use and a strategy to mitigate risk.

[61] For further thoughts on the implementation of Digital strategies by Governments more generally, see OECD, RECOMMENDATION OF THE COUNCIL ON DIGITAL GOVERNMENT STRATEGIES (2014); OECD, THE OECD DIGITAL GOVERNMENT POLICY FRAMEWORK: SIX DIMENSIONS OF A DIGITAL GOVERNMENT (2020).

[62] The GPAI-OECD initiative provides a comprehensive and regularly updated overview of global AI policy and regulatory developments, see OECD.AI, *Policies, data and analysis for trustworthy artificial intelligence*, OECD.AI POLICY OBSERVATORY (March 30, 2026), https://oecd.ai/en/.

reduce risk, and a plan to leverage any success into scaled adoption. Absent the latter point, it may be difficult to realize the potential benefits.

Developing a top-down process for approving AI use cases is worth consideration. The process would allow a clear identification of the objectives for each use case, as well as its risks. These can then be compared to a set of key principles that govern the overall strategy, such as risk tolerances, necessary guardrails and levels of transparency and accountability.[63] This provides clarity to staff, including those with relevant technical expertise, on the framework they must operate in when creating potential solutions, reducing the risk of wasted effort or mismatches in expectation. These processes should be designed to encourage solutions that fit the circumstances of the authority and its broader context, an effective one-size-fits-all approach internationally appears unlikely.

As noted above, changing wholesale how an authority works in favor of unproven AI based solutions exposes the authority to risk. As such, incremental or well-contained activities are likely to be best for exploring the potential benefits, and downsides, of AI approaches. Approaches akin to regulatory sandboxes, for example, can be of value if they can provide the opportunity to test a use case without exposing the wider operation to the risk of failure.[64] As with all trial methods however, proof of concept in a smaller setting does not always guarantee success on a wider scale, so care must be taken to consider and test wider risks if possible.

While time is of the essence, the exact governing arrangements required will depend upon the institutional setting of each authority as well as their ambitions for technology. Nonetheless, many of the steps and approaches will be common between different authorities, so lessons can be learnt from others. Indeed, the next section considers the benefits of cooperation between different competition authorities.

IV.2 Coordination to overcome challenges

Several challenges were identified in the adoption of GenAI based solutions for competition authorities. They must understand the technology to know how it could help, then ensure they use it in a way that leverages its value while minimizing risk. Such challenges might intimidate the largest and most mature authorities, let alone younger or smaller ones. Indeed, as noted above, operating alone and without assistance, there is a risk that all but the largest and most well-resourced authorities will struggle to make large strides in harnessing the potential of AI. Even if this risk

[63] Key considerations relevant to the development of an overall AI governance strategy are outlined at See OECD, *AI Principles*, OECD (March 30, 2026), https://www.oecd.org/en/topics/ai-principles.html.

[64] The sandbox approach will already be familiar to many competition authorities and has been used successfully in the past. For example, in Argentina, the competition authority used a sandbox environment to test the use of an online platform for the sharing of confidential information in antitrust cases. See Thibault Schrepel & Teodora Groza, *supra* note 21, at 58.

is not material, working independently is likely to incur duplicative efforts across like-minded agencies.

The good news, however, is that many of the issues are common to other authorities. As such, there is scope to learn lessons from others, share best practices and generally reduce the chance of error and duplication. That cooperation is valuable will hardly be a revelation for competition authorities. Indeed, work is ongoing at the ICN through the technologist working group.[65] Further, the OECD competition committee will discuss the issues in upcoming meetings and hold workshops on the topic in the near future.

Of course, cooperation is not a silver bullet. Country specific dynamics will require some form of individual approach, factoring in the institutional set-up of the organization, such as how its IT system works, how it organizes its data or even its workflows. There may also be country specific issues that require bespoke solutions outside common solutions, for example if a jurisdiction has different rules for discovery or the production of legal evidence.[66] Further, as noted above, authorities may not want to reveal exactly what they are doing, for fear of alerting unsuspecting firms of their new detection strategies.[67] Nonetheless, even in the extreme case of entirely separate solutions being required, there are likely to be benefits in sharing experiences. As common elements to solutions begin to creep in, the value of this collaboration will only increase.[68]

[65] A range of topics are typically discussed at the ICN Technologist Forum, including the impact of AI on competition and consumer law, how it might be used to assist agencies, and how to support agencies in building their digital capacity. See International Competition Network, *ICN Technologist Group*, ICN (March 30, 2026), https://www.internationalcompetitionnetwork.org/working-groups/icn-operations/technologists/.

[66] For example, administrative and prosecutorial competition law regimes will approach the collection and sharing of evidence differently during investigation and decision phases, and prosecutorial systems will require corresponding differences in what follows.

[67] As noted above, this may be a particular concern for intelligence functions. Other reasons to limit sharing may arise, including data protection or the risk of prejudicing ongoing or future investigations.

[68] Another potential challenge to the idea of cooperation/collaboration is the potential loss of competitive dynamics between authorities. For authorities that spend their days defending the value and benefits of rigorous competition between firms, the role of competition as a mechanism for deriving the best solution is clear. However, competition authorities are not rivals in any true sense. Their efforts are generally non-rivalrous with few actions from one authority directly constraining those of another. Moreover, effective competition requires a clear benefit from winning; absent such incentives, there is little reason to compete. If competition between authorities were nevertheless desired, it would be preferable to formalize it through prizes or awards, with (independent) expert evaluation and corresponding funding and recognition for the best-performing authorities. In this author's view, this would not outweigh the benefits of coordination.

IV.2.A Cooperating beyond competition authorities

Commonalities in challenges and solutions are also likely to be present across the public sector. Here, the categories of use identified above will be useful in identifying potential beneficial partners. In particular, challenges around responsible governance and frameworks for safe usage will contain numerous overlaps across different forms of public body seeking to enhance their efficiency, whatever their responsibilities. There may also be other synergies, particularly for agencies with intelligence functions or for applications that improve the efficiency of common functions, such as storing and retrieving confidential information more effectively. Consumer protection agencies, for example, appear particularly well suited for close collaboration.[69] This is unlikely to be the only opportunity for beneficial cooperation however, with many other agencies sharing some similarities in functions.[70] Several countries have set up formal cooperation groups between different regulators, focusing on digital issues, such as in Australia, the UK and the Netherlands, and such groups could also be a useful point to discuss the use of AI. Further, the OECD has highlighted the range of beneficial use cases of AI across the public sector.[71]

Additionally, there may be common demands between authorities and private firms. For example, solutions developed by competition advisory firms, or by third parties for them, could also have applications for competition authorities. This may be most likely for efficiency enhancing tools relating to investigations, as similar tasks will be performed by investigated firms and their advisors. Explicit cooperation between private firms and competition authorities, notably the various legal firms and specialist economics consultancies, is challenging and perhaps undesirable.[72] While not all professional service firms have an adversarial relationship with competition authorities, more generally the potential synergies between competition authorities and the private sector regarding the use of AI is

[69] For the many authorities that share competition and consumer law functions, such cooperation should, in theory, be a given. Nonetheless, returning to the previous point on governance, establishing clear strategies for ensuring the broad application of solutions and the capture of synergies across functions will likely reduce the risk of missed opportunities for beneficial internal cooperation.

[70] Note that the overall purpose and structure of an organization do not need to be similar for cooperation to be beneficial. It suffices that there are certain tasks or functions that share common features. Securities agencies, for example, often conduct large-scale data analysis that could provide useful experience for competition authorities.

[71] OECD, GOVERNING WITH ARTIFICIAL INTELLIGENCE: THE STATE OF PLAY AND WAY FORWARD IN CORE GOVERNMENT FUNCTIONS (2025).

[72] While positive relationships between authorities and advisory firms of course occur, it is clear that professional service firms are in competition with each other and that many of the interactions with competition authorities will not be collaborations, but adversarial by nature. As such, the most obvious incentive for professional service firms is to seek to develop proprietary solutions that provide them with a productivity edge over both their competitors as well as the relevant authority.

likely to come through possessing similar demands for third party solutions which, as discussed above, could be a useful avenue for some authorities for some use cases.[73]

An important question is whether there are actions that competition authorities can undertake to increase the chance that such developments will be beneficial to them.[74] Much effort in this pursuit is unlikely to be worthwhile, yet some small steps could prove fruitful. Two stand out. First, authorities could maintain an interest in developments in technology used by merging parties and their advisors as part of their engagement with them. The advisors of merging parties, for example, are already using technology to improve their discovery of relevant documents in merger cases.[75] Such an action appears to be low cost, as the information can be requested from merging parties and will, in any event, be vital in understanding the methodologies to provide evidence in investigations.[76] Ensuring simple procedures so that these insights can be collected and assessed by the relevant parts of an authority should not be overly burdensome and reflects many of the aspects of governance already discussed above. Second, providing a level of transparency on the needs of the authority may allow third party providers to take these into account when developing solutions.[77] While in any given jurisdiction, the demand of an authority is likely to be low compared to the collective private sector, given similar demands internationally, authorities could be a worthwhile opportunity. In this regard, concerted efforts to provide transparency on the needs of authorities, perhaps through organizations such as the OECD or ICN, should be considered. Taking this one step further, one could even imagine open tendering exercises or calls for interest based on coordinated solutions for particular problems.

---

[73] Third party providers seeking to build AI capabilities for those in the field of competition may well develop solutions that suit both competition authorities and private sectors. Experience to date from the sector suggests that solutions may begin as in-house developments by specialist firms, before being spun-out into stand-alone firms that offer solutions to other customers, including competition authorities. For example, this can be seen from solutions such as AIscension, which was developed as part of DLA Piper.

[74] Put another way, there are opportunities for authorities to earn an expected net-positive return on any effort or cost incurred today.

[75] *See e.g.*, Nina L. Flax, *7 Practical Ways to Use AI in M&A Transactions*, MAYER BROWN (Sept. 3, 2025), https://www.mayerbrown.com/en/insights/publications/2025/09/7-practical-ways-to-use-ai-in-manda-transactions; LexisNexis, *Using Artificial Intelligence in Corporate and M&A Legal Practice*, LEXISNEXIS (May 5, 2025), https://www.lexisnexis.com/community/insights/legal/practical-guidance-journal/b/pa/posts/using-artificial-intelligence-in-corporate-and-m-a-legal-practice.

[76] Subject to legal privilege considerations in some circumstances, merging parties are likely to have a general obligation to explain how they have collected the information that they are submitting to a competition authority.

[77] As noted above, transparency can represent challenges for authorities, particularly when relating to intelligence functions. However, in general, providing transparency of requirements is less likely to present significant issues compared to being open about specific approaches. For example, identifying a requirement for an AI solution that improves the ability to analyze and assess public databases is perhaps less likely to raise issues compared to publicly identifying which databases are assessed and how.

IV.2.B Beyond knowledge sharing?

Beneficial cooperation is often based on the sharing of experiences. Such activity allows best practices to be disseminated and for others to benefit from the lessons learnt by others. Taking this one step further, however, collaboration could involve sharing tools or even the development of joint solutions. There is some precedent for these initiatives.[78] Jointly developed tools could then be provided for each authority to use or even involve an element of joint deployment. Such collaboration could take the form of providing staff time and expertise for the project, or pooling funds from different authorities to employ external contractors.[79] The potential benefits of such an approach would be to aggregate duplicate needs to fully capture synergies and allow the development of an overall better solution.

Clearly, such an ambitious approach would need to overcome several challenges. Maintaining a manageable scope that achieves the objectives of the participating agencies, while allowing an efficient process that can achieve output, is not straightforward. A manageable and clear objective would be needed from the outset, and authorities with similar profiles may be better suited to working together.[80] For AI based solutions that are also jointly deployed there will be additional challenges, such as how to contain sensitive data, let alone how to allocate likely scarce resources across authorities. Joint efforts will have to work within the constraints of being physically deployed in individual jurisdictions in some circumstances. While this may limit some of the ability to pool costs, it is not clear that this makes such approaches infeasible.

Despite these challenges, as argued above, competition authorities face an imperative to consider how they can use AI. While they will no doubt see the value in sharing experiences, working together more proactively is also something worthy of consideration. It has the potential to unlock possibilities that authorities may struggle to obtain on their own and do so at lower cost to the collective public purse. As with cooperation through the sharing of best practices, existing fora for international cooperation, such as the OECD or ICN, could provide a useful starting point for considering such initiatives, as could the Stanford Computational Antitrust project.[81]

---

[78] For example, the cartel screens employed by the Catalonian competition authority was trained on data from a number of other countries, including Switzerland, Italy, and Japan.

[79] Hypothetically, this could involve a joint funding initiative issuing a public call for tenders to deliver a specific solution.

[80] Authorities from smaller jurisdictions may, for example, favor lower cost solutions. However, even in this case, appropriate cost sharing could mitigate these effects.

[81] As noted in the section above, there may also be opportunities for joint working between different forms of public body, particularly within the same jurisdiction.

V. Pro-Competitive AI Based Solutions

The starting point for this section is that competition authorities may wish to promote, rather than just preserve, competition. Such an idea in itself should perhaps not be too controversial, but it is underpinned by a principle of taking action in markets absent a breach of law. Such actions could be considered a form of market design and are not without risk of unintended consequences. There may also be philosophical challenges to the idea that government might improve markets through intervention, especially absent evidence of particular market failure. The goals of competition policy are not without controversy, and much of this tension has focused in recent years on whether the consumer welfare standard, or others, are the most appropriate.[82] In many ways however, this debate is part of a broader discussion on the tensions of market intervention, including the associated risks of market versus government failure.[83]

A detailed discussion on the role of pro-competitive interventions is beyond the scope of this article. Instead, it is worth noting that this principle already exists in many jurisdictions through market studies that assess competition and propose solutions to improve competition.[84] Further, market investigation powers, while still rare, are becoming more prevalent and provide the ability to adopt remedies in the face of findings that competition is not working well.[85] Finally, it is also worth noting that, in any case, markets are inevitably shaped by legal forces, operating with and alongside the law, suggesting there are limits to the notion of intervening in markets never being permissible.[86]

More generally, the nature of the intervention is also highly relevant, with a different discussion required for a forced divestiture compared to establishing a publicly accessible database for example. More broadly, even if one thought that competition authorities have no business considering these issues, the principles discussed below need not apply necessarily to competition authorities at all, but instead to broader policy makers.

---

[82] See, for example, discussion in OECD, *Consumer Welfare Standards - Advantages and Disadvantages Compared to Alternative Standards*, OECD ROUNDTABLES ON COMPETITION POLICY PAPERS, No. 295 (2023), https://doi.org/10.1787/3d174fdf-en.

[83] This includes debate between Chicago and Neo-Brandeisian schools of thought. *See e.g.*, Patrice Bougette, Marc Deschamps, & Frédéric Marty, *When economics met antitrust: The second Chicago School and the economization of antitrust law*, 16 ENTERPR. SOC. 313, 313-353 (2015); Lina Khan, *The End of Antitrust History Revisited*, 133 HARV. LAW REV. 1655, 1655-1682 (2020). It also includes broader discussion about the interaction between law and markets. *See* Hanoch Dagan, Avihay Dorfman, Roy Kreitner, & Daniel Markovits, *The Law of the Market*, 83 LAW CONTEMP. PROBL. I, i-xviii (2020).

[84] OECD, *Market studies and other market analysis tools for competition authorities*, OECD ROUNDTABLES ON COMPETITION POLICY PAPERS No. 327 (2025).

[85] *Id.*

[86] *See e.g.* Dagan, Dorfman, Kreitner & Markovits, *supra* note 83.

Thus, within this framework, this section considers the extent to which AI might provide solutions that improve competitive outcomes in markets. Importantly, any such intervention would need to first take place within the framework of a deliberate governance strategy designed to mitigate risks. Further, the intention is not to advocate for such solutions to be adopted *per se*, but rather to discuss their potential benefits such that the respective impact can be better assessed in each specific situation. Finally, and importantly, even though the discussion is not limited to breaches of competition law, similar principles or approaches could be viable additions to competition remedies following a breach of competition law.

V.1 Why should we have this discussion?

A well-functioning market-based system provides strong incentives for innovations that allow the capturing of consumer demand, as well as efficiencies that reduce costs and increase productivity. However, it also provides an incentive to reduce competition, especially when not in clear contravention of the law. As such, any new technology will create the possibilities for firms to use that technology in ways to reduce competition. As such, if nobody considers how technology can positively promote competition, this could lead to not only missing out on significant opportunities, but also an unbalanced leveraging of technology.

More generally, there has already been significant discussion on the potential for AI solutions to alter the nature of competition as they become increasingly deployed. For example, the potential role of algorithms in either facilitating collusion between firms or, worse, leading these outcomes independently of any human input has been discussed in many forums, including at the OECD.[87] Competition case law is still light in this area.[88] Nonetheless, in raising this issue, the hope is that the potentially pro-competitive effects of AI based solutions will not be neglected. AI, for example, creates new opportunities to interact with consumers in a relatively low-cost manner that could provide meaningful information, advice or even execution to both improve market outcomes and enhance competition.[89]

The discussion above on the importance of governance with AI usage within competition authorities will also be relevant in this context. Before any pro-competitive AI based solution is rolled out, an evaluation of the potential risks and necessary safeguards should be undertaken, including considering transparency and

[87] *See* OECD, *Algorithmic Competition*, OECD ROUNDTABLES ON COMPETITION POLICY PAPERS No. 296 (2023), https://doi.org/10.1787/cb3b2075-en. Many papers also discuss these issues, including Renato Nazzini & James Henderson, *Overcoming the Current Knowledge Gap of Algorithmic "Collusion" and the Role of Computational Antitrust*, 4 STAN. COMPUT. ANTITRUST 1, 1-32 (2024). *See also* Ariel Ezrachi & Maurice E.Stucke, *The Role of Secondary Algorithmic Tacit Collusion in Achieving Market Alignment*, 26 VAND. J. ENT. & TECH L. 461, 461-513 (2024).

[88] OECD, ALGORITHMIC PRICING AND COMPETITION IN G7 JURISDICTIONS: EMERGING TRENDS AND RESPONSES (2025).

[89] A relevant consideration is the extent to which competition could be both improved or harmed depending on the trustworthiness of the AI agent.

accountability, as well as where liability will fall if things go wrong. How detailed this needs to be should depend on the scale and underlying risk of the solution. Further thought should also be given to the types of solutions that can be entertained and any restrictions that should apply. For example, the extent to which solutions can be fully automated or retain an element of human control at all times deserves careful consideration, with some human oversight preferable where possible while technologies continue to develop and remain largely unproven.[90] Another interesting avenue to consider exploring would be whether AI-based solutions could be used to promote trust and feedback mechanisms in markets, for example through collating and verifying reviews, to assist consumers in assessing information and thereby reduce barriers to entry.

To avoid doubt, in order for an actual pro-competitive AI based solution to be tried, there would need to be a clear competition issue that the solution is expected to remedy or improve. This article has not sought to identify such opportunities and therefore does not argue that there should necessarily be pro-competitive interventions focused on the use of AI. This would be a big step, and such an action appears premature, absent a detailed analysis of a market that would benefit from it. Any intervention would need to carefully balance expected benefits against expected costs, including the risks of unintended consequences, damage to legal certainty and direct costs to firms and other organizations. Instead, the hope is that this conversation can be opened, or continue, with options and consideration regarding the opportunities for pro-competitive interventions. The remaining sections discuss just one area that may be worth further reflection as it appears to be the most pertinent at this time, AI agents. However, the opportunities of emerging AI technologies are unlikely to be limited to narrow categories. Indeed, the hope is that previously unthought-of propositions emerge in the near future.

V.2 AI Agents

The idea of consumer decision making being aided, and increasingly autonomously driven, by computational tools rather than their own initiative is not new, predating the advancements of GenAI in the last few years.[91] It has continued to evolve as AI, as a technology, has demonstrated its potential to significantly automate and speed up many steps that are part of a consumer's selection process.[92]

---

[90] For example, recent literature has emerged casting doubt on the productivity gains that firms receive after adopting AI, with some arguing that AI adoption is leading to "workslop" practices that reduce the effectiveness of human workers despite the availability of potentially productivity enhancing technology. See Kate Niederhoffer, Gabriella Rosen Kellerman, Angela Lee, Alex Liebscher, Kristina Rapuano & Jeffrey T. Hancock, *AI-Generated "Workslop" Is Destroying Productivity*, HARVARD BUSINESS REVIEW (September 22, 2025), https://hbr.org/2025/09/ai-generated-workslop-is-destroying-productivity.

[91] See, for example, Michal S. Gal & Niva Elkin-Koren, *Algorithmic Consumers*, 30 HARV. J. LAW TECHNOL. 309, 309-353 (2017).

[92] A summary of some of these recent developments can be found in Annur Islam Sifat, *The Algorithmic Consumer: A Conceptual Investigation of AI's Influence on Consumer Preferences and*

Indeed, it has been speculated for a while that the next big use case for GenAI will be through its use as increasingly competent agents.[93] While the technology is still developing, the potential for AI to act as a powerful consumer centric agent to boost competition is clear. Able to scan and analyze a range of data, including qualitative metrics, such a tool could lower consumer search costs and enhance the sharpness of demand side competition felt by firms. Further, it could help overcome various forms of consumer bias that firms may exploit. This is because, even though AI-based solutions will reflect underlying biases in their training data, consumer biases often arise as a result of heuristics that preclude a full rational assessment of available information, a psychological effect that should not affect AI based tools.[94] As such, if the consumer is not engaged in how products are framed, those framing effects will presumably disappear, as long as the AI agents can be trained to not suffer from them too. It could also provide lower barriers to entry, if the agents can be used as a means to better inform consumers about new options on the market.[95]

Having discussed the need for authorities to consider how they can promote pro-competitive outcomes, it is worthwhile noting that market solutions may emerge on their own. Indeed, too strong action by authorities risks distorting market processes and preventing the emergence of private solutions. On the other hand, there are risks that emerging solutions would not be fully beneficial for competition, for example if they did not act independently of market participants when presenting information or making decisions for consumers, demonstrating instead a preference for goods or services sold by the highest bidder or offered by its own developer/deployer. The accuracy and robustness of any AI based solution will also be important.[96]

Decisions, 2 ASIAN J. BUS. MANAG. 471, 471-486 (2025).

[93] See for example, Jorge Amar, Brooke Weddle & Bryan Hancock, *The future of work is agentic*, MCKINSEY & COMPANY (June 3, 2025, https://www.mckinsey.com/capabilities/people-and-organizational-performance/our-insights/the-future-of-work-is-agentic?stcr=0D88B5151B7147FEB8CC132D8A992F5F&cid=mgp_opr-eml-alt-bnk-mgp-glb--&hlkid=6bb7d41d1d2a466dae27222370e8d746&hctky=15336073&hdpid=de27f5ff-3d5e-441f-9699-d8f8c88a3301; as well as, as an example, the recent launch of OpenAI's ChatGPT Pulse, offering a highly personalized service based on a users' conversations and other apps. See OpenAI, *Introducing ChatGPT Pulse*, OPENAI (September 25, 2025), https://openai.com/index/introducing-chatgpt-pulse/.

[94] For an authoritative, and entertaining, discussion of the relevant psychology, see DANIEL KAHNEMAN, THINKING, FAST AND SLOW (1 ed. 2011). For a broader discussion on the relevance of consumer biases to competition, as well as consumer policy, see OECD, APPLYING BEHAVIOURAL INSIGHTS TO CONSUMER AND COMPETITION POLICY AND ENFORCEMENT - WORKSHOP ISSUES PAPER (2023).

[95] A converse risk exists, where increased use of automated recommendation tools reduces the variation in consumer choice, funneling more demand into the same fewer options until less choice exists. This is discussed in more detail in OECD, ALGORITHMIC COMPETITION (2023).

[96] The discussion above relating to the risk of hallucinations is pertinent here. However, in many respects the risks are probably lower from the perspective of a consumer assistant than for an authority. While inaccuracies could lead to suboptimal decisions for consumers, the more critical the purchase, the more likely a consumer would verify critical information

What role for competition authorities? Action need not mean management or implementation of a solution directly by an authority. This would be an unusual approach, taking authorities away from their core competencies. Instead, a spectrum of options exists for authorities to support the emergence of pro-competitive AI agents. At one end, 'business as usual' tools, such as enforcement and merger control can be used to maximize the chances that competitive dynamics allow a positive solution to emerge, for example being vigilant in relation to acquisitions and partnerships in the sector or conscious of the potential for dominant firms to exclude emerging rivals through conditions on interoperability or through self-preferencing.[97] A slightly more proactive approach might see the authority seek to advocate for environments that promote the emergence of such tools, such as ensuring access to relevant data through the establishment of public datasets,[98] promoting access schemes akin to open banking solution,[99] or even considering how it can use enforcement guidance and discretion to promote collaboration between firms in producing joint solutions.[100] At the other, and more extreme, end of the spectrum, competition authorities might take a more active role in promoting the creation of such a tool. This could be in the context of a formal finding of a competition issue, or breach of competition law, and would seek to ensure such an agent remained neutral. Such a measure clearly faces substantial hurdles, not least given the fact noted above that AI deployment is not costless.[101]

Many questions remain regarding the feasibility and desirability of competition, or other, authorities in supporting the emergence of pro-competitive consumer centric agents. Nonetheless, much like the promise of AI itself, this should not mean that such a possibility is not even considered. Given the clear potential for these tools to improve competition across markets, the hope is that the relative benefits and costs are at least carefully evaluated should the opportunity arise.

---

themselves before acting, minimizing the negative impact. Perhaps the key risk would be that the agent must have sufficient accuracy to be used by consumers in the first place, else trust will quickly be lost.

[97] For further discussion of these points, see OECD, OECD HANDBOOK ON COMPETITION POLICY IN THE DIGITAL AGE (2022).

[98] Such as for example Giovanna Massarotto, *Algorithmic Remedies for Google's Data Monopoly*, 17 HARV. BUS. L. REV. (forthcoming).

[99] See, for example, Financial Conduct Authority, *FCA and PSR set out next steps for open banking*, FCA (January 23, 2025), https://www.fca.org.uk/news/statements/fca-and-psr-set-out-next-steps-open-banking.

[100] Such considerations would need to carefully balance anti-competitive harms.

[101] As noted above, how AI deployment costs will evolve is likely to be a critical part of how it is used. Should the promise of smaller, yet competent, models that can be deployed offline on the most powerful phones prove a realistic prospect, it might lead to a situation where deployment costs reduce substantially.

VI. Conclusions

This article has considered the potential for competition authorities to continue leveraging AI to improve how they work. While undeniably many are very active in this area, there is significant divergence between authorities in ambition and execution. Its first contribution was to note that the use of AI is likely to fall under one of two categories: enhancing intelligence and efficiency enhancing. It then further notes that authorities have two broad options in how they could implement AI based solutions, either in-house or externally. Crucially though, these options should not be seen as a definitive choice, with both holding potential benefits.

As is well known, there are various risks and challenges for competition authorities in using AI. Some of these relate to the risks of technology itself, such as its tendency to hallucinate or the difficulty in understanding how it works. Adapting to new technologies is also challenging in itself, as authorities seek to set out a path into the unknown, potentially facing high costs and uncertain benefits. Faced with such obstacles, caution is a sensible approach.

Nonetheless, while caution is valid, complete non-action is unlikely to be the best response. The article argues that even if an authority does not want to use AI in the short-term, with the proliferation of personal AI based tools, establishing a governance strategy to manage risks is of paramount importance. Such an exercise can also allow authorities to consider how they want to use AI from a principled perspective, while also providing guidance to their staff, who may themselves be keen to benefit from it. The optimal governance response is likely to vary according to means, context and ambition, but a top-down deliberate strategy focused on risk mitigation and a pathway for scaling effective solutions is a good place to start.

A central argument in the article is to press strongly the case for cooperation between competition authorities when it comes to using AI. In many ways, cooperation is already ongoing and therefore it may be questioned why more needs to be done in this space. Nonetheless, cooperation is not binary, and there may be scope to go further in depth and detail with cooperation efforts, including giving genuine consideration to jointly developing AI based solutions given the high degree of common demands between authorities. More generally, authorities may also benefit from increased cooperation with other partners, including those in the private sector and other public bodies.

Finally, the paper finishes by arguing that, while still a largely fanciful idea, competition policy makers should be open to the idea of a pro-competitive intervention based on AI should it present itself. For example, AI based agents appear to have significant potential to improve consumer decision making, lowering search costs and overcoming their cognitive biases, sharpening the demand side and boosting the effectiveness of competition. Much more thought is needed before such an undertaking begins, and many challenges will emerge, but given the potential, it is perhaps worth at least some thought.