ALGORITHM WATCH

Annual Report 2021

Contents

Editorial

2021 was a year to forget, if only we could. That's probably not the first sentence you'd expect to read in an annual review, which is a format more typically used to celebrate achievements, triumphs of team spirit, and having changed the world for the better.

Still, it's a necessary sentence because 2021 was anything but typical. It was a year that pushed many of us to the brink. In mid-January, we started to realize that the pandemic didn't care about calendars, and that a new year wouldn't change the reality of surging infections, hospitalizations, fatalities. Restrictions on everyday life meant to minimize these outcomes would continue, affecting everyone.

Even if the pandemic's second wave was not unexpected, there was no way of knowing beforehand what it would mean to actually experience it, let alone to prepare. When it came, we were run down and exhausted. Some of us were lonely, while others longed for refuge away from their crowded apartments. Many worried about vulnerable friends or family members.

But there was also solidarity. First of all, within our team. Everyone stood in for each other when schools and childcare centers closed, and supported one another when colleagues had to look after family members, or take care of themselves in order to stay sane.

There was also solidarity from our partners. When I sent an email to AlgorithmWatch's funders explaining that we could not just go on as usual, that our work needed to slow down, that we needed to slow down – we were met with resounding encouragement. Knowing that our funders had our backs was

tremendously important, and much appreciated. It helped us to continue working to the best of our abilities in spite of the collective challenges we faced.

And, as it turns out, we are proud of what we've achieved in 2021. We made it clear to policymakers that we expect new AI regulation to respect Human Rights; monitored and questioned the deployment of problematic automated systems for pandemic responses in Europe and around the globe; scrutinized both YouTube and Instagram's content recommendation algorithms (and were threatened by Facebook as a result); joined the *ReclaimYourFace* campaign to ban biometric mass surveillance; developed an impact assessment tool for use by public authorities developing algorithmic systems – and so much more (you can find more detailed information about our work on the following pages).

None of this would have been possible without your support – whether you donated or made a decision to fund us, engaged with our stories, reports, and policy demands, added your signature to one of our open letters, or participated in one of our events. An advocacy organization can only ever be as strong as the constituency that supports it, and we are deeply grateful for the support we've received. In that sense, 2021 was a fantastic year.

As always: We hope you'll enjoy reading the report and stay tuned, either by subscribing to our newsletters or by following us on our social media channels. (And if you can spare a dime, you'll find the donate button on the website.)

*With kind regards
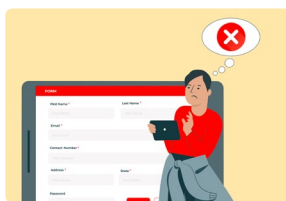Matthias Spielkamp and
the AlgorithmWatch team*

Milestones 2021

January

- AlgorithmWatch joined EDRi and 60 other civil society organizations demanding AI redlines for applications of Artificial Intelligence that threaten fundamental Human Rights in an open letter to the EU Commission.
- At the CPDP conference 2021 AW discussed "AI Regulation in Europe & Fundamental Rights" and „Algorithm-assisted decision-making in the Public Sector".

February

TRACING THE TRACERS

- AW celebrated 2 project kick-offs in February: The Tracing The Tracers project set out to monitor & analyze ADM-systems deployed in response to the COVID19 pandemic; AutoCheck to look into discrimination by automated-decision-making systems.

March

- Results of our Instagram data donation analysis were published: 675 volunteers contributed 38,259 data donations over eight months. Nicolas Kayser-Bril discussed the findings at the MozFest.
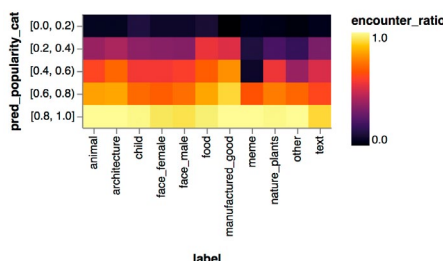

April

- AW joins the ReclaimYourFace campaign and endorses a petition of AllOut, Access Now, ReclaimYourFace to urge the EU to ban the automated recognition of gender & sexual orientation.

May

- Launch of the Tracing The Tracers Database: a platform featuring in-depth analyses and reporting on main trends and developments concerning ADM-based responses to COVID19 went online.
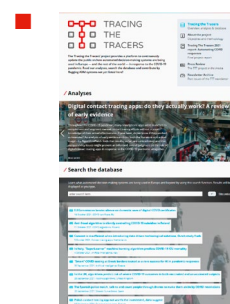
The new Digital Autonomy News(letter) informs from now on about research updates, publications and events around the Digital Autonomy Hub's Network.

June

- The Policy Team of AW was established and we celebrated with a great Team BBQ at the Spree.
- We published a concrete and practicable new impact assessment tool for the evaluation of automated decision-making systems by public authorities.
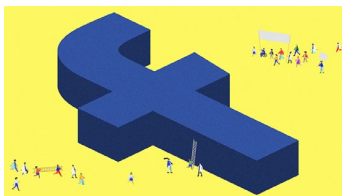
July

- In July the first research project on our data donation platform https://dataskop.net started. It examines **the Youtube recommendation algorithm** for the Bundestag elections in Germany. Users can access their data themselves beforehand and experiment with it.

August

- At the beginning of August, we submitted our response to the European Commission's consultation on the Artificial Intelligence (AI) Act. Therein we asked the European Parliament and the Member States to re-think its risk-based approach, focus on affected communities, and beef up transparency requirements and enforcement mechanisms.
- Facebook forced us to shut down our Instagram monitoring project. So we wrote an open letter to European Union lawmakers asking them to use the Digital Services Act (DSA) to defend public interest research about how platforms influence our public sphere. It has been signed by 6.126 individuals and 36 organizations, before we sent it to Brussels and Strasbourg.

September

- Using thousands of data donations from our Instagram monitoring browser plug-in on the German federal election campaign, the German newspaper Süddeutsche Zeitung showed that posts from the far-right appear higher on users' timelines.

October

- The entire AlgorithmWatch team – including AW Switzerland and our new colleagues – came together for a **Team Day in Berlin**. We had a great time and we look forward to everything ahead!

November

- Focus on the common good instead of tech companies! AW joined the F5 Alliance, which stands for public good-oriented digitalization and transparency – and from November our demands can be read on a brand new website!
- Together with Global Witness, we have written an open letter to all IMCO Committee Members of the European Parliament asking them to empower a broad base of vetted public interest researchers whose independent scrutiny is vital to holding large tech platforms accountable. It has been signed by 22 international academics and independent researchers and 29 civil society organizations.

December

- AW joins a European Citizens Initiative to **ban biometric recognition** systems that enable mass surveillance.
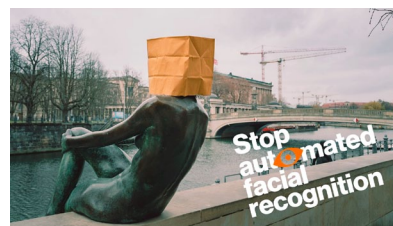
- Our work has made an impact! Over the last months, AlgorithmWatch – supported by dozens of civil society organizations and researchers, and over 6.000 individuals – has advocated for using the Digital Services Act (DSA) to enable meaningful transparency into the way online platforms influence our public sphere. The vote of the EU Parliament was our last milestone in an incredible year.

Our work

The strength of AlgorithmWatch lies in our evidence-based advocacy approach: We are neither a think tank nor a research institute but a civil society pressure group. We develop concrete and actionable recommendations for legislators, administrators, and companies based on insights from our own scientific research and journalistic investigations. This methodological mix has paid off, as the following paragraphs explain in more detail.

Research & Tech

DataSkop and the Digital Autonomy Hub
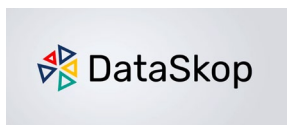
"We need to foster data donations as a method to hold large online platforms accountable for the ways in which they represent content to us. People need to be empowered to reflect on the content they get to see online."

JOHANNES FILTER, Software Developer (DataSkop)

Data donations are currently one of the few methods to shed light on the recommendation algorithms that large online platforms are so secretive about. In 2021, DataSkop developed a data donation software that is at the heart of the project. With this software, we conducted a pilot study on YouTube. As part of this first study, we received over 5,000 data donations during a six-week period, allowing for a first tentative analysis of how the YouTube algorithm ranks content for its users. We continue to work on promoting data donations as a method to hold platforms accountable in order to help individuals reflect on what content they encounter online.

With our partner Gesellschaft für Informatik (GI), we established the "Digital Autonomy Hub" as a network of organizations and projects. In this network, experts share their thoughts and ideas on the people's individual digital sovereignty. Simultaneously, the Hub started observing relevant policy discussions and promoting its positions. Initiatives like the Digital Autonomy Hub had an important impact when after the German Federal election in late 2021, the new government announced that it will set a priority on digital policies.

Unding

„When people are adversely affected by an automated decision and the responsible parties turn a blind eye to their own shortcomings, the disadvantaged persons shouldn't have to fend for themselves – that's why we've created Unding."

ANNA LENA SCHILLER, Project Manager "Unding"

When Unding went online in early 2021, it was – and still is – the first service of its kind, offering support to people who have been wronged by an automated decision. The platform that acts as an intermediary between users and companies has so far been used to report around 150 cases. It channels discontent by creating letter templates about issues with ADM, forwarding the letters to responsible companies, sending follow-up notifications, and giving people the possibly to rate answers they have received. While most complaints were made about faulty routing algorithms, resulting in traffic problems for local residents, Unding also received feedback from users pointing to new issues with ADM.

The year came to a successful end when a new partnership was formed between Unding and the German Consumer Protection Agency, introducing the platform to a much wider audience by implementing Unding services on https://www.verbraucherzentrale.de.

Tracing The Tracers

TRACING THE TRACERS

 "Throughout the pandemic, the Tracing The Tracers project was documenting a worrying trend: COVID was constantly exploited as an excuse to increase and normalize the surveillance, monitoring, 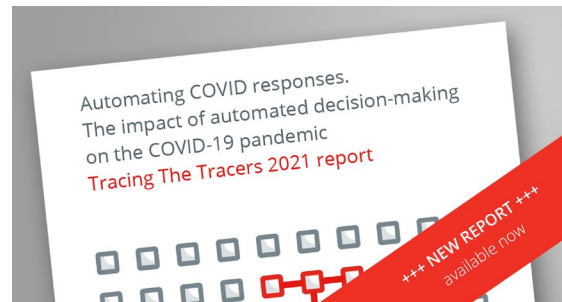measuring, and prediction of daily online activities. Especially the public health sector and personal data on health issues were affected."
FABIO CHIUSI, project manager of Tracing The Tracers

In an unprecedented global social experiment regarding health surveillance, a plethora of automated decision- making (ADM) systems – including systems based on artificial intelligence (AI) – were deployed during the COVID-19 pandemic. They were supposed to tackle fundamental public health issues. Nonetheless, they were too many times adopted with almost no transparency, no evidence of efficacy, and

no adequate safeguards, while a democratic debate on their legitimacy was basically missing. With Tracing The Tracers, we were able to monitor, map, and explain the use of ADM-based applications in Europe that were designed as a response to the SARS-CoV-2 global outbreak and document them in a searchable database.

Automating COVID responses. The impact of automated decision-making on the COVID-19 pandemic Tracing The Tracers 2021 report
+++ NEW REPORT +++ available now

The Tracing The Tracers project highlighted elements with the potential to facilitate a change toward a better algorithmic status quo. Our society must move away from Technological Solutionism. Future ADM deployments must be evidence-based, transparent, clearly limited in scope and duration, and more democratically discussed. Our analysis showed that further research is not only needed but essential for a better-informed public. To enable such research, the work of academia and civil society is key.

SustAIn: The Sustainability Index for Artificial Intelligence

sustain
Sustainability Index for Artificial Intelligence

"We need more information on the sustainability of AI systems. Developing a framework to assess how sustainable AI systems are is a necessary first step to generate such knowledge."
ANNE MOLLEN, Project Manager "SustAIn: The Sustainability Index for Artificial Intelligence"

In our project "SustAIn", we and our partners provided the first comprehensive framework for assessing the sustainability of AI from a social, economic and ecological perspective. Along 13 sustainability criteria, we have operationalized over 40 indicators that can directly be implemented to AI systems in practice, not only allowing to evaluate the sustainability of these AI systems but also to identify how they can become more sustainable. The criteria and indicators developed by us provide an encompassing and hands-on definition of sustainable AI. AI-developing and AI-implementing institutions can use our tools for self-assessments. The tools can also serve as a basis for much-needed new reporting and standardization approaches.

AutoCheck – Mapping risks of discrimination in ADM systems

"By providing easily understandable information, we facilitate a more inclusive discussion about ADM systems and discrimination."
JESSICA WULF, Project Manager "AutoCheck"

The AutoCheck project was launched in February 2021. It's intended to support employees of German anti-discrimination counseling centers in better assessing and recognizing risks stemming from the use of ADM systems. With the help of our project, the counselors shall be enabled to act upon cases of discrimination caused by such systems. The project is funded by the Federal Anti-discrimination Agency. In 2021, we researched according cases in Germany and conducted interviews on the topic with anti-discrimination experts.

To find cases and encourage adversely affected people to share their experiences, we launched a call to action in May which resulted for example in a journalistic story. We shared first results in various talks with different audiences. By explaining the topic in an accessible way, we foster a broader discussion about ADM systems and their effects on society.

Advocacy (Policy & Campaigns)

"Our work in 2021 was marked by the European Union's draft Artificial Intelligence Act and the Digital Services Act. We learned a lot by following their legislative procedure from the scratch. Our mayor achievement was the formation of a civil society coalition to join advocacy forces ahead of the negotiations on the AI Act."
NIKOLETT ASZÓDI, Policy & Advocacy Manager

In many ways, 2021 was a remarkable year in respect to AlgorithmWatch's policy and advocacy work.

It was the year in which Facebook sent us a message. Shortly before the German federal elections, the company pressured us to stop a data donation project in which we analyzed the rankings of political parties' posts on Instagram. At the same time, negotiations on the EU's Digital Services Act (DSA) were taking full speed. Our experience with Facebook epitomized the urgent need for access to platform data to allow for public interest research by academia and civil society. This was one of the demands we were intensely advocating for over the course of the year. It culminated in two open letters to policymakers in Brussels, supported by over 6,000 individuals, over 40 leading academics, and over 50 civil society organizations. The open letters caught the attention of international media. The year ended with a major success: In December, the leading Committee in the European Parliament vowed to defend and strengthen the DSA's data access provision, including our demands.

2021 was also the year in which the governance of algorithmic systems climbed up the policy agenda around the world – and particularly in Europe. At the Council of Europe in Strasbourg, we served as an official observer to the work of the Ad Hoc Committee on Artificial Intelligence (CAHAI) which issued its final recommendations for the upcoming negotiations on a legal instrument on AI.

In Brussels, the European Commission proposed its draft Artificial Intelligence Act in April. We submitted a comprehensive position paper to the official consultation in August and intensified our advocacy work on the bill as negotiations were starting towards the end of the year – in close collaboration with a coalition of civil society partners. In our first joint statement, we demanded the bill to live up to its promise to protect fundamental rights. It was signed by over 120 organizations and laid the groundwork for our ensuing lobbying efforts, including the promotion of concrete amendments to the Act.

Meanwhile, 60 million Germans were called to elect a new government. For our policy team, this not only meant joining forces with civil society allies concerning digital policy issues. We also were closely looking at the promises made by the new government coalition afterwards. These efforts around the federal election were accompanied by the launch of F5, a coalition of five civil society organizations campaigning for the public good as the reference point for digital policy. The coalition launched its joint advocacy platform by setting up a freshperson workshop with newly elected Members of the German Parliament.

Around the world, 2021 saw a further rise in public authorities' use of algorithmic systems for managing services, e.g., welfare payments or risk classification. Building on a report on the legal and ethical questions around the use of ADM in public administration, we published a ready-to-use tool to assess the impact of ADM systems, accompanied by corresponding policy recommendations. After observing the increasing use of algorithmic systems for the purposes of biometric identification, AlgorithmWatch advocated

for a ban on such systems in public spaces, partnering up with several civil society coalitions. We joined the European Citizens Initiative "Reclaim Your Face", putting pressure on the EU Commission to ban automated face recognition. As part of our "Don't smile for the Camera" campaign, we covered the heads of statues in over 15 large cities in Europe with paper bags after mobilizing people online and on the streets to take action.

Algorithmic recommender systems are continuously used to profile job candidates and to surveil workers. On our resource page on ADM at the workplace, we published explanatory videos and an interactive game that allows users to explore the functionalities of neural networks.

Finally, and most importantly, 2021 was the year in which AlgorithmWatch's Policy & Advocacy team had grown to such an extent that all of our conference room table's seats were occupied for the first time – with all five colleagues) having joined over the course of the year. In a kick-off retreat in summer, we consolidated the thematic priorities of our work around four main pillars – ADM in the public sphere, ADM and public sector, ADM and sustainability and ADM at the workplace. During the second half of the year, we were busy setting up team structures and work flows, building our capacities, welcoming more colleagues, and getting to know each other – especially on the rare occasions when the pandemic allowed us to meet in person. After this consolidation phase, the team is now well equipped – and highly motivated – to grow into the next phase in which we will increase our advocacy efforts to defend human rights and the public good in the context of algorithmic systems.

Investigative Journalism

"Automated decision-making can often feel like an overly abstract and legalistic subject to grasp, even though these systems are already all around us. This is why we developed the "Automated Society" newsletter, to tell new stories, from behind the scenes of how algorithms are made to the various ways that they make decisions in people's lives", **JOSEPHINE LULAMAE**,
Reporter & Editor

2021 was a challenging year for journalism at AlgorithmWatch. In August, Instagram forced us to shut down our 14-month project, in partnership with various European media outlets, to monitor Instagram's newsfeed algorithm. Still, AlgorithmWatch was able to publish a wide range of articles about automated decision-making systems in Europe. Several of the stories we broke were later picked up by mainstream news outlets.

We reported on the RisCanvi algorithm system for parole in Catalonia, automated monitoring in Greek refugee camps, a first-hand account of an algorithmic error in a French welfare payment system, legal challenges to automated decision-making systems, such as the Swedish town that had to to freeze the development of an algorithm it had bought to spot children at risk, and the failures of the Polish government's mandatory "Home Quarantine" app. Many of these stories were covered by local freelancers, whom we worked with to fund and edit the article.

We also created a new format for the AlgorithmWatch newsletter: "Automated Society", which has two subscriber lists (in English and German) and is sent out biweekly. At the end of 2021, we published "Automated Society's" first investigation, about shadow banning of environmental activists on Instagram, which was subsequently picked up by the Austrian public broadcaster ORF. Read more about it in the next paragraph.

Media and public relations

At the end of the year, we **revised the AlgorithmWatch newsletter** and developed two new formats with dedicated subscriber lists – each in English and German. From now on, people can subscribe to the Automated Society newsletter, which is sent out every two weeks and delves into the unreported ways automated systems affect society and the world around you. Additionally, there is the AlgorithmWatch community newsletter, dedicated to major updates from AlgorithmWatch, such as updates on our projects and campaigns, including data donations that supporters can contribute to.

Newsletter subscribers
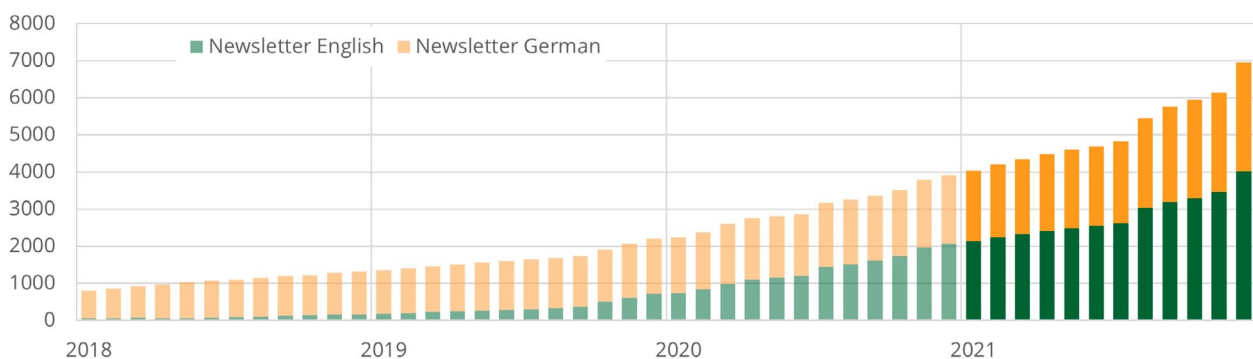
Social media followers (excl. Twitter) in comparison
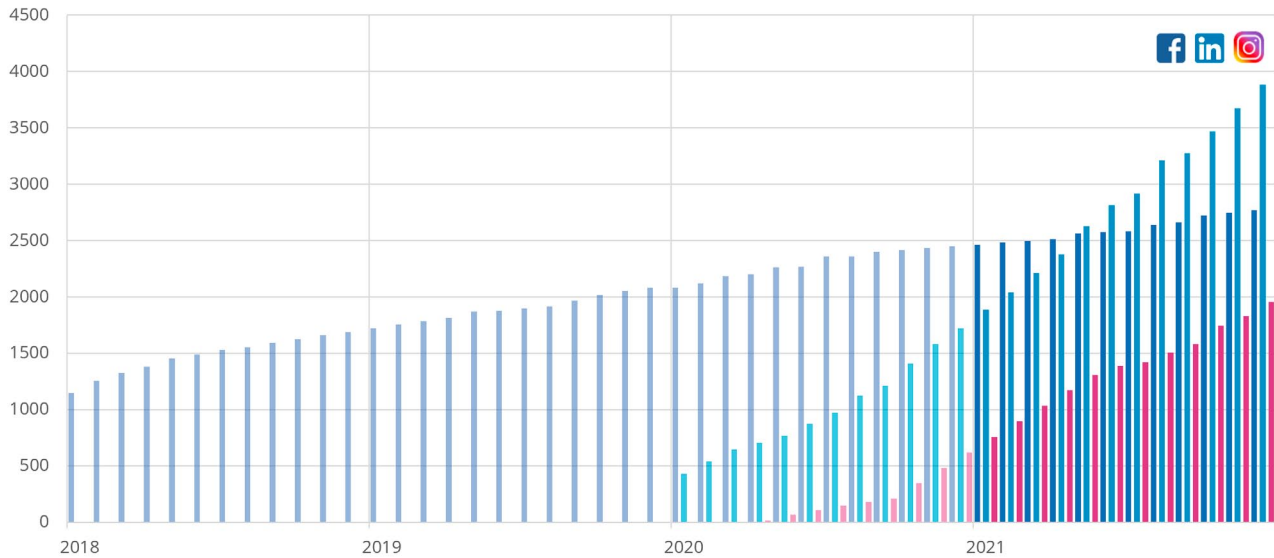
In 2021, **our social media channels** continued a trend that had already begun to emerge: Instagram has grown in importance as a new channel that has great potential, especially for campaigns and outreach. Linkedin has gained in importance as a platform for a professional audience and multipliers from politics, science, academia, business and civil society, especially relevant for our policy and advocacy work.

As part of our Open Letter campaign in August 2021, we posted the most successful tweet in the organization's history (with more than 675,000 impressions).

AlgorithmWatch
@algorithmwatch

1/9 ⚠️ AlgorithmWatch was forced to shut down its #Instagram monitoring project after threats from #Facebook!

👉 Read our story: algorithmwatch.org/en/instagram-r...

✍️ And sign our open letter to European lawmakers to protect future research on online platforms: algorithmwatch.org/en/defend-publ...🧵

Under Facebook's thumb: Platforms must stop suppressing public interest research

OPEN LETTER SIGN NOW!

👤 Cybersecurity For Democracy und 9 weitere Personen

1:07 nachm. · 13. Aug. 2021 · Twitter Web App

**490** Retweets   **110** Zitierte Tweets   **685** „Gefällt mir"-Angaben

In terms of press and public relations work, we continued to expand our presence in international media such as newspapers, online media and on the radio in 2021. In addition, we succeeded in having AlgorithmWatch's work and our projects featured and referenced multiple occasions on **prime-time German television**.

1: A position paper from AlgorithmWatch quoted in Neo Magazin Royale (ZDF)

This is a continuation of a development in which the importance of the impact of automated decisions as a topic has now been made more widely known to a broader public.
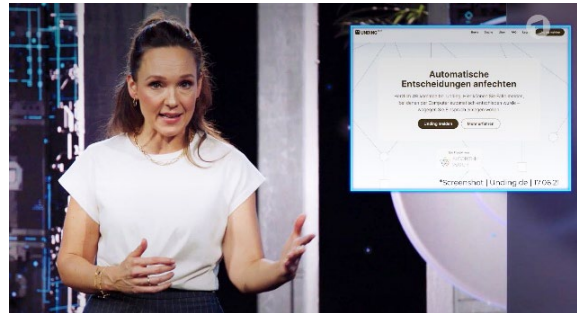
2: Die Carolin Kebekus Show (ARD) metioning the work of AlgorithmWatch and the project UNDING

Team & Operations

"Our Operations Team ensures the smooth administration and financial administration of AW. We are committed to a needs-driven and sustainable organizational development. It was a pleasure to re-join the team in 2021 after a parental leave. We bring forward processes the team initiated and implement new structures to create a supportive environment for the team's great work!"
KRISTINA PENNER,
Head of Operations

2021 was an intense year for AlgorithmWatch. The COVID-19 pandemic has turned our work and our daily lives upside down. At the same time, our team and our ambitions were growing quite a bit with the challenges. During a long-awaited team reunion at a BBQ in summer, a new team structure was introduced which now – with team members working fully remote – has turned out quite a success.

To make the organization more sustainable and create a stronger backbone, we have lifted our administration and financial management to the next level. We formed new alliances and looked out for new working instruments – a process that will unfold further in 2022 and 2023.

We are continually reviewing and establishing new structures and policies that help us growing together as a team and coordinating our work. We strive for organizational structures that truly reflect our work and our convictions, for transparency, responsiveness to the needs of the team and of the stakeholders, and for having an impact on society. In October, we started to work on a Code of Conduct; in the following weeks the establishment of internal complaints mechanisms was about to start.

AlgorithmWatch seeks to meet best-practice standards on public accountability and transparency, including good governance, ethical fundraising, responsible advocacy, and multi-stakeholder participation. We won't stop to continuously move towards a more integrated advocacy and campaign organization.

■ **You can read more about our team members on the AlgorithmWatch website: https://algorithmwatch.org/en/team**

Finances

Income Statement in Euros *		
REVENUES	01.01. – 31.12.2021	01.01. – 31.12.2020
Revenues	27.382,64	0,00
Revenues grants	1.075.051,73	823.843,42
Revenues donations	8.219,50	3.583,00
Revenues other	36.966,58	17.055,61
PERSONNEL EXPENSES		
Wages and salaries	720.788,04	451.779,21
Social security / thereof for pensions: € 0,00 (2020: € 0,00)	136.297,92	76.802,77
Depreciation	8.344,28	9.124,73
Other	268.775,46	306.775,32
RESULTS		
Result after taxes	13.414,75	0,00
Other taxes	1.418,77	
Total annual net	11.995,98	0,00

* You can find previous financial reports of AlgorithmWatch and more information on governance and transparency on our website: https://algorithmwatch.org/en/transparency

Financial compliance

Our organization's financial report 2021 was audited by Martina Schmidt – Wirtschaftsprüfung GmbH, Certified Public Accountant, Dipl.-Kffr. (FH) Martina Schmidt, Barbarossastraße 39, 10779 Berlin

Contact

AW AlgorithmWatch gGmbH
Linienstraße 13
10178 Berlin
Germany

✉ **Mail**
info@algorithmwatch.org

📞 **Phone**
+ 49 (0) 30 99 40 49 000

Twitter
@algorithmwatch

Facebook
facebook.com/algorithmwatch

LinkedIn
linkedin.com/company/algorithmwatch

Instagram
https://www.instagram.com/algorithmwatch

▶ **YouTube**
https://www.youtube.com/channel/UCOhGvpEH0oLlpqZDDpDo67Q

Thank you

All of this would not have been possible without the support from our 35 regular donors and 150 one-time contributors. Thank you for being there in these turbulent times, we hope you'll stick with us for what's coming up next!

Support our work with your donation!

Your donation will help fund more research projects and advocacy efforts for a better regulation of ADM technologies and their operators. You support our team and the development of our research platforms Unding and Dataskop.

We are grateful for any contribution, no matter the amount. Recurring donations help the most, as they can ensure long term planning and financial independence. You can donate through our online form (algorithmwatch.org/en/donate, incl. Credit Card, PayPal) or make a transfer directly to our account.

Donation account

Account holder: **AW AlgorithmWatch gGmbH**
IBAN: **DE 64 4306 0967 1197 6543 01**
BIC: **GENODEM1GLS**
Reference: **Donation AW AlgorithmWatch gGmbH**

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