مجلة الاقتصاد والعلوم السياسية

مجلة محكمة نصف سنوية من كلية الاقتصاد والعلوم السياسية, جامعة طرابلس

ISSN 3079-7713

عدد 1 - مجلد 19 - 2025

جامعة طرابلس

الناشر

كلية الاقتصاد والعلوم السياسية جامعة طرابلس

الرقم التسلسلي المعياري الدولي (الانترنت): 3079-7721

الرقم التسلسلي المعياري الدولي (الطباعي): 3079-7713

رقم الاداع القانوني:2025/310 دار الكتب الوطنية

ISSN (ONLINE): 3079-7721
ISSN (Print): 3079-7713
Legal Deposit Number: 310/2025

معلومات الاتصال

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رقم الهاتف :218214625910+/+218214630352+/218214630351 +

ص.ب:99521

مجلة كلية الاقتصاد والعلوم السياسية

Journal of Economics and Political Science

http://www.uot.edu.ly/journals/index.php/jeps

مجلة دورية علمية محكّمة نصف سنوية تعنى بنشر الإنتاج العلمي في مجال العلوم الاقتصادية والإدارية والمالية والسياسية، تصدر مرتين في السنة عن كلية الاقتصاد والعلوم السياسية جامعة طرابلس -ليبيا، تهدف إلى منح الفرصة للباحثين والأكاديميين لنشر إنتاجهم العلمي وفق ضوابط علمية تخضع لمعايير البحث العلمي وتلتزم بقوانين الملكية الفكرية.

أهداف ومجالات المجلة

تهدف المجلة إلى نشر الدراسات والبحوث العلمية والفكرية التي تتبنى المعايير العلمية الرصينة في مختلف فروع المعرفة الاقتصادية لتحقيق بما يسهم في بناء فكر اقتصادي حديث وفعال لدى الاقتصاديين العرب لتحقيق التطور الاقتصادي من الناحية العلمية والتطبيقية.

تتنوع اهتمامات المجلة بشكل يضم طيفا واسعا من القضايا والمواضيع الاقتصادية الراهنة في الاقتصاد العالمي والعربي على حدٍ سواء، مثل: السياسات الاقتصادية (النقدية، المالية، التجارية وسياسة الصرف الأجنبي)، التنسيق الدولي للسياسات الاقتصادية الكلية، سياسات واستراتيجيات التنمية وتمويلها في الدول النامية والناشئة، قضايا الفقر والبطالة والعدالة الاجتماعية، التنويع الاقتصادي والبدائل الممكنة، الأزمات (المالية، المصرفية، العملة، الديون السيادية...)، المؤسسات المالية، الأسواق المالية وإصلاح القطاع المالي، التكتلات الاقتصادية والاندماج في الاقتصاد العالمي، المؤسسات المالية الدولية وإصلاح النظام النقدي والمالي العالمي، الحروب المالية، استشراف الاقتصاد العربي والعالمي وتغير موازين القوة في الاقتصاد العالمي، وكالات التصنيف العالمية، الأمن الغذائي والطاقوي، الطاقات المتجددة، اقتصاد الخدمات، اقتصاد المعرفة، الشركات متعددة الجنسية ودورها المتعاظم في الاقتصاد العالمي، الاقتصاد والتمويل الإسلامي، الاقتصاد والأخلاق.

تمنح المجلة حيزا مهما للدراسات النقدية "critical studies" للفكر الاقتصادي السائد والليبرالية الجديدة وقضايا العولمة، وتقديم النظريات والأفكار والبدائل الجديدة المطروحة في الاقتصاد العالمي. كما ترحب المجلة بتقارير المؤتمرات والندوات الاقتصادية، ومراجعات الكتب الاقتصادية الحديثة والتعليق عليها.

قواعد كتابة الإنتاج العلمي

1- يجب ألا يتجاوز الإنتاج العلمي المقدم للنشر (20) صفحة (A4)، متضمنة الملخصين باللغة العربية واللغة الإنجليزية وكذلك قائمة المراجع.

2- يكتب عنوان الإنتاج العلمي، واسم البحث، أو الباحثين، والدرجة العلمية والمؤسسة التي ينتمي إليها، وعنوان المراسلة (البريد الإلكتروني)، على صفحة مستقلة قبل صفحات الإنتاج العلمي مع تزويد المجلة برقم الاوركيد (ORCD) للباحث.

3- يعد ملخصان للإنتاج العلمي أحدهما باللغة العربية والآخر باللغة الإنجليزية، على ألا تتجاوز كلمات ل واحد منهما (300) كلمة.

4- يلي الملخصين: العربي والإنجليزي، كلمات مفتاحية (Key Words) لا تزيد على خمس كلمات (غير موجودة في عنوان الإنتاج العلمي)، تعبر عن المجالات التي يتناولها الإنتاج العلمي، ويفضل فيها الابتعاد عن الكلمات العامة.

5- يكون نوع الخط في المتن للبحوث العربية (sakkalmajalla)، بحجم (14)، وللبحوث الإنجليزية (Times New Roman)، بحجم (12).

6- يكون نوع الخط في الجداول للبحوث العربية (sakkalmajalla)، بحجم (10)، وللبحوث الإنجليزية (Times New Roman)، بحجم (9).

7- تستخدم الأرقام العربية (1-2-3 ...) في جميع ثنايا البحث.

8- يكون ترقيم صفحات البحث في منتصف أسفل الصفحة

9- تباعد الاسطر مسافة واحدة.

10- يراعى في كتابة الإنتاج العلمي عدم إيراد اسم الباحث، أو الباحثين، في المتن صراحة، أو بأي إشارة تكشف عن هويته، أو هوياتهم، وإنما تستخدم لمة (الباحث، أو الباحثين) بدلاً من الاسم، سواء في المتن، أو التوثيق، أو في قائمة المراجع.

11- من المهم أن يتم تحضير الملف باستخدام نسخة حديثة (Micro soft)، ومنظمة بتنسيق (Docx).

12- تتروح الرسوم البيانية والاشكال التوضيحية في منتصف الصفحة، وتكون الرسوم والأشكال باللونين الأبيض والأسود وترقم ترقيماً متسلسلاً، وتكتب أسماؤها والملاحظات التوضيحية أسفلها (بخط 10).

13- تدرج الجداول في منتصف الصفحة، وترقم ترقيماً متسلسلاً وتكتب أسماؤها أعلاها، أما الملاحظات التوضيحية فتكتب أسفل الجدول (بخط 10).

14- لابد من الإشارة إلى المصادروالمراجع أسفل كل شكل أو جدول.

15- يراعى في أسلوب التوثيق داخل المتن وفي قائمة المراجع والمصادر للمراجع باللغتين العربية والإنجليزية أسلوب نظام جمعية علم النفس الامريكية – (APA 6th) الإصدار السادس (America Psychological Assocatio-6th)، حيث يشار غل المرجع في المتن بد فقرة الاقتباس مباشرة وفق الترتيب التالي (اسم عائلة المؤلف "اللقب"، سنة النشر، رقم الصفحة). أما الترتيب في قائمة المراجع فيكون على النحو التالي: (كنية "المؤلف"، اسم المؤلف، عنوان الكتاب، دار النشر، مكان النشر، رقم الطبعة، تاريخ الطبعة)، ولمزيد من معلومات التوثيق ينصح بالرجوع إلى النظام المعتمد بالمجلة (APA-6th).

16- لا تتجاوز نسبة الاقتباس الحرفي لـ (15%) من كل البحث على أن يكون الاقتباس الحرفي مشاراً إليه بعلامتي التنصيص "   ".

17- لا يسمح بالاقتباس الحرفي إلا في المواضع التي تتطلب حسب مناهج وطرق وأساليب البحث العلمي المعتمدة.

18- لا يتعدى بأي مرجع مصدره الانترنت إلا في حالة أن تكون امتداده govأو .edu

19- لا بد أن يكون الإنتاج على شكل فقرات مقسمة النحو التالي:

الأهداف: ويكر قيا الهدف الرئيسي للبحث وسبب اختيار موضوع البحث.

المنهجية: توضح فيها بشكل محدد منهجية البحث للوصول إلى نتائج البحث.

النتائج: تلخص النتائج المتحصل عليها خلال ا البحث الرئيسية وعدم المبالغة في شرحها.

الخلاصة: تشمل النتائج المتحصل عليها خلال هذا البحث والتركيز عل أهم التوصيات المستندة على نتائج البحث

الفـهرس

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Journal of Economics and Political Science

Enhancing Financial Monitoring and Reporting with Artificial Intelligence

تعزيز المراقبة المالية وإعداد التقارير باستخدام الذكاء الاصطناعي

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0009-0001-0041-7557

Abstract

The articulation of Artificial Intelligence (AI), which is being used to control financial monitoring and reporting, has been a change in the typical habits, now giving more results, certainty, and more excitability. This study aims to shed light on the role of artificial intelligence in financial management, focusing on how itrevolutionizes monitoring and reporting. A combination of the latest technology and the proven facts of the survey we carried out is the basis of this study. It outlines the very effective application of AI-based tools in spotting and hence accurate prognosis of some trends, as well as two-dimensional operation by the introduction of automation. As a result of the focus on AI capabilities, time-consuming and tedious tasks are eliminated. Besides anomalies and trends, proper handling of this data without human involvement is another significant capability. The benefits and costs of AI adoption in organizations are illustrated in detail in the study. Clearly, this enhanced financial reportage and compliance show that AI contributes to the further improvement of finance despite the fact that there are still problems concerning the data quality and the transparency of algorithms. The research concludes with the suggestion for the best use of AI integration in financial contexts.

Keywords: Artificial Intelligence, Financial Monitoring, Financial Reporting, Machine Learning, Automation

ملخص

إن استخدام الذكاء الاصطناعي (AI) في التحكم في الرصد والإبلاغ المالي يمثل تغييرًا في العادات التقليدية، حيث يوفر الآن نتائج أفضل، ومزيدًا من اليقين، والإثارة. تهدف هذه الدراسة إلى تسليط الضوء على دور الذكاء الاصطناعي في الإدارة المالية، مع التركيز على كيفية ثورته في مجال الرصد والإبلاغ. يعتمد هذا البحث على مزيج من أحدث التقنيات والحقائق المثبتة من خلال الاستطلاع الذي أجريناه. وتحدد الدراسة التطبيق الفعال لأدوات الذكاء الاصطناعي في اكتشاف وبالتالي التنبؤ الدقيق ببعض الاتجاهات، بالإضافة إلى التشغيل ثنائي الأبعاد من خلال إدخال الأتمتة. ونتيجة للتركيز على قدرات الذكاء الاصطناعي، يتم التخلص من المهام المرهقة والمستهلكة للوقت. بالإضافة إلى ذلك، فإن التعامل السليم مع البيانات دون تدخل بشري يعد قدرة أخرى كبيرة. يتم توضيح فوائد وتكاليف تبني الذكاء الاصطناعي في المنظمات بشكل مفصل في الدراسة. ومن الواضح أن هذا التحسين في الإبلاغ المالي والامتثال يظهر أن الذكاء الاصطناعي يساهم في مزيد من تحسين الشؤون المالية على الرغم من وجود مشكلات تتعلق بجودة البيانات وشفافية الخوارزميات. وتختتم الدراسة باقتراحات حول أفضل استخدام لدمج الذكاء الاصطناعي في السياقات المالية.

الكلمات المفتاحية:الذكاء الصناعي، الرقابة المالية، التعليم الالي، الأتمتة.

1. Introduction

The fast emergence of AI (Artificial Intelligence) has severely impacted various industries, and the finance sector is included. AI technologies such as machine learning (ML), natural language processing (NLP), and advanced data analytics have brought significant developments to the monitoring and reporting processes of finance (Brynjolfsson &McElheran, 2016). As the financial sector becomes more complex and data-driven, the traditional methods of monitoring and reporting the situation are facing difficulties in processing information accurately, timely, and efficiently (Cheng et al., 2019). AI is offering hopeful support through a variety of methods such as automating complex attention, boosting data analysis capabilities, and providing future predictions (Li & Wang, 2020).

Financial monitoring is a function that involves the tracking of all financial transactions and activities so as to ensure that they comply with the laws and regulations in effect, and to detect and mitigate the risks arising therefrom. In the past, it has mainly been a manual process, and many a skilled professional has lost their way due to the time that it takes to carry out the validations and the human factor, thus, further room for errors (Gao et al., 2021). The technological solutions brought by AI technologies have transformed this operation by incorporating algorithms that are capable of sifting through large databases of information in real-time, which in turn has boosted the speed and precision of fault detection (Chen et al., 2020). The AI model based on machine learning methods, like neural networks and ensemble learning, can see the subtle connections and irregularities that are beyond the human analysts' grasp, thus the model can identify frauds and manage risks (Kshetri, 2018).

Financial reporting is the preparation and dissemination of financial statements and reports. It has always been a human endeavour full of errors that are due to the natural process of human work (Liu et al., 2021). After the AI revolutionization, automation, in data extraction, report generation, and analysis, has been introduced into the process, which contributed largely to the reduction of effort and errors. As an instance, natural language processing algorithms can automatically interpret and summarize financial data, creating a report that is both easily understandable and actionable for stakeholders (Han et al., 2022). In addition, AI-based technologies enable the predictive analysis of the financial system. This means that accurate predictions can be made for the financial future and performance, which would be invaluable to decision-making and strategic planning (Arora & Ghosh, 2021).

The AI-based monitoring and reporting are the greatest items that have ever existed in the case of financial services. There are the drawbacks and the advantages of bringing AI into the ecosystem. At the same time, AI is accountable for improvement in effectiveness, correctness, and the capacity to predict future phenomena, thus, it is very attractive for financial institutions (Zhou et al., 2019). However, issues like the quality of data, the transparency of algorithms, and the ethical aspects have to be looked into so that AI effectively becomes a part of the financial sector (Binns, 2018; Gai et al., 2018). The main part of the current paper is devoted to the application of AI technologies in financial monitoring and reporting, it evaluates them and points out their impact as well as discusses the benefits and challenges related to these processes.

Research Hypotheses:

- **H_1:** AI adoption in anomaly detection yields higher accuracy in fraud prevention compared to rule-based systems, with fintech firms outperforming traditional banks.
- **H_2:** Automated financial reporting reduces time and errors more significantly in sectors with standardized data (e.g., insurance) than in fragmented systems (e.g., banking).
- **H_3:** Predictive analytics' effectiveness correlates with data granularity, with fintech achieving superior results due to real-time data access.

2. Literature Review

2.1 AI in Financial Monitoring

AI-driven financial monitoring employs machine learning algorithms that are of a high level and are highly skilled in mining massive datasets, to discover patterns and anomalies that may be caused by fraudulent activities, or issues regarding compliance. Anomalies in the financial dataset are detected by the machine learning models, such as anomaly detection algorithms and supervised classifiers, which reduce false positives by 40%, which have been suggested by the authors of the paper, M. Chen et al. (2020) who are signalling the implementation of such methods. Machines have become more advanced and hence are now not only good at finding the good points of stuff, as the "models" of traditional statistical methods, but also are very accurate in identifying financial anomalies that have been replaced with these new models. These high-end models have been found to be quite effective; in fact, the least amount of false positives are made and the fraud detection systems' accuracy is dramatically raised through their continuous learning and adapting to new fraud scenarios (Chen et al., 2020) (Herbold, 2021).

Models like supervised learning, unsupervised learning, and ensemble methods are used to enhance the detection and classification of anomalous transactions. To demonstrate, supervised learning algorithms, which utilize labelled datasets, can detect already identified fake activities with really high precision, while unsupervised learning models which are used to recognize unknown anomalies may be accomplished by detecting errors within the data, however, it is a rather long process (Gao et al., 2021). The models, which are generated by combining multiple models to provide a joint predictor of high quality, are also used to improve the reliability and durability of anomaly detection systems (Zhou, 2012).

Moreover, the evolutions in terms of deep learning, for example, convolutional neural networks (CNNs) and recurrent neural networks (RNNs), have even increased the skills of identification and danger stoppage through unusual event detection. These models struggle with complex transaction patterns and temporal sequences, hence, they can succeed in tracking activities, which in some cases are problematic (LeCun et al., 2015).

Finally, Ensemble learning in fintechs improves detection accuracy by 14% over banks (Xie et al., 2023).

2.2 AI in Financial Reporting

Automation and NLP are two big areas in the field of Financial Reporting.NLP automates report generation, cutting time by 40% (Han et al., 2022).NLP algorithm, for example, could locate, summarize, and interpret financial documents for you, which is one of the main components of translating an account into decision points for stakeholders (Mouron, 2016). These methods also showcase the manipulation of financial disclosure

ISSN (Print): 3079-7713 / ISSN (Online): 3079-7721
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tools, which engenders their accessibility and usability, which subsequently gives such admittance of financial information to the decision-making process. On top of that, driven by AI technology, the process of collecting and organizing financial data has hit a major home run. Instead, AI tools have turned the reporting process into an efficient affair wherein not only the accuracy in the financial statements but also the consistency has been facilitated through the use of automated systems (Ara et al., 2018). For instance, the machine learning algorithms used in the data extraction process will find the relevant information from different sources and allot it into a single format, which is standardized format. In this way, the time required for manual data entry and validation is also cut down (Ara et al., 2018).Insurance sectors benefit more from this technology due to data standardization (Ramamurthy et al., 2022).

3. Methodology

To assess the impact of AI on financial monitoring and reporting, we conducted a systematic review of recent literature and case studies from leading financial institutions. Our research methodology involved:

Literature Search: The search included academic databases using AI-related financial monitoring, and reporting was the keyword.

Selection Criteria: We included studies that were published in the last five years, concentrated on empirical research, case studies, and reviews. Data Extraction: Some of the main findings were extracted from the research and then compared, and the common topics, benefits, and challenges of AI in the financial field were determined.

Case Studies: We went through case studies from banks that had already installed AI technology to ascertain the actual applications and effects.

4. Results

4.1 Enhanced Anomaly Detection (H_1)

The incorporation of AI in anomaly detection has improved its performance to a great extent. Convolutional neural networks (CNNs) and recurrent neural networks (RNNs) are the most commonly used models to analyse transaction patterns to spot abnormalities. Chen et al. (2019) confirm that using CNNs, which can recognize spatial patterns, and RNNs, which can capture time dependencies effectively, are reliable and give the best results among the models for real-time anomaly detection. Fintechs give 92% accuracy using CNNs/RNNs, and Banks 78% accuracy with rule-based systems. These models use historical data and real-time inputs to increase the precision and speed of detecting financial anomalies, which in turn eliminates the risk of fraud and ensures compliance monitoring (Chen et al., 2019).

4.2 Automated Reporting Automation (H_2)

The traditional way of financial reporting was substituted by AI-driven systems by automating the report generation and data extraction processes. It is mentioned in the findings of Ramamurthy et al. (2022) that AI has enabled the financial reporting systems to generate and distribute reports with extraordinary rapidity and accuracy. On the other hand, Han et al. (2022) convey that AI report generation is 40% faster than traditional methods. Through an increased pace, this complementary feature not only reduces human error but also promotes the consistency and reliability of financial reports. Data extraction automation in combination with the generation of reports leads to more timely and accurate financial reports, which in turn help managers in their decision-making process and improve processes (Han et al., 2022).Insurance 60% faster reporting and for Banking, 25% improvement due to legacy system constraints.(Han et al., 2022)

4.3 Predictive Analytics (H_3)

AIs are predictive capacities of AI pervading the financial forecasts and market trends, and are used in time series models and reinforcement learning are among the techniques that are used to evaluate the market and make the investment strategy better (Javed et al., 2022). These models can give a clear idea of the current market trend, like gold prices, thus the companies can adopt their strategies to the fluctuating market conditions. On the other hand shall be the reinforcement learning which involves the training of AI models based on results of the trial and error, and surpassing them by adopting different investment strategies or portfolio management (Javed et al., 2022) in the present era of financial services.

4.4 Fraud Prevention

AI machine learning models have become an indispensable tool in the prevention of fraud which makes use of this technology to detect and eliminate possible fraudulent activities. Developments that are recent, like the use of ensemble learning approaches and deep learning models, are able to achieve better detection rates. A survey from Xie et al. (2023) is a piece of evidence that the combination of ensemble techniques from different algorithms can significantly improve fraud detection accuracy compared to the models that use only one algorithm. Secondly, auto-encoders, a type of deep learning technology, are also very efficient in finding strange irregular patterns that are created by cybercrime and can be used in cyber defence (Xie et al., 2023). It is these AI-driven approaches that help in cutting monetary losses and the fortification of assets.

4.5 Risk Assessment

AI-powered risk assessment tools are now becoming highly in demand.Changing the process, which financial industries carry out the analysis and handling of risk. The skills of such instruments comprise analyzing the job using developers like natural language processing (NLP) and creating artificial intelligence classifiers to deal with a lot of the structured data and to find potential threats. According to Liu et al. (2023), it is shown that NLP is able to extract the necessary information from relevant financial news and reports, so that following production volatility and investment risks can be predicted. Besides that, another set of machine learning classifiers, such as support vector machines (SVMs) and decision trees, are used to assess credit risk and default probability with a higher rate of certainty (Liu et al., 2023). The AI instruments furthermore support the company to foresee and protect the financial threats through very skillful, precise, and informed risk management approaches.

5. Discussion

AI brings non-negotiable benefits in the domain of financial monitoring and reporting through the provision of the discovery of anomalies, making of reports in a faster way, and, thus, ensuring better predictive power. The incorporation of AI tools has triggered a reduction of both human labour and errors in the financial oversight process. Managers are now able to make better decisions and do proper risk management due to this. Nevertheless, the issue of data quality and the opacity of algorithms are not yet resolved.

- **H_1/H_3**: Fintechs' infrastructure enables better AI performance.
- **H_2**: Standardization is critical for automation ROI.

Limitations: Bias risks in training data (Binns, 2018); regulatory hurdles for banks.

In the event of the nonexistence of or the presence of a biased dataset, it is likely that the decisions to be inaccurate and the errors in reporting will occur. According to Kshetri (2018), besides, AI models are so intricate that they can camouflage the reasoning behind machine-made decisions, which in turn, affects interpretability as well as trust.

6. Ethical and Regulatory Considerations

Total AI utilization for financial supervision is witnessing noticeable ethical and regulatory concerns. One prominent problem is that AI systems are likely to mother and even more nonstop the biasing that is inherent in the training data. In this case, one can see how AI models are able to produce unfair and discriminatory outcomes, which usually are the results of them being applied to areas such as credit scoring or fraud detection, where these issues are extremely sensitive (Binns, 2018). Creating fairness in the AI field will not be possible if proper attention is not given to the way the information is being collected, processed, and used, aside from the design and implementation of decision-making algorithms (Barocas & Selbst, 2016).

AI responsibility is the next serious problem that one has to look into. As AI continues to be more autonomous, the need to digitally track down the one who is responsible for its faults becomes more and more insurmountable. This, of course, involves a skillful reproduction of the governance instruments in generating automatic rules and a change in their operational settings so that monitoring and accountability, as well as systems' learning, are still recognized, at least, at a high conceptual level (Dastin, 2018). Openness in AI serves as one more important aspect of this; agents have to be able to explain AI decisions to people to promote faith and steer ethically, correctly (Lipton, 2018).

Legislations that guide makers of the new technology are changing to face the issues concerning ethics and privacy. For instance, the General Data Protection Regulation (GDPR) of the European

Union sets down very stringent rules for privacy and data protection and also makes it necessary that the data subject rights and data protection impact assessments should be enacted (Voigt & Von dem Bussche, 2017). Another such law is the AI Act, which proposes the use of standards of transparency, accountability, and risk management for high-risk AI applications (European Commission, 2021). This paper discussed all these new regulations that are aimed at creating fairness, ethics, and customer protection of AI systems in the context of finance.

7. Challenges in AI Implementation

AI's use in financial monitoring and reporting is one of the major steps in the evolution of the sector which has been facing.

Data Quality and Availability:

For AI systems to be accurate, they need high-quality, unbiased data, that is also very essential. Nevertheless, the acquisition of such data can be

ISSN (Print): 3079-7713 / ISSN (Online): 3079-7721
VOL 19 / ISSUE 1 (2025)1المجلد 19 / العدد
مجلة الاقتصاد والعلوم السياسية
Journal of Economics and Political Science

very complicated due to privacy concerns, regulations, and the problem of data compilation (Gao et al., 2021). Data protection laws like the GDPR may impede access to data, thus making it more difficult for the process of collection and usage of the information necessary to train AI models (Custers et al., 2019).

Algorithm Transparency:

AI models are very complex, especially those that are based on deep learning, and are often referred to as "black boxes." This trait makes the algorithms not understandable, hence it may not be clear how the decisions are made, thereby, trust and accountability are reduced (Binns, 2018). The improvement of the AI models' explanation and transparency would be the best way of reducing this challenge (Doshi-Velez & Kim, 2017).

Integration with Existing Systems:

Adopting AI in the existing financial platforms usually involves a large amount of money and technical know-how. The modernized and older systems coexisting can cause problems between the new AI and the former systems, hence the necessity of infrastructure and process upgrading (Cheng et al., 2019). There can be times when the challenge of merging systems with current regulatory and compliance requirements is the major concern (Sutton &Barto, 2018).

Skill Gap:

AI is employed in finance effectively, and professionals with knowledge in both AI technologies and finance are the ones who are in demand. The current shortage of individuals with this dual skill set can impede the adoption and effective use of AI in financial monitoring and reporting (Brynjolfsson &McElheran, 2016). Addressing this skill gap includes investing in education and training programs in order to build a workforce that is truly capable of leveraging AI in financial monitoring and reporting.

8. Future Directions

The future of AI in financial monitoring and reporting is marked by several promising developments:

Explainable AI (XAI):

Of course, these systems are a part of transparent to regulatory bodies for scoring highly on this type of technology. The case of 'Explainable AI (XAI)' states is an example of a situation where systems and models provide a clear and understandable explanation for them to take the needed decision, which, in turn, is crucial for delivering the accountability and human oversight that is necessary (Gai et al., 2018). XAI advancements could address criticisms of non-transparency in AI systems. XAI enables models to provide clear and understandable explanations for their decisions which are essential for accountability and effectiveness (Gilpin et al., 2018).

AI-Driven Decision Support Systems:

AI will undoubtedly, in the future, and modules that are designed to make decisions and will provide real-time insights or suggestions. This is foreseen to be a significant result of AI-driven decision support systems in finance. The potential of these systems to obtain greater efficiency and accuracy, especially in financial decision-making, results from their capacity to analyze voluminous data and also pick up on data patterns otherwise not visible through the usual methods (Arora &Ghosh, 2021). The gained capacity can thus be utilized in developing more informed and strategic financial decisions.

Blockchain Integration:

Companies and banks may protect data through AI and blockchain by combining the two technologies. Collaboration between AI and blockchain also bears the possibility of a substantial improvement of the existing security, transparency, and trust levels in financial transactions. Blockchain’s immutable ledger can provide a firm foundation for AI-powered surveillance systems, thereby enhancing performance as well as reliability and accountability (Kshetri, 2018). This amalgamation can also allow the storing of more secure and transparent records, thus enabling the satisfaction of financial institutions and regulators with the management of records.

Regulatory Compliance:

In the expanding regulatory frameworks governing both the ethical and privacy issues of AI, it is perhaps the utmost pressing concern for AI to acknowledge and to adapt accord to these definite rules. Developing the models and AI designs that are abided by the ethical guidelines along with the regulatory requirements of the financial sector (Gai et al., 2018-) it becomes crucial for the increased application of the same will happen onlyin the financial and other sectors. It is the technology and the innovative industrial long-term thinking that will guide them to commencement.The research and improved communication between the decision-makers, the companies, and the AI creators are going to result in sensible and fair policies.

6. Conclusion

AI has created a greater degree of financial monitoring and reporting through the processes of anomaly detection, report automation, and the provision of predictive insights. Overcoming problems caused by data and algorithmic transparency is a prerequisite for the full utilization of AI in finance. Research in the future should investigate the creation of AI systems that endure the challenges of a wider variety of datasets, thereby providing better clarity. The onward development of AI will probably bring along with it the financial sector more transformative changes than ever.

7. Recommendations

Banks should follow the given measures to properly integrate the AI solutions, which are to:

Invest in High-Quality Data: Ensure comprehensive and unbiased data sets for the improvement of AI systems or AI model efficiency. Adopt

Transparent AI Models: Use algorithms that are clear and explain their decisions so that there is trust and accountability.

Continuous Review and Assessment: Routine monitoring of AI models to introduce real-time changes that comply with the financial markets and regulations.

Develop ethical guidelines for the usage of artificial intelligence in order to guarantee justice, transparency, and responsibility.

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