

All-Party Parliamentary Group on Artificial Intelligence

Feedback on the Government Response to the White Paper Consultation



26 February 2024 Policy Forum



This document is a creative transcript of a meeting that took place on February 26, 2024, in House of Commons Committee Room 8, UK Parliament. The transcript exclusively contains crucial discussion elements, not all points are addressed.

Joined by Saqib Bhatti MP (to the right), Minister for Technology & The Digital Economy, the APPG AI Officers, APPG AI Parliamentary Members and APPG AI Advisory Board analysed, debated, and raised questions on the UK Government's response to its Consultation on the AI White Paper released on 6th Feb 2024. Stephen Metcalfe, MP and APPG AI Co-Chair, chaired the Meeting.



Click on the image above to link to the consultation outcome website.



#### **AGENDA**

- Presentation by Saqib Bhatti MP,
   Minister for Technology & The Digital
   Economy
- 2. Industry feedback from
  - Zoe Webster, Al Director at BT Group
  - Yatin Mahandru, Head of Public Policy at Cognizant
  - · Response from the Minister
- 3. Group discussion with the Minister
- 4. Closure
- 5. About APPG AI

# Saqib Bhatti – Parliamentary Under-Secretary of State for Tech and the Digital Economy

#### **APPG AI Reflection**

Well done for the All-Party Parliamentary Group (APPG AI) for thinking about AI in 2016 and, obviously it's massively accelerated now. I will admit, as a relatively new Minister with new Minister enthusiasm and possibly naivete, I saw Stephen Metcalfe MP and I said, why don't I come? So I volunteered to be here and I hope to volunteer again. But it's genuinely a pleasure to be here and of course over a just over a year ago, AI has accelerated in a way that I was going to say that we couldn't have imagined, but possibly we could have, but AI has really come onto the forefront of many conversations, touching many aspects of industry and services, especially in the private and the public sector.

#### Government's Stand on AI: Emphasising Opportunities Amidst Challenges

I think the first point worth making is that we in the Government recognise the opportunities that Al represents, whilst also of course recognising the challenges and the risks that it may also represent. Now I have a personal mission here to make sure that we talk as much about the opportunities, and I've tested this where I've done an in media interview where I did a 90% interview talking about opportunities, 10% about the risks, but all the subsequent headlines were about the risk that they Al pose.

### Balancing Act: Pro-Innovation Stance and the Need for AI Regulation

A serious point here is that we have to balance the environment and the landscape for being pro innovation, but also recognising where we need to regulate. We need to take a position on making sure that AI is safe, and we will start to unpack some of the risks of AI in the approach. And I've got Dean Russell MP next to me who did an adjournment debate around fraud and the risk of AI, and I thought he brought up some very legitimate points on AI.

#### **SUMMARY**

#### APPG AI Reflection:

- Recognition of the APPG AI for initiating discussions on AI in 2016.
- Acknowledgement of the significant acceleration of AI in recent years.
- Voluntary participation in the APPG Al discussion with enthusiasm as a new Minister.
- Al's emergence in various sectors, both private and public.

#### Government's Stand on AI: Emphasising Opportunities Amidst Challenges:

- Acknowledgement of both opportunities and challenges posed by AI.
- The Minister's personal mission is to highlight opportunities in discussions about AI and balance the narrative to ensure a focus on AI's positive aspects.

### Balancing Act: Pro-Innovation Stance and the Need for AI Regulation:

- The need to balance a pro-innovation environment with necessary regulations.
- Recognition of risks, with a specific mention of an adjournment debate on Al-related fraud.

#### UK's Leading Approach: White Paper on Proportionate Al Regulation

Now to our Feedback to the consultation of our White Paper "A pro-innovation approach to AI regulation", of course, we've just published it in recent weeks. Fundamentally, our approach is to deliver a proportionate context-based approach to AI regulation. We set out our thinking on the regulation of some of the most powerful AI systems and our approach to leading global discussions on AI.

It has become very clear to me is that our approach is world leading. It is recognised by our international partners. Every conversation I've had without fail has recognised what I would call a principles based, regulator driven approach to AI, which is very different to, for example, what's happening in EU, which is where they've just legislated for it.

I'm confident that UK can get to a place on AI which, exploits the opportunities, gives us that boost to the economy, productivity, social dividend and actual job growth, and AI will also to protect us.

### Investing in Regulatory Capabilities: UK's £10 Million Commitment

As part of UK's relation-driven approach, we have committed to a £10 million to our regulators for upgrading their capability and capacity to deal with Al in their respective sectors.

However, we've also found that regulators have the capacity to already do work in their specific fora. I met with the DRCF (Digital Regulation Cooperation Forum) which brings together brings together the Information Commissioner's Office (ICO), the Competition and Markets Authority (CMA), the Office of Communications (Ofcom) and the Financial Conduct Authority (FCA). They will come back to me with their views and the key regulators who are looking at their specific sectors and seeing how AI impacts them are ready for that.

### UK's Leading Approach: White Paper on Proportionate AI Regulation:

- Reference to the recently published White Paper on AI regulation.
- Emphasis on a proportionate, context-based approach to AI regulation.
- Recognition of the world-leading nature of the UK's regulatory approach to AI.

### Investing in Regulatory Capabilities: UK's £10 Million Commitment:

- Commitment to providing £10 million to upgrade regulators' capabilities for handling AI.
- Recognition of existing regulator capacities and capabilities.
- Mention collaboration with the Digital Regulation Cooperation Forum (DRCF) involving key regulatory bodies.

#### Central Function and Cross-Sectoral Oversight: Navigating Al Regulation

Part of our White Paper response was also to establish our central function around new steering committee. Fundamentally it is to make sure that across regulators and the regulatory framework is a coherent, pro-innovation approach, that also works across different sectors. We will be doing targeted consultations, which we're committed to do around a cross sectoral risk register, that we call The Monitoring and Evaluation Framework. We've also put the task to the regulators, so that by the end of April, must set out their plans in terms of how they're going to approach Al in their particular sectors. And as you can imagine, certainly in my field, it is a pivotal moment to see how they progress on that.

### Voluntary Measures for Highly Capable Al Systems: UK's Strategy

Now to our thinking on the regulation of highly capable AI systems. I think we're very clear that we understand that at some point, legislation will be required – it will be mandatory. Our approach so far has been a voluntary approach and working by the way.

Despite being regulator-led we have been working with those companies that are at the forefront of this field, and we're working with them on a on a voluntary way to make sure that we through the Safety Institute test AI regulatory frameworks or models, awe feed back to them, and identify issues for consideration. While I'm limited in what I can say in that specific field, I can say that our fundamental approach is identifying kinds of risks that we think AI might pose, testing alternative models to see if they can mitigate for them. We know that ultimately there will be some sort of binding measures required, but at the moment it's very much a voluntary approach.

#### Central Function and Cross-Sectoral Oversight: Navigating Al Regulation:

- Establishment of a central function and steering committee for coherent, pro-innovation regulation.
- Commitment to targeted consultations and a cross-sectoral risk register.
- Enforce regulators' deadline to present plans on approaching AI in their respective sectors.

### Voluntary Measures for Highly Capable Al Systems: UK's Strategy:

- Acknowledgement that legislation will eventually be required for highly capable AI systems.
- Current focus on a voluntary approach, collaborating with leading companies.
- Testing and feedback mechanisms through the Safety Institute for AI regulatory frameworks.



### International Collaboration: UK's Leadership in Al Governance

And then finally on our international aspects of things. In my second week in the role as Secretary of State I was in Estonia on the annual partnership renewal of the Digital Tech Partnership, talking about AI. We signed the Hiroshima Compact with the G7. On my first day the Secretary of State I was already in America having those conversations, so I was getting calls from America as we were getting ready for oral questions. We are having conversations all the way through.

### Al Interoperability and Standards: The UK's Leading Role

I think for me the fundamental opportunity and the thing we must achieve is that interoperability on Al. Great to see Scott Steedman from BSI (British Standards Institution) here. We were having meetings just on this issue around standards. When we talk about good regulation what we're really talking about is standards and having that is the equilibrium to be able to be interoperable and I think that's a huge opportunity.

### Bletchley Summit's Impact: UK Drawing a Line in Al Governance

Every time I speak to my counterparts, they talk about how the UK's leading with AI governance. We have a great reputation in this. We had the Bletchley Summit back in November 2023. It was a hugely pivotal moment where the UK drew a line in the sand. We had 28 countries plus the EU signing the Bletchley Declaration. We set the framework in place for the state of the science report, which Yoshua Bengio is leading on, who's a global expert on AI. We really are leading the charge and there were so many things that came out of that.

I hope that sets the overall landscape.

#### International Collaboration: UK's Leadership in Al Governance:

- Mentions international partnerships and collaborations in Estonia and with the G7.
- Participation in discussions with counterparts in the United States.
- Recognition of the UK's leadership in Al governance on the global stage.

### Al Interoperability and Standards: The UK's Leading Role:

- Emphasis on achieving interoperability in AI.
- Reference to discussions on standards with the British Standards Institution (BSI).
- Equating good regulation with the establishment of standards for interoperability.

### Bletchley Summit's Impact: UK Drawing a Line in Al Governance:

- Reflection on the Bletchley Summit in November 2023.
- Mentions the Bletchley Declaration signed by 28 countries plus the EU.
- UK is setting the framework in place for the state of the science report led by AI expert Yoshua Bengio.

#### Zoe Webster – Al Director at BT Group

I lead the AI Team at BT Group. We develop and deploy AI across the business, looking at these technologies day in, day out, in a range of different ways, and I see the kind of commercial and the technical angles day-to-day.

### Foundational Models Safety Concerns: A Call for Reassurance in Al Adoption

There's a lot we think the governments got right in the White Paper and in their response to the consultation, including the wider approach being principles-led, being pro innovation, and the UK's leading international debates about AI safety. That's welcome. As a company, we work across different sectors, so we also welcome the consultation of the development of cross-sector risk register, as that's very important to capture those things that otherwise might fall through the cracks. We also welcome the call for views on securing (or safeguarding) AI models because cyber security around this space can be really important.

#### Transparency Matters: Urgent Need for Standards in Al Systems Reporting

We do think there's some potential to go further in some key areas, starting particularly with the application layer. This concerns companies like ours who will be developing applications and providing services to customers, suppliers, or partners that embed these kinds of foundational models. Key to that is around providing reassurance that those foundation models can be used safely. There's a problem in that we're lagging Al adoption, and data is suggesting that point. So, anything that we can do in collaboration to really drive that adoption much more quickly would be super helpful. Otherwise, if we don't have that reassurance, what I see day-to-day and what I hear when I talk to other companies is that focus is on internal use cases. So, we're constraining ourselves to those use cases that are very much within the four walls of an organisation and going direct to customers. This is because there's a concern around the potential impact or harms. However, this may be dampening innovation and adoption which we don't really want to see.

#### **SUMMARY**

#### Foundational Models Safety Concerns:

A Call for Reassurance in Al Adoption

- Governments' positive stance in the White Paper and consultation emphasises principles, innovation, and Al safety.
- BT Group welcomes cross-sector risk register development for comprehensive risk coverage.
- Support for securing AI models, highlighting the significance of cyber security in this space.

### Transparency Matters: Urgent Need for Standards in Al Systems Reporting

- Push for further development in the application layer to enhance AI adoption and provide reassurance.
- Concerns about lagging Al adoption, emphasising the need for collaboration to drive innovation.
- Internal focus hindering innovation; collaboration crucial to expanding use cases beyond internal walls.

### Al Management Essentials Scheme: Setting Standards for Good Practice

A lot of the time people talk about the DPD chat bot and the issues with that: swearing and starting to be critical of its own company, also the Air Canada instance where the customer gets responses which are not aligning with the actual policy that lies behind their product and services, and people (customers) mention how it makes them very nervous. So, if we focus on internal use cases where there are lots of opportunities, we're not going to be able to pick up on many of the issues. Obviously, internal use cases can bring risk too.

### Bletchley Commitments: Making Instant Reporting Mandatory for Regulators

We think we'll need more transparency, which will give users much more reassurance. We welcome the new responsibilities that are being discussed around developers of highly capable general-purpose Al systems. Again, that's currently concerns a small set of companies, but what happens when we have new and emerging companies coming forward bringing this technology.

I think to boost transparency of business, we would support mandatory reporting requirements and the model card approach, so something like standards that can be used. I'm very shocked at how ill-equipped suppliers are to tell us about their AI systems when they're trying to sell them to us. Even very basic questions you'd expect anyone developing AI to know, they struggle with and that's incredibly worrying. So, I think standards would help to give that transparency to us. If BT is finding that hard, then SMEs are going to find that even harder.

#### Al Management Essentials Scheme: Setting Standards for Good Practice

- Addresses challenging issues regarding chatbots and instances of Air Canada, emphasising internal use cases' limitations.
- Recognition of risks associated with internal use cases, highlighting the need for standards.

#### Bletchley Commitments: Making Instant Reporting Mandatory for Regulators

- Advocacy for transparency, welcoming responsibilities and accountability for developers of highly capable AI systems.
- Support for mandatory reporting requirements and model card approach for enhanced transparency.
- Concerns about ill-equipped suppliers and the need for standards to ensure transparency.

### Mitigating Bias and Discrimination: Linking Skills and Al Safety

The AI Management Essentials scheme, setting out minimum good practice standards looks interesting and would support vendors. I wonder if there's something that could be done for advising buyers, particularly smaller companies who may not have departments who are there to advise them on what questions to ask and importantly, how to interpret the responses. Obviously, we've got issues now with foundational laws being embedded more and more in products and services and are becoming less visible to the outside world.

### Navigating Al's Uncertainties: Cost, Sustainability, and Government Strategy

To further boost transparency for government regulators, we recommend making the Bletchley commitments mandatory sooner rather than later. This is essential to establish clear expectations and to introduce a proactive duty on Al developers and deployers regarding the process of cross-sector instant reporting.

Because we might be focusing on internal use cases, we may not hear much more about the DPD and Air Canada cases because they'll be within the four walls of a business, but actually if people could report those incidents that do happen, it might avoid businesses making the same mistakes going forward.

#### Mitigating Bias and Discrimination: Linking Skills and Al Safety

- Recognition of Al Management Essentials scheme's potential to support vendors.
- Call for guidance for buyers, especially smaller companies, to interpret AI responses effectively.
- Growing concerns about foundational laws in products and services becoming less visible.

#### Navigating Al's Uncertainties: Cost, Sustainability, and Government Strategy

- Recommendation to make Bletchley commitments mandatory for regulators for clear expectations.
- Emphasis on proactive duty for Al developers, deploying instant reporting across sectors.
- Encouraging incident reporting to avoid repeated mistakes, particularly within internal use cases.



### Collaboration for Safety and Innovation: BT Group's Call for Action

We welcome collaboration with industry, particularly those at the application layer. As I've said, collaboration helps to make sure we can provide safety reassurance and it will stimulate innovation and adoption more broadly. So it would be good to understand how such engagement can work in practice going forward.

It would also be good to understand the impact of the AI strategy. Safety is obviously critical, getting the regulatory regime in the best place is hugely useful, but there are other AI enablers that we need to look at: access to data and the skills that we need. There's an opportunity, for example, to draw out the link between the skills bias and issues regarding discrimination and make sure we've got a diverse and inclusive workforce. That may help to mitigate some of the risks that we see regarding AI safety.

Beyond safety, there are uncertainties around cost and sustainability. We're seeing this day-to-day. How much do how do we price these kinds of Al opportunities? How can we plan for the cost? How can we make sure we've got sustainable solutions going forward? So, we would be keen to understand how the Government will be updating the Al strategy in light of those developments.

There's lots to welcome in the Government response to the White Paper. We would love to see more engagement and collaboration, particularly with businesses, both large and small, at the application layer. I've mentioned the importance and need for transparency, and we'd like to know the impact of the wider AI Strategy.

Nb: transparency in AI usually refers to explainability, accountability, data transparency, algorithmic transparency, ethical considerations and impact assessment.

#### Collaboration for Safety and Innovation: BT Group's Call for Action

- Welcome collaboration with industry, especially at the application layer, for safety and innovation.
- Call for understanding the practical aspects of engagement for safety reassurance and stimulation of innovation.
- Recognition of the critical role of Al enablers beyond safety, including access to data and necessary skills.
- Expresses keen interest in the government's updates on the AI strategy, emphasising the impact of engagement and collaboration.

# Yatin Mahandru — Head of Public Policy at Cognizant

We are a global digital company, and I would like to echo the sentiments expressed by Zoe Webster from BT Group. Thank you, Minister, for sharing your perspective.

#### **Regulatory Landscape Examination**

The regulatory aspect is well-represented in the paper. From a thematic standpoint, the challenge I faced was the discrepancy between the pace of regulation and the pace of adoption, and the potential benefits derived from either approach. In our analysis at Cognizant, we recognised the crucial role regulators play. However, a key concern is whether they, being publicly funded, can keep up with the private sector, driven by a profit motive that can potentially outspend the regulator's budget. This is an important consideration in assessing their ability to keep pace.

#### Government's Role in Al Adoption

From our standpoint, we questioned whether the government could be utilised to expedite the adoption of AI. While the document mentions the Cabinet Office's central coordination and the maintenance of a register, there is a further potential for both funding and the use of AI in public services to be genuinely accelerated. The DSIT (Department for Science, Innovation and Technology) is set to consider this, as indicated in the list of questions.



#### **SUMMARY**

#### Regulatory Landscape Examination:

- The White Paper adequately addresses regulatory aspects.
- Challenge: Discrepancy between regulation pace and Al adoption, with potential benefits at stake.
- Argument: Publicly funded regulators might struggle to keep up with the profit-driven private sector incentives for speed and resources.

#### Government's Role in Al Adoption:

- Exploration of the government's potential to expedite AI adoption. Mentions the Cabinet Office's coordination and register maintenance.
- There is potential to accelerate funding and AI use in public services.
   DSIT is considering the matter.
- Argument: Private intervention could bridge the gap and speed up AI adoption.

### Illustrative Example, Exploring Opportunities and Proposal

However, we presented an example to the APPG AI on how the UAE utilises AI in telehealth, achieving significant productivity benefits for its citizens, but such advancements may face delays using the proposed Government current approach (see above). We propose that the government could act as a pathfinder in AI use, collaborating with private sector to leverage their resources in terms of skills, technology, and the overall AI package. This could be facilitated across the department you're working with, whether its DFE (Department for Education), DWP (Department for Work and Pensions) or others.

So that was one of the key parts that came across to us. Can we do more than guidance?

#### **Government Digital Service Success Story**

Reflecting on the early days of the Government Digital Service led by Francis Ward, where Gov.uk was successfully launched, it becomes evident that government initiatives can achieve substantial progress swiftly.

### Advocacy for Collaboration and Active Government Role

We advocate relying on the private sector, which can collaborate with the government to expedite Al adoption driven by the profit motive. This active role, beyond mere coordination, could provide the necessary impetus for progress.

#### Illustrative Example and Proposal:

- Refers to Cognizant's presentation at the APPG AI Health meeting which showed how the UAE uses AI in telehealth for productivity benefits.
- Yatin Mahandru proposes that the UK government act as an AI pathfinder through collaboration with the private sector and facilitation across departments (DFE, DWP, etc.).
- Argument: Government collaboration with the private sector enhances AI adoption efficiency.

### Government Digital Service Success Story:

- Reflection on the rapid progress of Gov.uk during the early Government Digital Service days, highlighting the potential for government initiatives to achieve swift progress.
- Argument: Past success demonstrates the government's capability to drive swift progress.

### Advocacy for Collaboration and Active Government Role:

- Advocacy for relying on the private sector to collaborate actively with the government.
- Emphasis on an active role
   beyond coordination to drive Al adoption expediently.
- Argument: Private sector collaboration is crucial for an active and swift AI adoption strategy.

#### RESPONSE from Minister Saqib Bhatti MP Addressed to Zoe Webster and Yatin Mahandru

I believe that, ultimately, trust will develop as we progress with standards development, both domestically and internationally. All is advancing rapidly, as evident in fields like health and nuclear fusion, subjects the Prime Minister currently addresses. To ensure success, we must prioritise end-user considerations, especially concerning SME adoption of Al. While these changes take time, the involvement of major suppliers at the forefront of All development can significantly impact progress.

Addressing concerns about bias and skills, I agree that bias is a substantial risk. Companies developing powerful language models (LLMs) need to acknowledge the role bias plays, especially when deploying these models across various societal applications such as banking, credit, and policing. The Horizon Post Office inquiry highlighted blind faith in technology and the importance of fostering skills and transparency. To address this, we are establishing the Algorithmic Transparency Reporting Standard to instil trust in the public sector.

I emphasise that building trust and addressing challenges in AI is not solely the responsibility of the government; it requires a collective effort. Companies need an understanding of AI models, and on the skills front, I co-chair the Digital Skills Council, where we have invested over £200 million for AI skills development, including £30 million in AI conversion courses. The Digital Skills campaign, along with fully funded 16-week boot camps, aims to guide individuals into tech careers and combat bias through diversity and inclusion.

I used to be the family's golden child, and my brother pursued pharmacy. My parents were thinking they finally had a doctor in the family. However, he decided to leave that path, enrolled in a boot camp, and secured a job at the end of it. So, it wasn't just about acquiring skills. Last week, I encountered a woman who had been in temporary roles across various fields. She joined a boot camp, had some amateur coding experience but hadn't progressed much. Yet, through the boot camp, she now works in cybersecurity at BAE Systems. This highlights the opportunity for high-value, high-skill economic opportunities. We also ensure guaranteed interviews at the conclusion of these boot camps – a crucial aspect.

On a personal note, my experience as a director on a local enterprise partnership highlighted the complexity of the skills landscape. We are working to simplify the process, collaborating with the private sector to leverage their expertise and avoid duplicating efforts. While the government takes a leading role in certain aspects of AI, we recognise the crucial contribution of the private sector in this collective effort.

#### **Summary:**

The response from the Minister revolves around the importance of building trust in artificial intelligence (AI) through standards development, addressing bias, fostering skills, and promoting transparency.

He emphasises the collaborative effort required from both the government and the private sector to navigate the challenges associated with Al.

He highlights the role of initiatives like the Algorithmic Transparency Reporting Standard, the Digital Skills Council, and boot camps in ensuring responsible Al development, skills enhancement, and economic opportunities.

Personal anecdotes underscore the transformative impact of these efforts on individuals and the broader societal landscape.





Already I can see signs of movement from the response to the White Paper, which I think is helpful.

I absolutely get the point that the narrative about AI is not always helpful in terms of the balance of opportunity and risk and that it can become all too laborious (c.f. the AI Standards Hub), especially when the standards agenda is such an important one. (We all bought the cool guide from BSI (British Standards Institution) on "Artificial Intelligence Management system")

You made a speech a week ago saying the government wants to put digital standards at the heart of UK R&D, and I could not agree more with you on that because it has not only domestic consequences for adopters, developers and so on but also huge international consequences as well.

But I think a lot of us are asking ourselves:

- How can you embed those standards with all the OECD principles within those standards of testing and risk management, and audit and monitoring and so on.
- How can you do that unless you mandate them in some shape or form?
- How can we possibly rely on a voluntary system where regulators merely outline their intentions
  to encourage compliance without providing any real enforcement authority? It's like expecting
  regulated entities to follow guidelines without giving the regulators the necessary tools to ensure
  accountability.

I think that is the question that a lot of us are asking.

#### RESPONSE from Minister Saqib Bhatti MP Addressed to Tim Clement-Jones CBE

On standards alone, it may not always be the flashy topics, but the reality is that it involves the nuts and bolts of a wide array of things. Whether discussing the Internet of Things or delving into Al-though Lord Clement-Jones and I may not see eye to eye on this-I am very confident in our approach. The emphasis we've placed on regulators will compel them to deliver. However, I want to underscore that we are not opposed to legislating. We recognise that, eventually, binding measures will need to be implemented. My fundamental belief is that implementing these measures now would risk derailing the progress we're making in innovation. We are witnessing significant strides in this field, and we are actively advancing the Al Standards Hub to play a pivotal role in that. When the time is right, we will either legislate or implement binding measures, but that time is not now. Rushing into binding measures prematurely would risk derailing the progress we've made.

Allow me to provide an example—the European Union. In my third week in this portfolio, during a committee meeting where several MEPs were present, including EU rapporteurs, I addressed them. To my surprise, one of the EU rapporteurs, who had been involved in the EU act, commended the UK's approach, stating that we got it right. Now, I have to openly say I nearly fell off my chair. This experience taught me a valuable lesson, one that has been consistent with feedback from various stakeholders, ranging from tech companies like DeepMind to civil society organisations such as Imperial College. Many have expressed that our approach is the right one, even though we have not shied away from acknowledging the eventual need for binding measures.

#### **Summary**

The Minister emphasises the importance of standards in AI, prioritising regulators and standards over immediate legislation. The Minister expresses confidence in ongoing progress, cautioning against premature binding measures.

Recognition from the EU rapporteur and various stakeholders underscores the government's appreciated strategy.

The overall response advocates for a careful and measured approach to technology standards and regulations.



Dean Russell MP

I have two thoughts.

The first item concerns copyright and the source of data. I met with an independent film organisation earlier, and they're very concerned about how copyrights are being protected. I've also spoken to media organisations and newspapers, who are worried about how their data is being used.

 However, I just wonder whether there needs to be work done, not just organisations to know that their data might be being used, but actual individuals?

Because my take is that every single time an individual uses a ChatGPT or a photography AI tool or whatever it might be, they are also being data harvested. The problem is that we're in a situation where they won't necessarily realise that their data is being harvested for training these AI models, and that's a concern for me. Individuals might be having their IP and ideas stolen by these systems. In the same way, data are also being shared between competitors and more broadly.

The second point is related to the first, just in a broader sense. I've been very concerned about elections and AI, which will be a growing topic. I know you very kindly said I coined the terms AI-assisted crime and AI-assisted criminality when we were at the dispatch box.

- How do we ensure that businesses don't inadvertently support criminality and that the liability is very clear?
- Who is accountable if an organisation has an AI tool, and somebody uses that tool to defraud somebody or to affect the election or whatever?
- Where does that sit in terms of liability currently?

We talked previously about insurance and so on, but insurance companies and banks are making sure that they support customers when they are fooled or defrauded. Liability around Al-assisted criminality against our democratic processes —I think it's going to be a really big grey area, especially as we get closer to the election.

#### RESPONSE from Minister Saqib Bhatti MP Addressed to Dean Russell MP

On the matter of Intellectual Property (IP), Viscount Camrose, my colleague in the Department for Science, Innovation and Technology (DSIT), oversees AI and IP. The question of IP is exceedingly complex and fundamental to AI development. The Intellectual Property Office (IPO) engaged stakeholders in discussions on copyright and AI within the working group. All the concerns you mentioned were thoroughly deliberated, with the objective of establishing a voluntary code. Unfortunately, a consensus was not reached, and currently, no code of practice has been published. DSIT is collaborating closely with DCMS (Department for Digital, Culture, Media & Sport) to chart a way forward, and a public update on this matter is expected soon, given its significant importance.

Regarding criminality involving AI, it's an extensive topic that could warrant an entire APPG meeting. You mentioned elections, and there's ongoing work related to fraud and online scams under the purview of the Online Safety Act, including addressing deep fakes. The rapid pace of technological advancement emphasises importance of thoughtful regulation. government has actively worked on combating fraud, especially in cases involving Al-generated content, such as in child exploitation, where it is treated as illegal. The legislation is designed to be dynamic and responsive. The Home Secretary is engaging with U.S. counterparts on the issue of deep fakes and holding discussions with social media companies. Reflecting on personal experiences, as a British Muslim MP, I faced substantial online abuse following a Gaza ceasefire vote. This underscores the broader issue of misinformation and disinformation online, wherein AI plays a significant role. There is substantial ongoing work in this area.

Lastly, regarding elections, Tom Tugendhat MP, the Security Minister, chairs the Defending Democracy Task Force. While I can't divulge too much from a DSIT perspective, addressing misinformation and disinformation, which I believe poses a greater threat than the potential general challenges presented by more advanced language models, is a top priority in these discussions.

#### **SUMMARY**

The key response in the Minister's feedback statement revolves around two major themes: Intellectual Property (IP) challenges in Al development and the broader issues related to criminality involving Al, particularly in the context of elections and online safety.

Intellectual Property (IP): The Minister acknowledges the complexity of the IP landscape in Al and highlights efforts led by the Department for Science, Innovation and Technology (DSIT) and in collaboration with the Intellectual Property Office (IPO) and the Department for Digital, Culture, Media & Sport (DCMS), to address concerns through stakeholder engagement. Despite the absence of a consensus for a voluntary code of practice, ongoing collaboration aims to provide a public update on the matter soon.

Criminality and Online Safety in Al: The Minster comments on the broader challenges related to criminal activities involving Al, particularly in the context of elections. The focus is on ongoing work related to fraud and online scams under the Online Safety Act, with specific attention to deep fakes. The government's proactive stance in combating fraud is highlighted, especially in cases involving Al-generated content. The Minister also shared a personal experience of facing online abuse, emphasising the role of Al in misinformation and disinformation. Lastly, the mention of the Defending Democracy Task Force underscores the importance of addressing misinformation and disinformation in elections, with an assertion that it poses a greater threat than the general challenges presented by advanced language models.



#### Stephen Metcalfe MP

In further consideration of this matter, Dean Russel alluded to the concept of data harvesting, where individuals contribute their images, which subsequently become valuable to others. It seems there may be a lack of awareness among the general public about the profound changes in the world, given the rapid pace of these transformations to Al enabled technology or business models.

While I did attempt to address this question during our previous discussion at the dispatch box (recognising that it was now some time ago), your response was duly noted.

 I'm curious if there has been any evolution in your perspective since then.

We've dedicated considerable efforts to educating the public on issues like banking fraud, emphasising that appearances can be deceiving. Now, turning our attention to the issue of public information regarding Al, particularly its impact on elections, it's crucial to acknowledge that those with potentially malicious intentions may not be constrained by regulations, even if they are implemented.

 Hence, is there a pressing need for us or some kind of body to act as a buffer and filter, scrutinising the information and ensuring that it aligns with its apparent representation?

#### RESPONSE from Minister Saqib Bhatti MP Addressed to Stephen Metcalfe MP

Regarding these matters, I need to be cautious in my remarks due to the sensitive nature of ongoing conversations. As you rightly pointed out, there are nefarious actors who would seek to exploit any information shared. The social media companies that we have engaged in discussions bear a significant responsibility in addressing issues related to online safety and elections. I've consistently emphasised that they don't need to wait for legislative implementation to take action. In fact, I've made it clear in an interview that I'm not hesitant to reconvene them until they meet the necessary standards.

Various aspects of the government, including intelligence services, social media companies, and the Home Secretary, are actively involved in addressing these challenges. Ensuring that the public is adequately prepared is a crucial aspect, and I can assure you that these discussions are ongoing. Allow me to share an example highlighting the ease with which these issues can arise. This morning, during a call about car insurance, I found myself providing personal details without verifying the caller's authenticity—a situation that could have led to unfortunate consequences. This underscores the necessity for robust public education efforts. These discussions extend beyond elections, focusing on building trust and transparency in the long term.

However, while sensational incidents often dominate headlines, the substantial benefits of AI, such as its impact on health, should not be overlooked. In 85% of stroke cases, AI is currently playing a vital role, enabling more people to return home and live independently, showcasing the significant advantages it offers.

#### **SUMMARY**

The response from the Minister emphasises the cautious approach to discussing online safety and election integrity due to ongoing sensitive conversations.

The Minister urges social media companies to take proactive measures independently of legislative actions and expresses a commitment to reconvene discussions until necessary standards are met.

The broader efforts involving intelligence services, social media companies, and the Home Secretary in addressing challenges related to online safety and elections are highlighted.

The importance of public preparedness and robust education efforts is stressed, with a personal example illustrating potential risks.

Additionally, the positive impact of Al in healthcare is acknowledged, emphasising its substantial benefits beyond sensational incidents.



#### **Lord Taylor of Warwick**

Minister, I thank you very much for your presentation. As you are aware, there is a growing concern, particularly among various minority groups, regarding bias in Al.

• I would like to hear more about the measures you are taking to address and alleviate these concerns.

#### RESPONSE from Minister Saqib Bhatti MP Addressed to Lord Taylor of Warwick

When testing these models, active consideration is given to the issue of bias. I share similar concerns, not only because I belong to an ethnic minority but also as a legislator. I believe it's crucial to consider diversity of thought and acknowledge that different communities may be affected differently. As an example, I deliberately raise the question of the impact on a community when these models are utilised in policing. The use of statistics in a large language model may not present the complete picture, potentially influencing law enforcement decisions in unintended ways.

As a government, our responsibility is to rigorously test these models and pose relevant questions to understand their implications. Another important aspect is engaging with civil society organisations. In my first week, I participated in the AI Faith & Civil Society Commission event as a deliberate decision to emphasise the importance of such engagement. While we have received endorsements from civil society organisations, I am actively reaching out to different groups. This is a crucial time for civil society organisations to collaborate with the government, the department (DSIT - Department for Science, Innovation, and Technology, and me to ensure that our approach fundamentally addresses bias.

I make a conscious effort to reach out at every step, and if you know of someone who needs to talk to me, please encourage them to get in touch. My door is always open, and I am willing to meet with them. During a conference, I encountered a representative from a disability charity discussing the use of AI for agents. I immediately suggested bringing him and similar individuals from the civil society sector to the table for a conversation on how AI will impact them. The offer for such discussions is open, so please share it with those who may benefit.

#### **SUMMARY RESPONSE**

In response to the questions the Minister emphasises a commitment to addressing bias in Al models, considering not only personal experiences as a legislator and a member of an ethnic minority but also recognising the diverse impact on different communities.

The Minister highlights the importance of testing Al models rigorously, posing relevant questions, and actively engaging with civil society organisations to ensure a comprehensive understanding of implications and to address bias fundamentally.

The outreach efforts, including participation in the AI Faith in Civil Society Commission event, aim to foster collaboration between the government, the Department for Science, Innovation, and Technology (DSIT), and various groups.

The Minister encourages open communication, expressing a willingness to meet with individuals or groups to discuss how Al impacts them, ensuring inclusivity and diverse perspectives in the decision-making process.



Marcus Anderljung - Centre for the Governance of Al

I've conducted substantial research on the regulation of frontier models and the potential features of highly capable AI systems. Instead of reiterating when regulation would be implemented for these advanced general systems, I'm more interested in gaining a sense of what the regulatory framework might entail once it comes into effect.

 Could you provide more details or insights on what such a regime might look like?

#### RESPONSE from Minister Saqib Bhatti MP Addressed to Marcus Anderljung

I would strongly encourage you to peruse the White Paper response as it outlines the approach we are advocating. It is evident, however, that there are aspects not explicitly covered in the specific text.

With my officials present, it's important for me to clarify, as is customary for any minister, that I won't be sharing my personal opinion. I will however comment that a critical judgment will need to be made when AI models, during testing, fail to meet our specified safely requirements. An essential point to emphasise, and it serves as a warning to anyone developing such models, is that if developers cease to participate in the voluntary process, the Government will not stand idly by.



The reply strongly encourages re-visiting the White Paper, which outlines the advocated approach. It acknowledges that some aspects might not be explicitly covered. However, the Minister emphasises the importance of critical judgment when Al models fail to meet safety requirements during testing.

A warning is issued to developers, indicating that if they disengage from the voluntary safety and accountability process, the government will take action rather than stand idly by.



#### Dr. Scott Steedman - The British Standards Institution (BSI)

I just wanted to address some of the previous speakers' points. Lord Taylor, through our standards development work, we have a formal mechanism for reaching out to consumers, public interest groups, and civil society. They are formally brought in and offered the opportunity to participate in any of the work. There's a lot of work going on, and it's not just about regulation.

Furthermore, to the earlier point about procurement, intellectual property, and copyright protection are part of the practice for the approval and adoption of AI systems. The guidance for SMEs and regulators [ed. BS ISO/IEC 42001:2023 Information technology. Artificial intelligence. Management system] talks about the use of international standards. We have a strategic committee at the national level that includes 140 organisations from across the country. They provide guidance on where standards work needs to go to support future regulatory activity.

I also want to highlight our crucial work with the Alan Turing Institute and the National Physical Laboratory (NPL) in their roles as entities in standards development. Their work with BSI on the UK's National AI Strategy, the Hub, is a great initiative. Also, the work that has been successfully done on the Bridge AI programme should be acknowledged by this group. The idea to extend Bridge AI, which is to help SMEs in high-growth potential sectors harness the power of AI and unlock their full potential, is a significant opportunity as well. Let's also mention the management systems – the Management system standards that have just been published [ed. The Integrated Use of Management System Standards (IUMSS)], and all those kinds of new frameworks thatare coming in.

We aren't waiting for the regulation vacuum; there's a whole international effort, including the European standards, in which UK experts participate in all the processes. You are free to participate in the international standards and European standards systems; our (BSI) own standards work to support this ambition.

#### RESPONSE from Minister Sagib Bhatti MP

I can't add anything further to it.

#### **COMMENTARY**

Acknowledges the formal mechanism in standards development for involving consumers, public interest groups, and civil society, emphasising it's not solely about regulation.

Highlights the importance of procurement, intellectual property, and copyright protection in the approval and adoption of AI systems, with guidance for SMEs and regulators emphasising the use of international standards.

Mentions a national strategic committee comprising 140 organisations providing guidance for future regulatory activities related to standards.

Recognises the significant collaboration between the British Standards Institution (BSI), the Alan Turing Institute and the National Physical Laboratory (NPL) in standards development, particularly in the UK's National AI Strategy.

Appreciates the successful implementation of the Bridge Al program aimed at assisting SMEs in utilising Al technology.

Notes the recent publication of management system standards and emerging frameworks supporting Al regulation.

Stresses active participation of UK experts in international and European standards processes, indicating a commitment to global collaboration in standards development.

#### Professor David Leslie - Alan Turing Institute & Queen Mary University

We must instil absolute confidence and certainty in the markets to move the economy forward. Achieving this demands 'good governance' regimes. As aptly pointed out by Zoe Webster, this entails heightened accountability, transparent operations, meticulous incident reporting, and adherence to various forms of of mandatory reporting requirements.

In dissecting the White paper, glaring issues surface. First, the principles are treated with uniformity (homogeneously). Second, critical matters such as accountability, assurance, and governance are treated side by side with safety and fairness. Third, a clear differentiation is needed between governance principles, transparency, and accountability *versus* the more technically oriented ones. To forge a sharper focus, we should prioritise enforcing stringent requirements pertaining to transparency and accountability at the organisational level. This strategic move ensures that innovation on the technical front remains unbridled. This is a necessary leap that has not yet been taken.

On a critical note, the discourse surrounding AI has perceptibly narrowed over the past six months, fixating primarily on AI safety. This trend poses a risk, as we might be on the brink of merely following the current rather than setting the pace. Reflecting on the past, the UK was a pacesetter at the forefront, investing significantly in trustworthy autonomous systems and responsible AI seven to eight years ago. The British Standards Institution drafted the first ethics standard for robotics in 2016 when the topic was far from trendy, and the DTI delved into these matters as early as 2017.

- It's imperative that we refocus our efforts on the comprehensive spectrum of concerns surrounding AI. The question is:
- How do we safeguard our cutting-edge?
- How can we broaden our focus beyond safety and reassert our leadership position?



#### RESPONSE from Minister Saqib Bhatti MP Addressed to Professor David Leslie

We have outlined our principles in the White Paper, and I don't believe we can afford to prioritise one over the other. To be honest, my aim in summarising today is to emphasise that there is simultaneous progress on a wide range of fronts. I don't think it's feasible to focus on one aspect at the expense of another; rather, we need to address all of them. I guess the challenge is you don't stretch yourself enough.

Ever since I've been in this role, we have led the charge on safety, but that was hugely important because it comes back to that trust and transparency. That hasn't meant that we have neglected our role in skills for example and it hasn't meant that we neglected our role in standards as I've spoken about. We have to maintain an innovative environment to be world leading on those.

#### **SUMMARY RESPONSE**

The Minister emphasises the importance of not prioritising one principle over another in the development of Al. He underscores the need for simultaneous progress on various fronts, including safety, skills development, and standards. The challenge is identified as the risk of not stretching oneself enough.

The Minister highlights the UK's commitment to leading in Al safety without neglecting roles in skills development and standards, which is necessary to maintain an innovative environment to be a world leader in these aspects.

#### Sarah Reynolds - EY Law

I have a question regarding our product liability regime. In Europe, there has been a tripartite approach to AI regulation, incorporating both fault-based liability and strict liability product liability regimes. A crucial development has been the broadening of the definition of products to encompass AI systems and software. This expansion is seen as necessary to align existing laws with the rapidly evolving landscape of digital innovation.

·I'm curious about your perspective on the product liability regime, specifically addressing 'redress for harm.' This aspect is the other side of the coin to the 'prevention of harm,' and I would appreciate hearing your views on this matter.



#### RESPONSE from Minister Saqib Bhatti MP Addressed to Sarah Reynolds

The issue of liability is a really important point. It closely ties into what Zoe Webster (BT Group) highlighted about end-user impact, and this is a substantial ongoing discussion. Establishing trust and transparency is crucial for companies to scrutinise the inner workings of these AI models. This aspect also aligns with Dean's discussion on data sourcing and intellectual property (IP), which is currently an active and multifaceted conversation.

#### **SUMMARY RESPONSE**

The Minister recognises that the crucial issue of liability and accountability in Al is closely tied to considerations of enduser impact and the ongoing discussions on trust, transparency, data sourcing, and intellectual property.

# Closing remarks

# Saqib Bhatti – Parliamentary Under-Secretary of State for Tech and the Digital Economy

The UK is not isolated in the tech sector, and we have an extraordinary success story to share in the field of technology. The Department for Science, Innovation, and Technology (DSIT) was established just over a year ago, marking our one-year anniversary. Currently, we stand as the third-largest tech sector globally, with a value exceeding a trillion dollars. We now boast more unicorns than France and Germany combined. This achievement is a result of our pro-innovation approach.

My focus encompasses AI, semiconductors, and other critical technologies such as quantum, engineering, biology, and future telecoms. In each of these areas, we are witnessing growth and engaging in positive discussions about standards. All these accomplishments are intricately linked to the government strategy, which has been a highly tailored and targeted approach in each sector, driving our success.

Clearly, we are into a decade of transition in numerous aspects, and I see the government plays a pivotal role as a significant convener and trust builder throughout this journey.

I appreciate the opportunity to be here and share these insights.

Thank you so much.

#### **SUMMARY**

The UK has become a major player in the global tech sector, achieving extraordinary success in areas such as Al, semiconductors, quantum, engineering, biology, and telecoms.

The Minister attributes this success to a pro-innovation approach and a highly tailored government strategy, positioning the UK as the third-largest tech sector globally, surpassing a trillion dollars in value and boasting more unicorns than France and Germany combined.

The current focus is on the government's pivotal role as a convener and trust builder in this period of transition.

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#### Secretariat:

Big Innovation Centre is appointed as the Group's Secretariat.

The Secretariat is responsible for delivering the programme for the APPG AI, organising the outputs, advocacy and outreach, and managing stakeholder relationships and partnerships.

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APPGs are informal cross-party groups in the UK Parliament. They are run by and for Members of the Commons and Lords. The All-Party Parliamentary Group on Artificial Intelligence (APPG Al) functions as the permanent, authoritative voice within the UK Parliament (House of Commons and House of Lords) on all Al-related matters, and it has also become a recognisable forum in the Al policy ecosystem both in the UK and internationally.

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