

The United Kingdom and artificial intelligence

The United Kingdom (UK) has so far taken a light-touch regulatory approach to its strong artificial intelligence (AI) sector. While the lack of horizontal laws may create a complicated legislative patchwork, the government argues that this is conducive to innovation and agile technology. With its new broad AI Act, the EU has taken a different path, but despite diverging approaches there are some promising signs for future cooperation.

Background

As the February 2024 [Global AI Law and Policy Tracker](#) shows, multilateral organisations and countries worldwide are busy designing and implementing AI governance models and laws in response to the accelerated proliferation of AI-powered technologies. In March 2024, all 193 United Nations members endorsed the first [global AI resolution](#). Worldwide measures range from comprehensive legal frameworks and laws focused on specific use cases to voluntary guidelines and standards. According to the United States (US) [Center for Strategic and International Studies](#), the aim is to 'balance the potential risk of AI systems against the risk of losing the economic and social benefits the new technology can bring'. The [UK's AI sector](#) is booming; valued at over US\$21 billion, it is expected to grow to over US\$1 trillion by 2035, and is now [third largest](#) national AI sector in the world after the US and China. The UK ranks fourth in the [Global AI Index](#), which benchmarks levels of AI investment, innovation and implementation. Investment levels per capita are [similar](#) to those in the EU, while both are out-performed by the US, which invests 2.5 times more.

Recent UK AI policy developments

While UK interest in AI began [decades ago](#), some argue it was revitalised by the quest for new [sources](#) of economic growth following [Brexit](#). In a 2018 [report](#), the UK House of Lords Select Committee on Artificial Intelligence made a number of recommendations, including on incentivising, funding, and attracting workers to the sector, and spreading public awareness of AI. That year, the government and industry agreed a joint GB£1 billion [AI sector deal](#), with measures to promote AI's adoption and use in the UK. In 2020, the Lords Liaison Committee examined [progress](#) made, stressing that investment in AI had grown significantly, and that the technology was being deployed in more and more economic sectors. Informing the public of opportunities and risks, promoting ethical AI and upskilling the workforce remained challenging. The report found no need for cross-cutting legislation. The government published its [national AI strategy](#) in 2021, outlining its ambition to make Britain a [global AI superpower](#) over the next decade. This was to be achieved by investing in the AI ecosystem's long-term needs, ensuring AI benefits all sectors and regions, and governing AI effectively at both national and international levels. In 2022 the government signalled it would be taking a [light regulatory approach](#); this was confirmed in the March 2023 [AI Regulation White Paper](#).

The UK held an international [AI Safety Summit](#) in November 2023. The summit ended with the [Bletchley Declaration](#), signed by 28 countries and the EU. It committed governments and leading companies to test advanced AI models before release and to develop a shared scientific and evidence-based understanding of the risks posed by [frontier AI](#) and policies to address them.

Current UK approach to regulating AI

The white paper was followed by a [public consultation](#), and a February 2024 [response](#) to the feedback received. The new approach is summed up well by the global law firm [White & Case](#): 'Unlike the EU's AI Act, which will create new compliance obligations for a range of AI actors ... the UK government is developing a principles-based framework for existing regulators to interpret and apply within their sector-specific domains'. That is to say, regulators such as the [Department for Science, Innovation and Technology](#) (DSIT), the [Digital Regulation Cooperation Forum](#) and the [Information Commissioner's Office](#) will be [empowered](#) to come up with approaches tailored to specific sectors. However, AI has implications for plenty of existing laws such as the [Equality Act](#), the [UK General Data Protection Regulations and Data Protection Act](#) and the



[Human Rights Act](#) (among [others](#)). Furthermore, product and sectoral legislation may also apply to AI in areas such as [financial services](#), [electrical and electronic equipment](#), [medical devices](#), and [toys](#). Interestingly, some sector-specific regulators have already made their approach to AI known: the [UK's Medicines and Healthcare Products Regulatory Agency](#) published a [roadmap](#) in 2022 clarifying requirements for AI and software used in medical devices. All these rules lead to what the government admits is a [complex patchwork](#) of requirements. The February 2024 response did not propose specific new laws. This light-handed approach was taken so as not to stifle innovation, and does not rule out new laws or a cross-sectoral general regulation in the future. For now, the government has decided to gather evidence to understand the risks and challenges better.

The UK government's approach is based on five principles, to guide and inform the responsible development and use of AI in all sectors of the economy: (i) safety, security and robustness, (ii) appropriate transparency and explainability, (iii) fairness, (iv) accountability and governance, and (v) contestability and redress. The strategy for implementing these principles rests on three core pillars: (i) leveraging existing regulatory authorities and frameworks, (ii) establishing a Central Function (cell) within the DSIT to facilitate effective risk monitoring, closing gaps and regulatory coordination and, (iii) supporting innovation by piloting a multi-agency advisory service – [an AI and Digital Hub](#) – to help innovators meet requirements before product launch. Next steps will include the development of strategic AI plans by regulators, establishing the Central Function's Steering Committee and more guidelines and details next year, including on [highly capable general-purpose AI systems](#) considered to be particularly risky (see Figure 1).

EU context

In 2023, as a member of the G7, the UK endorsed the [Hiroshima Process](#) of international guiding principles for advanced AI systems. However, its regulatory 'hold and wait' approach [contrasts](#) with that of the EU, which passed its landmark [AI Act](#) in March 2024. Given that the UK's 2024 approach did not mention the new EU law but referred to the US [risk management framework](#) of January 2023, [legal analysts](#) expect it to emulate the latter more closely than the former. In contrast, the [Institute for Government](#) sees joint bilateral US–EU efforts – such as the [voluntary code of conduct](#) developed under the [Trade and Technology Council](#) – as a risk to the [UK's influence](#) on the development of international AI regulation. Others argue that [Brexit](#) has made the UK's [global AI leadership](#) less [likely](#). While it is not yet clear whether the '[Brussels effect](#)' will spread to the AI field, the AI Act will impact those UK companies wanting to operate in the EU or whose AI systems' [output](#) have an [effect](#) in the EU, even if used outside the bloc. It remains to be seen what precise effects this will have on the AI sector and regulation in the UK.

In a similar vein, the [House of Commons European Scrutiny Committee](#) stressed in 2023 that 'certain elements of the EU AI Act may also apply directly in Northern Ireland under the Windsor Framework but their impact on the UK's regulatory approach to AI is unclear'. Although the EU and the UK are so far taking different paths, in its November 2023 [resolution](#) on the implementation of the EU-UK Trade and Cooperation Agreement (TCA), the European Parliament welcomed 'regulatory cooperation on ... emerging technologies, including artificial intelligence'. In February 2024, signalling warmer relations on science and technology following the UK's association with [Horizon Europe](#), UK AI minister Jonathan Berry offered to [work with the EU](#) on regulation, stating that London's approach to copyright in AI was likely to be 'reasonably close' to that of Brussels. The [UK and France](#) are already cooperating on AI in safety and technology development. [Strategic EU-UK dialogues](#) on issues such as AI, going beyond the TCA framework, have yet to materialise however.

Figure 1 – AI action timeline



Source: EPRS.