2024/25 Annual Report





Digital Regulation Cooperation Forum









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CEO's foreword

As the DRCF approaches its 5th anniversary, it is remarkable how deeply embedded it is in the fabric of our members' digital regulatory activities. This has become increasingly apparent as our members increase their focus on AI and implement new digital legislation, particularly the Online Safety Act 2023 and Digital Markets, Competition and Consumers Act 2024. Dialogue between our member regulators is essential in facilitating both coherence and efficiency between their respective activities.



This year we have made significant strides in implementing our three-year vision, exceeding expectations in our Workplan. We have worked together to unlock digital innovation and economic growth, including through our flagship project, the AI and Digital Hub pilot, which helped innovators navigate the regulatory landscape. We have protected and empowered people online by collaborating to tackle fraud and scams as well as on responsible AI governance. We have supported regulator effectiveness, for example by sharing knowledge and experience on adoption of AI tools as well as running an excellent webinar programme for regulator staff. We have led domestic and international discussions, not least through convening our March 2025 events on Digital Horizons in Manchester and Responsible Generative AI in London; leading the International Network on Digital Regulatory Collaboration; and partnering with OECD to co-lead international discussions on regulatory collaboration. And our horizon scanning programme has anticipated future developments and their potential regulatory implications, benefiting our member regulators as well as industry, government, civil society and others through its careful research into digital ID, synthetic media and quantum technologies.

This considerable set of achievements is testament to the vision, drive, and sheer hard work of many people. The DRCF would not flourish without the contribution of many regulator staff, from the strategic support of CEOs and senior leaders, to the collaboration and diligence of project teams and engagement networks, to those - notably at Ofcom - who provide core back office support. I am particularly grateful to the small group of DRCF Directors and their teams for their deft management of the complex interface between the DRCF and each regulator; as well as to each of the 16-member DRCF core team whose daily embodiment of our DRCF values of **Collaboration, Inclusion, Ambition and Agility** is fundamental to the DRCF's success.

Kate Jones, Chief Executive Officer, DRCF

Chair's reflections

It is evident that we are living through a period of profound technological transformation. Al, digital innovation and data driven services continue to shape the economy, industry and society at an unprecedented pace. As regulators, we share a collective responsibility to ensure that these advancements bring benefits to all, while mitigating risks and protecting the most vulnerable. Through the DRCF, we have strengthened collaboration across regulatory remits, ensuring businesses and consumers navigate the evolving digital landscape safely, and with confidence.



The DRCF AI and Digital Hub pilot has been a key highlight, breaking ground in how regulators can come together to bridge our regulatory remits, providing clarity to businesses and making a concrete difference to how industry bring their products and services to market. The FCA have welcomed this opportunity to work closely with other regulators in this space, drawing on our extensive experience, as demonstrated through our recent celebration of 10 years of FCA innovation services.

Over the past year, we have begun to implement our three-year DRCF vision. The vision sets out our shared commitment to protecting and empowering people in their use of digital services while unlocking economic growth throughout the UK digital economy. The vision has been the driving force behind all our work this year. Our AI project has investigated regulatory understanding of concepts such as fairness and transparency, in order to better understand how these principles can be embedded in the technology and protect consumers. At the same time, the project has also connected with industry to learn how regulators can best support the development and growth of an AI assurance market.

We recognise that businesses and consumers do not operate within national borders alone. Over the past year, we have expanded our engagement with global counterparts. By strengthening cross-border cooperation, we aim to ensure that the UK remains a leader in setting high regulatory standards while fostering an environment that attracts investment and innovation.

It has been a privilege to serve as Chair of the DRCF during such a pivotal time for digital regulation, and I'd like to extend my sincere thanks to Kate Jones for her outstanding leadership throughout. I am delighted to pass the role of Chair on to Sarah Cardell. Under her leadership the DRCF's mission will remain clear: to support responsible technological innovation, protect people online, and enable businesses to thrive.

Nikhil Rathi Chief Executive, Financial Conduct Authority

Introduction to the DRCF

The DRCF unites four UK regulators to promote a coordinated approach to digital regulation for the benefit of people and businesses online. We are a voluntary forum for collaboration that enables regulators to engage on digital policy areas of mutual interest. The DRCF's goals and objectives are set out in our terms of reference.¹

- Competition and Markets Authority (CMA)
- Financial Conduct Authority (FCA)
- Information Commissioner's Office (ICO)
- Office of Communications (Ofcom)

 $^{1 \}qquad \underline{www.drcf.org.uk/siteassets/drcf/home/drcf-terms-of-reference.pdf?v=379416}$

Three-year vision 2024-2027

This fourth DRCF Annual Report, for the year 2024/25, is published alongside the 2025/26 Workplan. It sets out how we implemented the three-year vision established in our 2024/25 Workplan:



The vision aligns with the shared priorities of our member regulators to protect and empower users of AI and people online while unlocking digital innovation and fostering economic growth. It expresses our shared commitment to enhance regulatory effectiveness, lead discussions at both national and international levels and prepare for future technological advancements.

In this report, we have categorised our outputs by reference to their primary driving force from this vision. Nonetheless, many of our outputs play a key role in achieving more than one part of our vision. Fundamentally, we are committed to ensuring that all our work fosters innovation and economic progress in a way that is safe, fair and responsible.

Values

This year, with input from our team and regulators, we developed a set of DRCF values to shape the identity and long-term success of the DRCF:









Collaboration

Providing a positive environment for inter-regulator teams to work together, tackle issues and deliver successful solutions in digital regulation.

Inclusion

Harnessing regulatory diversity as our core strength as well as ensuring all voices are heard, so that we remain a great place to work in parallel with delivering high quality outcomes.

Ambition

Leveraging our research, visibility, and 'can-do' approach to create a reputation for excellence and to continue to pursue fresh opportunities for integrated digital regulation.

Agility

Encouraging a learning and growth culture that empowers our team members to be proactive and creative, while equipped to embrace changes and developments.

The DRCF values are guiding principles for decision making and optimise our ways of working, ensuring consistency and maintaining integrity.

Our year in highlights

The DRCF's work to ensure coherence between regulatory remits, facilitate joint learning and share insights has brought direct benefits for regulators, industry and wider society. For regulators, sharing learning and best practice means we can be more effective in protecting people from digital and AI harms, and better support and encourage innovation opportunities. By conducting research together we can deliver monetary savings for each of our members. For industry, jointly tackling perceived hurdles and clarifying regulatory expectations helps reduce burdensome costs of compliance. See below for an illustration of our impact.

Bringing our regulators together to connect with a wide range of stakeholders with one voice



3.1 million 'impressions' on LinkedIn



9 Hub case studies



Reg over 400 In pa

Navigating the UK's Digital Regulatory Landscape In partnership with TechUK



Responsible GenAl Forum
Key speakers including Benedict
Evans, Yoel Roth and Verity Harding

"I genuinely feel that the DRCF service proposition adds significant value, credibility, and enhanced viability to those entrepreneurs who are launching or scaling business models which are leveraging digital and AI technologies."

Alex Cole, Entrepreneur & founder TIN Ventures

By supporting innovators through the

Al and Digital Hub and convening large

scale events to tackle AI and digital issues



Over 120 attendees

The Digital Horizon:
Opportunities and Challenges
of Emerging Technologies
In partnership with University
of Salford and Dock10

The DRCF is continuing to deliver for its member regulators



We are seeing increasing references to DRCF and its publications across the tech community



Working together consistently saves our members money: our joint AI research alone likely saved each regulator £200k



High impact publications:

- Improving our joint understanding of consumer use of Generative AI
- Exploring the futures of synthetic media and digital identity
- Joint statement setting out ICO/Ofcom's collaboration in the regulation of online services

Key DRCF outputs during the year

In the following pages we set out the work the DRCF undertook in 2024/25, comprising activities involving two or more member regulators. Since the establishment of the DRCF five years ago, we have fostered strong ties between our member regulators, across many areas of work and all layers of working activity. These networks have strengthened to ensure coherence in the implementation of new digital legislation. This culture of knowledge sharing and engagement builds ongoing regulatory cooperation outside the DRCF's strict purview. Readers should be mindful of this undercurrent of joint engagement and activity that is not comprehensively captured.

All our members are acting to support the government's growth mission, exemplified by each regulator outlining their activities and ambitions in this space.² Examples include the CMA driving competition in digital markets through its new regime, the FCA advancing the digitisation of the financial sector, the ICO making it quicker and easier for businesses to transfer data safely internationally and Ofcom providing a Digital Support Service to help SMEs comply with the Online Safety Act.

Ofcom: Open letter How Ofcom contributes to UK growth ICO: ICO response to government on economic growth | ICO FCA: FCA letter on a new approach to ensure regulators and regulations support growth CMA: Annual Plan 2025 to 2026 - GOV.UK

Unlocking digital innovation & economic growth

Key publications

Ensuring Trustworthy AI: the Emerging AI Assurance Market | DRCF

AI Assurance: Highlighting opportunities across DRCF regulatory regimes | DRCF

DRCF Generative AI Adopters Roundtable: High-level Findings | DRCF

Understanding Consumer Use of Generative AI | DRCF

Harnessing Innovation and Growth Opportunities from AI Foundation Models | DRCF

AI and Digital Hub

In April 2024, we launched the AI and Digital Hub as a 12-month pilot funded by the government. This was developed from exploratory work examining how DRCF might make it easier for innovators to launch new products and services with the benefit of regulatory clarity. The AI and Digital Hub piloted a multi-agency advice service for innovators, offering them free informal advice from all four of our members on cross-regulatory queries. Having first listened to innovators' calls for more information as to how regulation would apply to their products and services, the Hub demonstrated the DRCF's commitment to exploring and delivering practical support for AI and digital innovators.

The pilot has concluded, with informal advice and assistance provided to 17 organisations ranging from small startups to established organisations developing a range of solutions spanning age estimation, AI digital marketing tools, AI and data analytics in a health setting amongst others. In addition, we are proud to have published 7 anonymized case studies, with two more expected in May 2025, which enable the market to benefit from the informal advice given in the Hub. Besides the informal advice provided, the Hub enabled us to obtain a clearer picture of how innovators are experiencing the regulatory landscape and the support they may need from regulators in order to launch and scale up their products.

We are currently evaluating the pilot, to ensure we have captured all its learnings and to determine how the DRCF can best support digital and tech innovators in future.

The Hub has been praised by external stakeholders for offering a crucial service to innovators. For example, Entrepreneur magazine described the Hub as a 'practical, action oriented initiative'.³

³ Rules Made Simple: How the DRCF Hub is Helping Entrepreneurs Stay Ahead | Entrepreneur

Published Case Studies

- Data protection and consumer law for businesses supporting SMEs to deploy AI
- Managing the impact of third-party software defects on resilience
- Advertising financial promotions
- Al and Online Forums: Navigating data protection, online safety and consumer law in health discussion forums
- FCA authorisations and data protection considerations for firms using AI to assist financial advisors
- Ensuring highly effective age assurance on a user-to-user service
- Data portability requests by data intermediaries

Al assurance research

Artificial intelligence has the potential to transform how people communicate, create, access goods and services and interact with the world. However, to fulfill this promise it must be developed and deployed responsibly, in full compliance with applicable laws. All assurance may be an effective way of helping to ensure this, and its use in the UK is growing, with All assurance estimated to already be making up 5-10% of total business expenditure on Al.⁴

To deepen our understanding of the AI assurance landscape and explore how our members can support the growth and development of the market in a way that aligns with current and future regulatory expectations, we conducted a review of the sector and interviewed key service providers. We set out our findings in our July 2024 article, 'Ensuring Trustworthy AI: the Emerging AI Assurance Market'.

In December 2024, we hosted a webinar bringing together experts to discuss the different mechanisms underpinning AI assurance. The panels focused on the different types of AI standards and safety frameworks, their applications, and how they can be implemented alongside existing regulation.

Following the webinar, we published 'Standardising AI Webinar | DRCF' in January 2025. This article detailed each of our members' perspectives on expectations and opportunities in AI assurance relevant to their regulatory remits.

⁴ Economic assessment of the Al assurance market Frontier Economics Ltd .pdf

Al adoption research

In last year's annual report we featured our generative AI adopters' roundtable. In May 2024, we subsequently published an article summarising the discussions at the event, '<u>DRCF Generative AI Adopters Roundtable: High-level Findings</u>'. The article highlights some of the critical concerns for firms deploying generative AI.

There has been much discussion of increasing business use of generative AI, with Deloitte finding that two thirds of organisations are scaling up their investments in the technology.⁵ Therefore, to further enhance our understanding of how businesses are employing generative AI, and how this is interacting with regulatory regimes, we commissioned additional quantitative research. We surveyed 750 generative AI developers and deployers, with a healthy representation across market sectors of the economy, including both public and private sectors.

Alongside this, we published research on '<u>Understanding Consumer Use of Generative Al</u>'. By gathering data from 4000 consumers, we aimed to assess public awareness of the technology, as well as perceptions of its risks and benefits. Additionally, we sought to understand the scale of harm arising from errors or issues using generative Al tools. Our findings show high awareness, with 92% of respondents having heard of generative Al and 75% having used it or witnessed its use in search. Whilst respondents identified clear advantages of the technology such as speed, ease of use and availability, 70% are keen to see developers do more to prevent tools from creating harmful content.

Each of our members has an interest in how generative AI is being used, by both businesses and consumers. The outcome of this research can help them identify and reduce regulatory barriers to AI adoption, to ensure the benefits of the technology are quickly felt throughout the economy.

Data protection and competition

The ICO and CMA continue to cooperate where working together will promote their respective data protection, consumer and competition objectives.

Over 2024/25 extensive collaboration continued in relation to online advertising market developments. By working together, both regulators have sought to ensure that competition and privacy is protected. At the center of this work was monitoring the effectiveness of Google's Privacy Sandbox commitments made to the CMA.

5 <u>us-state-of-gen-ai-q3.pdf</u>

<u>Updates on this work have been published throughout the year</u>. Engagement between the regulators on wider online advertising market developments also took place over 2024/25, including as the ICO developed its guidance for organisations considering 'consent or pay' models.

Cooperation has also focused on foundation models - exploring how the interaction between our competition, consumer protection and data protection regulatory remits apply to AI developers and deployers. This culminated in the ICO and CMA publishing an article on Harnessing Innovation and Growth Opportunities from AI Foundation Models in March 2025 setting out their joint view that both open-access and closed access approaches to releasing foundation models are supported by their regimes. They will continue to work together where their regulatory regimes intersect concerning ongoing digital market investigations (currently search and mobile ecosystems) and other issues of mutual interest (such as data access; data sharing and interoperability; and user choice and control).

Anticipating future developments

Key publications

Exploring the Future of Digital Identity - DRCF Findings | DRCF

The Future of Synthetic Media | DRCF

The Quantum Landscape in 2024: A Year of Progress and DRCF Reflections | DRCF

Horizon scanning

The DRCF's horizon scanning function brings together all four regulators to identify potential opportunities and benefits, risks, and regulatory implications of emerging technologies, enhancing collective understanding and guiding strategic responses in these areas. Understanding future technologies and their impact on society and the economy is vital for empowering our members to drive innovation. By staying ahead of technological advancements and innovation trends, we can identify new opportunities while proactively addressing any challenges they may present.

This year, our horizon scanning work has focused on digital identity; synthetic media; quantum; super-apps; and open finance.

In July 2024, we published an article 'Exploring the Future of Digital Identity - DRCF Findings' which we followed with a webinar. We incorporated insights from both internal and external experts to explore the potential advancements and applications of digital identity and highlight the possible regulatory implications of the technology.

In November 2024, we published a paper 'The Future of Synthetic Media' setting out how synthetic media might develop and be used in the near future, and its potential regulatory significance. The findings were based on discussions with a diverse range of experts, including non-DRCF regulators, government, industry, academia and civil society. The report identified key areas of opportunity and risk to help ensure responsible innovation, and explored the future role for regulators in ensuring the technology is used safely.

Following our 2023 work on quantum technologies, in December 2024 we published an article 'The Quantum Landscape in 2024: A Year of Progress and DRCF Reflections' exploring key updates in the sector and their implications for regulators. The article summarised how our members have continued to engage and build their understandings of quantum technologies within their regulatory remits.

Our work on quantum technologies continues to have a lasting impact beyond the DRCF: for example, our input into the Regulatory Horizon Council's review on the regulation of quantum technology applications has informed the Office for Quantum's recent launch of the Quantum Regulators' Forum. We look forward to our continued engagement with the Office for Quantum and the Forum.

Building upon our digital identity, synthetic media, and quantum technologies publications, on 18 March 2025 we brought together a wide range of expert speakers from regulation, civil society, and industry to explore how regulators can embrace the most important technologies and trends in the future. We held the event in Salford, Greater Manchester to leverage the emerging technology community in northern England and neighbouring regions.

Two further horizon scanning articles will be published this summer, one looking at the future of the UK super-apps market, and one exploring some of the potential technical underpinnings that could support a diversified Open Finance ecosystem.

Protecting & empowering people online

Key publications

Tackling Online Fraud and Scams: Ofcom and FCA Collaboration | DRCF

<u>Sharing personal information when preventing, detecting and investigating scams and frauds | ICO</u>

Fairness in AI: A View from the DRCF | DRCF

Al Transparency: DRCF Perspectives | DRCF

Consumer attitudes on the risks and benefits of engaging with digital assets | DRCF

Understanding Online Choices, Preferences, and Welfare | Ofcom

A Joint Statement by Ofcom and the Information Commissioner's Office on

Collaboration on the Regulation of Online Services | ICO

Fraud and scams

Fraud and scams are key risks to consumers in the digital world. Research carried out on behalf of Ofcom found that 87% of adult internet users have encountered content online which they believed to be a scam or fraud,⁶ with many encounters causing long lasting harm in excess of the direct financial cost, often damaging trust and digital participation.

It is important to our member regulators that fraud is prevented and people are kept safe online. Ofcom and the FCA have been working closely to identify where there are overlaps in this space, between platforms' obligations under the online safety regime and financial services legislation, and to leverage each other's expertise.

In September 2024, we hosted an internal webinar focused on illegal online financial promotions. It provided an opportunity to educate colleagues on what constitutes an illegal online financial promotion, Ofcom's powers under the Online Safety Act, and how Ofcom and the FCA are working together.

In November 2024, we published an article '<u>Tackling Online Fraud and Scams</u>: <u>Ofcom and FCA Collaboration</u>' outlining how the two regulators have engaged so far and how they plan to collaborate in the future to deliver better protections from fraud and scams. This article closely coincided with the ICO publishing practical advice on '<u>Sharing personal information for the prevention</u>, <u>detection and investigation of scams and fraud</u>'.

^{6 &}lt;u>www.ofcom.org.uk/online-safety/online-fraud/scale-and-impact-of-online-fraud-revealed/</u>

This advice was aimed at private sector organisations across the digital economy (such as financial services, telecommunications and digital platforms), making clear that data protection law does not prevent organisations from sharing personal information to prevent fraud and scams related harms, if they do so in a responsible, fair and proportionate way.

ΑI

Our AI-focused work is carefully designed to align with all of our objectives - promoting growth and innovation, protecting people online and supporting regulatory capabilities. While the activities outlined below contribute to all these goals, foremost is our support for the responsible use of AI.

In addition to our joint research on AI assurance and AI adoption (discussed above), this year we built on our previous workshop on <u>fairness</u>, exploring <u>transparency</u> in AI. The workshops allowed our members to identify areas of overlap in their understanding of these principles to help ensure better protection from AI related harms. The Equality and Human Rights Commission (EHRC), Ofgem and the Bank of England participated in our exploration of AI transparency.

In March 2025 we hosted the DRCF Responsible Generative AI Forum to bring together stakeholders interested in the development of responsible AI. The event attracted over 140 attendees from industry, civil society, academia, government and regulators. We showcased how regulators are supporting innovators in bringing new products and services to market, whilst also ensuring that consumers and citizens are protected from harm and that the benefits of the technology are felt throughout the economy. This provided our members with a valuable opportunity to strengthen their relationships with external stakeholders and engage with thought-provoking discussions. These conversations explored how their individual and collective regulatory remits interact with generative AI, as well as examining the technology's broader capabilities and limitations.

Digital assets

The ICO and FCA published joint research into 'Consumer attitudes on the risks and benefits of engaging with digital assets' in line with the 24/25 workplan. The report contributes to our collective understanding of consumer attitudes and interactions with digital assets and helps support an informed regulatory approach, from both a financial and data protection regulation perspective.

Online choice architecture

The DRCF has convened member regulators to share knowledge in this vital area for consumer protection, and our member regulators have worked together to ensure continued coherence where regulations overlap. For example, the ICO and CMA have published a joint position paper on 'Harmful Design in Digital Markets', and the ICO and Ofcom have worked closely together in the area of intersection between ICO's Age-Appropriate Design Code and Ofcom's regulation of video-sharing platforms.

Recent work by our member regulators on online choice architecture is significant for the DRCF as a group of regulators in continuing to develop their understanding of the harms, risks, and potential interventions to benefit internet users. For instance, Ofcom's recent work on 'Understanding Online Choices, Preferences, and Welfare' has broken ground in discussing potential regulatory interventions to support user choice. As Ofcom's paper stresses, there is considerable value in regulators coordinating their approaches to consumer empowerment interventions, to ensure users are not overloaded with choices and interventions remain effective.

ICO and Ofcom joint statement on Online Safety and Data Protection

The ICO and Ofcom are committed to ensuring there is a clear and coherent regulatory landscape for online services. Their goals are to maximise coherence between the online safety and data protection regimes and promote compliance within industry. These goals help to achieve regulatory clarity, which will support innovation, and enable continued economic growth.

In May 2024, the ICO and Ofcom issued a <u>joint statement</u> about collaboration on the regulation of online services. The statement sets out how they will work together on areas of mutual interest to achieve a coherent approach to regulation.

Both regulators have engaged closely on the development of each other's regulatory products to ensure alignment between online safety and data protection law; for example, the ICO has been consulted throughout the development of Ofcom's online safety codes of practice and guidance.

Supporting regulator effectiveness

Attracting talent and developing skills

Throughout the 2024-25 financial year we have hosted upskilling sessions for staff across our member regulators. These have included sessions led by individual regulators, such as the FCA presenting on the Consumer Duty, alongside discussions highlighting DRCF research, including on AI assurance and digital identity. We have also invited external stakeholders to host sessions, including a series of webinars by the EHRC on such topics as how the Public Sector Equality Duty and Impact Assessments apply to adoption of AI and digital technologies. Additionally, we collaborated with the International Association of Privacy Professionals and the Coalition for Content Provenance and Authenticity to deliver presentations and lead discussions. Over the year, there have been more than 1000 attendees taking part in these events.

This year, we have continued to build on our cross-regulator graduate scheme, seconding graduates both between member regulators and into the DRCF itself. These offerings for graduates help our emerging talent to gain knowledge of multiple regulators and digital regulatory regimes, as well as further cementing our cross-regulatory bonds.

We have recently launched a Digital Skills Mentoring Programme in partnership with UKRN. The programme will encourage cross-fertilisation of digital expertise and skills, of both technical and policy nature, between our member regulators. There are currently 37 people participating in the scheme.

Supervisory technologies

The AI Opportunities Action Plan recommends that regulators 'upskill' in their AI capabilities, and follow a Scan, Pilot, Scale approach to AI adoption. As each of our member regulators is already well travelled on this journey, as DRCF we have used this taxonomy to categorise how each of our members is using generative AI to aid its internal functions. This work has allowed the team to share knowledge internally on the costs, benefits and risks of generative AI tool adoption, and to identify synergies where the group can come together in the future.

By continuing to collaborate, we aim to collectively resolve the common challenges we face in deploying new technologies, such as cyber security, resource constraints and maximising use to fully realise the benefits.

Leading domestic & international discussions

Engagement continues to be an important dimension of the DRCF's work, as there is widespread interest in the DRCF's activities and the connections between the remits of its member regulators. Internationally, a common need for coherence in digital regulation means that there is considerable interest in both how the DRCF is constituted and operates, and how DRCF regulators are addressing cross-regulatory issues in practice. For our part, we see it as essential both to share our activities with those interested, and to listen to others' experiences of digital regulation. Through this, we uphold our values of promoting open, constructive engagement on our work.

Our discussions have been wide-ranging: domestically, with UK parliamentarians, government, industry and representatives, civil society and the regulatory community; internationally, with regulatory counterparts and multilateral institutions.

UK industry and civil society

As we are increasingly seeing that a more joined-up approach to digital regulatory governance means that members of industry, civil society and others are keen to engage with us and all our member regulators together, we book-ended the year with large-scale DRCF-hosted events. At the start of the year, to promote the launch of the AI & Digital Hub and showcase DRCF activities from the previous year, we partnered with techUK to hold an event on 'Navigating the UK's Digital Regulation Landscape: Where are we headed?'. This hybrid event, which focused on our AI work and horizon-scanning activities as well as the launch of the Hub, attracted over 400 attendees. This event was one of almost 70 events we participated in to promote the Hub offering to innovators across the breadth of the UK, ensuring a wide range of businesses could tap into cross-regulator support when needed.

More recently, March saw DRCF set the stage for large-scale events in both London and Manchester, tapping into UK centres for AI and cutting-edge technology. Manchester's Digital Horizon Event, in collaboration with Salford University, brought together over 100 people to deliberate future technological trends and the opportunities and challenges of emerging tech in quantum, digital identity and synthetic media. Our Responsible Gen AI forum, hosted in London's County Hall, brought together over 140 industry experts, government officials, and civil society to delve into regulatory perspectives and implications of this fast-moving area.

Beyond these large-scale events, the DRCF has continuously been at the forefront of leading AI and digital technology conversations: for example delivering a keynote speech at the IAPP Data Protection Intensive London, participating in panel discussions at the AI Fringe, and leading a panel at techUK's Digital Ethics Summit. We have used these platforms to highlight regulatory implications of adopting new technologies, the importance of AI governance, and the ways DRCF regulators contribute to UK innovation and growth. DRCF were also delighted to speak at a Women in Tech conference at the Manchester Tech Festival, and at the launch of the Women in Law and Data network in London.

In both instances we emphasised the need for and value of diverse experiences in tech.

Government and Parliament

The DRCF has continued to see significant parliamentary interest in its work and its relevance to areas of government policy. DRCF provides a complementary interface with government, in parallel with each regulator's own relationships. We maintain regular contact with DSIT, particularly in relation to the DSIT-funded Hub pilot, as well as on developments in digital regulatory policy and practice.

Since July 2024, with the commencement of the new Parliament, we have engaged with the Chair of the House of Commons Science, Innovation and Technology Committee, as well as Chairs of APPGs focused on key digital technologies. Additionally, we showcased the work of the DRCF to MLAs in Northern Ireland and delivered a keynote address at Westminster eForum's event on 'Priorities for AI policy and regulation in the UK'.

As AI and digital technologies are relevant to the remits of many UK regulators, this has created deep pockets of knowledge and skills across the regulator community. To draw on these valuable skills and experiences, the DRCF has continued in its commitment to collaborate with non-DRCF regulators, through ongoing discussions and direct involvement in DRCF activities.

We have benefitted from the involvement of the Bank of England, Ofgem and the EHRC within our AI workstreams. The EHRC have contributed to the DRCF's internal upskilling webinar series. We have actively engaged with various other regulators through our work, including the Payment Systems Regulator, Ofgem and Electoral Commission.

As the DRCF is keen to drive forward thinking on cross-regulatory innovation services, in April 2025 we hosted a webinar for regulators and government employees, showcasing established innovation services provided by the FCA, ICO and Medicines and Healthcare products Regulatory Agency (MHRA) as well as a presentation on cross-regulatory AI sandboxes.

The DRCF has continued to convene quarterly regulatory roundtables with a group of 13 non-member regulators. Topics discussed this year included supervisory technologies, approaches to Al governance and insights on regulatory policy and legislative developments.

In December, our CEO presented the DRCF to the Chairs of the UKRN member regulators. We have since collaborated with UKRN to launch our Digital Skills Mentoring Scheme.

⁷ Advertising Standards Agency, British Board of Film Certification, Bank of England, Care Quality Commission, Electoral Commission, Gambling Commission, Medicines and Healthcare Products Regulatory Agency, Equality and Human Rights Commission, Intellectual Property Office, Office for Statistics Regulation, Payment Systems Regulator, Impress, Financial Reporting Council

International engagement

Internationally, the interest in regulatory collaboration models has grown exponentially. We have held discussions with regulators from jurisdictions both in Europe, such as France, Portugal and Germany, as well as around the world such as South Africa, Mexico, Argentina, Brazil, Australia and Singapore. We have shared our experiences of regulatory cooperation as they develop their own collaborative models, and shared our perspectives on issues at the interface of regulatory remits such as those in this report.

Our International Network for Digital Regulation Cooperation (INDRC) network was established in 2023 with the objectives of fostering discussion between international regulators on matters of coherence across digital regimes, and gathering insights into how overseas jurisdictions are approaching domestic regulatory coherence and cooperation. It has continued to develop and mature, its discussions spanning digital skills and capabilities, innovation, AI, emerging technologies and synthetic media.

A highlight was the international workshop in Paris in November 2024 on the challenges of cross-regulatory collaboration, which we co-hosted with our OECD and INDRC partners. The event attracted over 300 attendees comprising INDRC members, OECD delegates and international experts on the interconnectedness of regulatory regimes. As well as being an opportunity to share good practice on forms of regulatory collaboration, the discussions highlighted and explored cross-regulatory issues that are common between jurisdictions. We <u>published a joint statement</u> after the event, in which INDRC members resolved to continue their ongoing dialogue on knowledge sharing, and practical cooperation on cross-cutting issues and emerging areas of regulatory concern.

Over the course of the year, we spoke at 11 international events, engaging with communities in five continents that span our regulators' remits. These included the Annual Conference of the International Institute of Communications (IIC) in Asia, the IAPP's AI Governance Conference in Europe, and sharing our experiences of collaboration at the launch of the South African Digital Regulation Forum.

The DRCF's work continues to have influence and impact internationally. For instance, the European Data Protection Supervisor's (EDPS) proposal for a 'Digital Clearinghouse 2.0' initiative, with the aim of facilitating cross-regulatory cooperation between EU institutions, has drawn inspiration from the DRCF, stating that 'The DRCF provides indications of good practices that initiatives aiming to foster multilateral cross-regulatory cooperation might consider'.⁸

⁸ www.edps.europa.eu/system/files/2025-01/towards_a_digital_clearinghouse_2_0_january_2025_en_0.pdf

Conclusion

Over the 2024/25 period, the Digital Regulation Cooperation Forum (DRCF) has made significant strides in implementing every aspect of its three-year vision. By aligning efforts across member regulators, the DRCF is effectively addressing the multifaceted challenges of the digital landscape. As our member regulators have proceeded to implement new statutory remits and strategic approaches concerning digital technologies, cooperation between them has proved more essential than ever.

A notable achievement has been the establishment of the AI and Digital Hub. This initiative underscores the DRCF's commitment to enabling innovation while ensuring regulatory compliance and consumer protection. The insights gained into the regulatory needs and expectations of the innovator community are of benefit to all the DRCF member regulators.

Through joint research and policy advocacy, the Forum has influenced industry practices and contributed to shaping the future direction of these sectors. Publications on immersive technologies, quantum computing, and AI assurance have further cemented the DRCF's role in guiding digital industry standards and best practices.

Engagement with Parliament, government bodies, industry stakeholders, and consumer groups has been a cornerstone of the DRCF's strategy. In addition, through participating in high profile industry events, the DRCF has ensured that its regulatory approach remains transparent, inclusive, and responsive to the evolving digital ecosystem.

Looking ahead, the DRCF is poised to build upon the achievements delivered in 2024/25. With a focus on deepening regulatory collaboration and expanding its stakeholder network, the Forum aims to continue facilitating growth in the digital sector while proactively addressing potential harms. The DRCF's ongoing commitment to a coherent regulatory framework will be instrumental in navigating the challenges and opportunities that lie ahead in the rapidly evolving digital landscape.