New plan to make Britain global leader in innovation-focused digital regulation

- Aim is to back Britain's innovators and minimise burdens on business
- Country's tech leaders asked to have their say on delivering coherent vision
- Set of guiding principles laid out to inform policymakers' work

A new plan to boost economic growth and help the country seize the potential of digital technology will be launched.

The government's <u>Plan for Digital Regulation</u> aims to reduce red tape and cut down on cumbersome and confusing policy so businesses are freed to come up with new ideas, grow their firms and create new jobs and prosperity.

The vision is to drive prosperity through pro-innovation regulation of digital technologies while minimising serious harms to the country's economy, security and society.

The digital sector is one of the UK's most dynamic and important industries. It contributed £151 billion to the economy in 2019, attracted more venture capital funding (£11.2 billion) than Germany and France combined in 2020, and employs more than two million people.

The new plan sets out three guiding principles policymakers must follow and states that the government should only regulate when absolutely necessary and do so in a proportionate way. They should:

- Actively promote innovation. Policymakers must back innovation wherever they can by removing unnecessary regulation and burdens and considering non-regulatory measures such as technical standards first.
- Achieve 'forward-looking and coherent outcomes'. Digital technologies are evolving fast and transforming traditional sectors across the economy, so policymakers must make sure new regulation complements, rather than contradicts, existing and planned legislation. □
- Exploit opportunities and address challenges in the international arena. Digital technologies are borderless and policymakers must take a global view. They must always consider the international dynamics of proposed regulation from our existing international obligations including trade deals, expected future agreements, and the impact of regulations developed by other nations.

Digital Secretary Oliver Dowden said:

How we govern digital technologies is one of the most pressing issues of our age. Today we are setting out a pro-growth vision to shape the future.

Our principles-based approach will ensure innovation is embedded in any new regulation, and we will look to reduce red tape to enable our vibrant tech sector to thrive.

Melanie Dawes, Chief Executive, Ofcom and Chair DRCF said:

The four members of the DRCF welcome publication of the government plan for Digital Regulation. With online services playing an increasingly critical role in all our lives, we created the DRCF to deliver a coherent, coordinated and clear approach to online regulation. We look forward to working closely with the UK government to create a regulatory environment in which business and innovation can continue to thrive, and where everybody can enjoy the enormous benefits of being online safely.

techUK CEO Julian David said:

Creating a framework for digital regulation that promotes innovation is a global challenge. If the UK can get this right, we can drive discussions at the international level and build on our reputation as a leading digital economy.

The Plan for Digital Regulation is a strong start and shows the government's commitment to creating a coordinated, proportionate and innovation-focused regulatory system.

We look forward to working with the government in making this plan a reality by building a partnership with the sector to dig into the detail and turn these strong core principles into a forward-looking framework that reinforces the UK's position as a top tier destination for technology companies.

To support the delivery of a joined-up approach to regulation, the government is working closely with the recently-established Digital Regulation Cooperation Forum (DRCF) — a voluntary forum comprising the Competition and Markets Authority (CMA), Financial Conduct Authority (FCA), Information Commissioner's Office (ICO) and Ofcom.

The plan sets out practical proposals to support a more streamlined regulatory landscape. This includes options to improve information sharing between regulators to reduce duplicate requests on industry and looking at whether additional duties for digital regulators to consult and cooperate with each other are needed.

The plan marks the beginning of a new chapter for digital regulation and comes ahead of the Online Safety Bill being introduced into Parliament, the development of the UK's independent pro-growth data regime, the publication of a consultation on a new pro-competition regime for digital markets, and the UK hosting the Future Tech Forum in Autumn 2021 to discuss new approaches to tech governance.

It follows the UK's G7 Presidency to put technology at the heart of building back better from the pandemic, and builds on the Digital Secretary's <u>Ten Tech Priorities</u> that aim to fuel a new era of startups and scaleups, keep the UK safe and secure online, and ensure that the UK leads the global conversation on digital technology.

Notes to editors

- Contact the DCMS press office on 020 7211 2210.
- The plan considers the full range of regulatory tools which government, regulators, businesses and other bodies use to manage the impact digital technologies and activities can have on the economy and society. These include self-regulation, statutory codes of conduct, and rules in primary legislation.
- To ensure the approach is pro-innovation, the plan commits to considering the full range of non-regulatory measures, including industry-led technical standards to complement or provide alternatives to 'traditional' government action. □
- The government welcomes views from industry, civil society, academia and the general public on how it can ensure the best possible environment for tech to flourish in the UK.
- Contact <u>digitalregulationplan@dcms.gov.uk</u> for more information.