THE INFLUENCERS: DIGITAL TRANSFORMATION

TRANSCRIPT

RYAN DOLBY-STEVENS

Telha Arshad (00:24.2): Hi, everyone. I'm Telha Arshad, a Counsel in the Hogan Lovells Public Law and Policy team in London. And I'm here today with Ryan Dolby-Stevens, who I've known for a long time and is now the head of AI and Algorithms in Uber's EMEA legal function. Today we're going to talk about Ryan's new role, the sorts of things he's now having to grapple with and the challenges of regulating a technology like AI, which is moving so quickly, as everyone knows. And in relation to which there is broad consensus that regulation is absolutely critical for the public interest, but a huge divergence of views on how you do it. To get started, Ryan, before we get into the really difficult stuff about regulating AI, just on a personal note, what's the development is AI that you've been most excited about in the past few months.

Ryan Dolby-Stevens (01:14.0): Hi, Telha, great to be here. Thanks very much for having me on. I think like many people it's kind of hard not to be enthralled by the recent developments in generative AI, so in particular, some of the stuff that we're seeing coming out around image and video generation tools in recent months is all super exciting, and these are absolutely fascinating and they kind of feel almost magical to behold sometimes. Though, as a lawyer, you kind of can't help but worry about the IP implications of that, which are all quite distracting Personally, I'm very eager to see how the case law on that all develops in the next few years. I think there are a few high-profile cases under way already. I also saw recently completely developed a humanoid robot actually making a coffee in early January, and whilst we see advances in robotics all the time and they're amazing, the interesting thing here was that the robot supposedly had no kind of prior coffee-making instructions given to it. It learnt the task by observing a human making the coffee first. But with all that said, I think I always try and take these demonstrations with a bit of a pinch of salt having seen a few of them being debunked in recent weeks. The robot in question here I think supposedly spent 10 hours studying a video as part of its learning process. You can imagine turning up to a new job and spending 10 hours learning to use the coffee machine, and your new boss might have to start second guessing that hiring decision in that situation.

Telha Arshad (02:34.8): That is amazing, that's a great story, and it's sort of illustrative of – I suppose a desire to promote AI products and obviously there's so much happening in this space, and so much innovation, but there is also, you know, a bit of second-checking to do about the stories that are out there on what AI is now capable of. So just to get into the – your new role – and the

sorts of things you're thinking about, you're obviously thinking about lots of different emerging regulatory frameworks across the jurisdictions you're now covering. Can you give us a sense of how they vary and how you're preparing for the introduction of these, you know, very different regulatory regimes.

Ryan Dolby-Stevens (03:19.8) Yeah, of course, happy to. So I think probably, you know, one of the main challenges is actually staying on top of everything. The underlying technology is moving pretty darn quickly, but the regs themselves are also still emerging and developing, so 2024 is certainly showing no sign of letting up on that front. I think in terms of emerging regulatory frameworks, they seem to be rallying into kind of two counts at the moment. So, on the one hand, we're seeing the lighter principle-based system, like we're seeing in the UK, and then on the other hand, you have kind of more prescriptive regimes, which are kind of more risk-based and really kind of laying down much more prescriptive guidelines about what will and won't be allowed, and obviously the EU is a prime example of that. And I think you know, to some extent, it's helpful that the EU is paving the way globally in that respect. It's theoretically great for companies from a clarity perspective, but it also is probably going to pose global companies with some tricky geographical and strategic questions. Now with all that said, I think whilst you've got some variations regionally and how prescriptive different regimes might be, and of course, variations in how large or small the enforcement mechanisms might be as well, the AI Acts being an example of one where there is a particularly big stick. All of the regimes which are emerging are sharing some common themes, which are sort of maybe common sense, so we're seeing things like transparency, fairness, safety, security, data protection, human-centric design, things like that, all seem to be cropping up pretty much everywhere.

Telha Arshad (04:52.6) Yeah, absolutely. I suppose a lot of the kind of public discourse including the discourse amongst politicians on the capabilities of AI and the risks arising from it have focused on, for lack of a better word, existential risks, you know, killer robots and sentient AI, and that all feels in some ways quite close. It's not as far away as we'd might like to think, but I imagine it's not the kind of thing that is front of mind for you. How much are you thinking about that and what are actually the more practical considerations around AI that you need to be thinking of.

Ryan Dolby-Stevens (05:32.1) Yeah, I think that's a really good point. So, obviously, there are some AI use cases which are really quite frightening, so autonomous weaponries is a great example or tools which could be used for a kind of mass government surveillance. I think it's human nature and natural that a lot of the public discussion is going to be focused on these sort of doomsday type scenarios. And at the same time, it's also really important for regulators to be appropriately preparing for those worst-case scenarios. But, as you rightly point out, I think most of that stuff is not going to be applicable for most companies, and so there's a slight tendency for the real sort of day-

to-day concerns about the application of AI to our everyday lives to be overlooked in some ways. So, in terms of how companies like Uber are preparing, whilst we've not got the AI Acts 100% settled yet, it's still a bit of a challenge knowing exactly how that's going to bite on us in a sort of day-to-day practical way. But there are things that we can be doing at this stage, and I think things like ensuring that you're fully across all the existing ways in which your organization is using AI. Ensuring that your documentation and governance processes are all appropriately tight and fit for purpose. Those are the sorts of exercises that people can be doing practically now, which will pave the way for the later stages of more detailed impact assessments and implementation of compliance programs once we've got a little bit more clarity on the direction that the regs are going.

Telha Arshad (07:00.9) And you mentioned the EU AI Acts. That obviously sets out a very detailed and in some ways prescriptive regulatory framework and the detailed rules on that. As someone now leading the EMEA AI and Algorithms team at Uber, what are the other key regulatory issues you're thinking about aside from what's in the EU AI Act. For example, transparency is a standard that is seen as a key element of the safe and responsible development and deployment of AI technology, and it's the kind of thing that will probably be a common thread across every AI regulatory regime. Or on transparency specifically, do you see any challenges in defining that concept as a regulatory standard in the AI context?

Ryan Dolby-Stevens (07:47.4) Yeah. I mean, what a great question. I think transparency is a really, really interesting one. Speaking personally, I think transparency is a good thing fundamentally, and I'm fully supportive of it. I think it does pose a couple of key challenges though. The first one, which is sort of not really a new concept in the domain of transparency is going to be around protection of confidential information and trade secrets. So, companies and their lawyers will naturally be anxious to protect their competitive advantage and not undermine themselves by accidentally revealing too much about the inner workings of their hard-won technical capability in a way that means that competitors can usually replicate that. And so I think that means that regulators are going to need to think very carefully about how best to balance the need to give people, users, the general public an appropriate level of access to information about how data is being used. But whilst also incentivizing continued innovation and continuing to foster that.

The second challenge with transparency is a bit of a newer problem. And is arguably becoming even more complex in the AI world, and that's around explainability. So, machine-learning models can be extremely complicated and by their very nature, black box in design, so in that context, what does transparency really mean. I think as we've seen in the GDPR, we've seen an increasing trend for companies being required to try and explain things to users and data subjects in lay terms. And I think that sort of concept is likely to carry over into the world of AI transparency as well. And so, I think, you know, in practical terms, engineers and developers are going to have

to start almost thinking about starting at the end and bearing this explainability problem in mind when designing new systems. But, I can see some challenges on the road ahead for companies and their lawyers in this space.

Telha Arshad (09:34.6) Yeah, and quite a lot of back and forth between lawyers and engineers, I can imagine.

Ryan Dolby-Stevens (09:39.1) Indeed, indeed. And in terms of kind of other key issues, without going into it in too much detail, today, aside from transparency I think companies are going to be watching very closely for finalized requirements around things like recordkeeping and technical documentation. Conformity assessments is something that's kind of been discussed in the AI Act as well. And then also the concept of human oversight. What does that mean in practice and how far will companies have to go to ensure that human oversight is effective.

Telha Arshad (10:08.5) We talked earlier about the political discourse on AI being often focused on very extreme AI risks rather than the mores for practical issues businesses need to worry about. Having said that, do you think these moves towards global coordination of AI regulation, and we had the UK government hosted AI Safety Summit in November last year. Are those sort of developments positive, and how much of a practical difference can they make to helping a business like Uber make the best of AI systems.

Ryan Dolby-Stevens (10:40.4) Yeah, great question. So I think, you know, in the current kind of geopolitical climate, any attempt to global corporation about anything have to be seen as a positive thing, don't they. I mean, you think about things like climate change and other examples where one only hopes that they will be a better international corporation, but with that said, I think a substantial amount of the energy that I've seen so far in this space, kind of seems a little bit like it might be political posturing, rather than having any tangible harmonization benefit as yet for global businesses, but it's early, early days. So, arguably I should stop being so cynical and reserve judgment a while longer. But, you know, international harmonization efforts are notoriously difficult. And I think global business like Uber will be thinking all along the same lines, which is that they all need to be meeting the highest regulatory bar among all of the different territories where they do business. So, whilst ambitious, attempts at corporation and regulatory conformity are to be welcomed. Businesses can't necessarily split their operations into regional silos, and those businesses will kind of in practice be stuck with having to adhere to the most stringent regimes. And that in itself has an interesting kind of impact on the objectives of those so-called lighter touch regimes. Because they're obviously seeking to create a welcoming investment environment for tech companies and others. But arguably, if they are only really providing short-term benefits for the very smallest start-ups, maybe their aims aren't quite being met in the way that they would like them to be.

Telha Arshad (12:08.0) That's fascinating because you've obviously got this situation where you could have parallel sets of regulation, and even where you have a lighter touch regime, you are still potentially having to comply with the more onerous standards. I wonder is there an advantage where there's a lighter touch regime to do the kind of initial rollout and to test the product before it's exposed to that harsher regulatory environment. And do you think things like regulatory sand boxes and pre-deployment testing, which you know, the feature of other regulatory regimes, can that be helpful as a tool the AI regulation for innovators like Uber.

Ryan Dolby-Stevens (12:46.5) Yeah, a really interesting one. I think regulatory sand boxes are in theory a really brilliant idea, and I think they're mutually beneficial. So, you've got for the company or the regulated entity, you've got – you're benefiting from advanced and safe access to your regulator's opinion on a given topic. And it's great for the regulators as well. Because they get kind of first look access under the hood to cutting-edge technological developments within the industries that they're supposed to be regulating. So, both of those foster a really great dialogue between both sides which has got to be a good thing in an environment where you're dealing with rapidly developing nascent technology, and everyone is sort of learning as they go along to some extent. And I can see things like sand boxes being of real benefit to maybe smaller or medium-sized companies which are not necessarily AI innovators in themselves, but which are being kind of swept up in the seismic industry changes and, for example, they might be buying in AI solutions to target specific problems that they've got, and I think advice and guidance from the relevant regulators there can be really beneficial to those kinds of companies in giving them more confidence to embrace this new technology and adopt it in a way that's safe and compliant. I think the one question kind of in my mind about sand boxes and the AI industry is pace. So, will regulators be adequately funded and technically equipped to move at the same pace as this kind of frighteningly fast-paced industry. I think sand boxes work really well where the industry and the regulation is perhaps a little bit more settled, but will they work in such a fast-moving environment like AI. There is a risk that if companies feel like they're being slowed down by having to explain things to regulators then they may not bother using things like sand boxes. I mean personally speaking, I think any opportunity for really good dialogue with a regulator is never a waste of time, but I can see other companies potentially taking a different view there.

Telha Arshad (14:40.4) Yeah, I think I definitely agree with you on that last point with a challenge as complex as this, you need collaboration between regulators and innovators like yourselves who are the first at developing and using these types of products. So I can only see it as beneficial. Ryan, that was absolutely fascinating. Thank you so much for joining us and for giving up your time. For everyone listening, please stay tuned for more episodes in this series. We'll be featuring more conversations between members of the Hogan Lovells team and some leading influencers in this transformation.

	Thanks again, Ryan.
Ryan Dolby-Stevens (15:15.2)	Thank you very much for having me.