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My Lords,

Thank you for your participation in the Committee Stage debate for the Product Security and Telecommunications Infrastructure Bill on 21 June. There were some important issues raised on which I committed to write as follows.

App security and privacy interventions consultation

Lord Fox asked for clarification on the alignment between this Bill and the Government's broader work on app security. I want to provide reassurances that these two interventions are complementary. The initial security requirements set out using this Bill will cover software on a product and, where appropriate, any other software necessary to the functioning of a product. For example, this would include a smartphone companion app for a smart speaker.

These requirements will not cover every app on the market, given that not all apps are essential to the functionality of a consumer connectable product. That is why the Government is engaging with industry, through an ongoing Call for Views exercise which considers how best to increase protection against malicious and poorly designed apps, as well as app stores and app developers. We will continue to ensure alignment between these approaches.

## Online marketplaces

Lord Fox and Lord Lucas asked for further information on how this Bill overlaps with the review of the product safety framework, led by the Department for Business, Energy and Industrial Strategy. That work will include a focus on the sale of unsafe products online.

It is right to draw attention to the interaction between third-party sales via online marketplaces and existing product regulation. Online marketplaces have different business models so the Government is collecting evidence on how to ensure these marketplaces have proportionate responsibilities. The Government is keen to ensure that the approach taken to regulating the security of online products works with the broader approach to product safety adopted once the impact of these business models on safety have been appropriately reviewed.

Lord Fox and Lord Lucas also raised concerns specifically about overseas third-party retailers who sell their products through online marketplaces. This Bill empowers the Secretary of State to seize products if there is a breach of the legislation; this includes those from non-compliant overseas economic actors, made available through online marketplaces, before they reach the consumer. The Secretary of State will also be able to recall products directly from consumers and to offer them compensation, ensuring that consumers can be protected throughout the product's lifespan.



Consumer protections and redress

Lord Fox and Baroness Merron asked how the new regulatory regime will interact with the existing consumer protection regime, in particular the Consumer Right Act 2015. The Earl of Erroll also highlighted the physical and mental harms arising from cyber attacks enabled by insecure products.

This Bill does not change the framework of existing consumer rights legislation and would not be appropriate fully to apply rights resulting from unsafe products to breaches of the security requirements. I agree that both product safety and product security can result in potential harms. However, there are important differences in our legislative response. Product safety requirements can generally be complied with before a product is made available. In contrast, some of the security requirements in this regime compel businesses in the supply chain to take continuous actions, such as ensuring vulnerabilities can be reported and remedied.

Cyber threats are constantly changing and will require different approaches to resolve. A blanket alignment with the product safety regime could punish businesses dealing with these live issues and could potentially make them liable to pay compensation for matters beyond their control. Of course, where security requirements breaches do meet the criteria set out in consumer rights legislation, consumers will be entitled to the protections provided by that legislation.

In my letter of 14 June, I said that, "In advance of Committee stage, I am happy to provide an overview of the stakeholder engagement conducted by the Department which informed the consultation" in reference to the Electronic Communications Code. Please find a non-exhaustive list of that engagement enclosed.

I hope this letter is helpful. I look forward to the discussions at the further day of Committee debate and the remaining stages of the Bill. I will place a copy of this letter in the Libraries of both Houses.

With best wishes,

Lord Parkinson of Whitley Bay

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Minister for Arts

