

Christopher Dickison Senior Assistant Clerk

Windsor Framework Democratic Scrutiny Committee (DSC)

By email only: <a href="mailto:committee.windsorframework@niassembly.gov.uk">committee.windsorframework@niassembly.gov.uk</a>

Your Ref: DSC 72/25

18 April 2025

# Dear Christopher

Thank you for your letter dated 11 April 2025 in reference to the response to the DSC provided by Solace NI on 7 April 2025.

I would highlight that the information provided in the Solace NI response is based on basic assumptions on potential impacts that have been drawn from initial interpretation of the regulations and the explanatory memorandum that was originally provided to the committee by the Department of Business and Trade. Our response reflects front line officer discussion of what the potential changes might mean, however I must clarify no detailed information has been provided to councils, or research undertaken by councils to fully ascertain or confirm what the impact for businesses will be.

In all areas of regulation, where councils are the enforcing body at a local level, we would expect that national and regional level engagement with affected businesses and regulatory impact assessments be completed, with practical guidance for businesses and enforcing bodies also provided by the central competent authority for the specific regulatory function. This happens in other areas of regulation such as Food Hygiene and Food Standards, Environmental Protection and Health and Safety at work.

For consumer product safety matters, which are reserved matters at Westminster (i.e. not devolved to the NI Assembly), we would expect this to be undertaken by the Office of Product Safety and Standards (part of the Department of Business and Trade). Such information has not yet been provided to NI councils in respect of the proposed EU regulations. We would suggest that the committee should seek this information from the Office of Product Safety and Standards (OPSS).

In relation to the additional questions posed by the committee, I would reiterate that the OPSS within the Department of Business and Trade are best placed to advise on what engagement with stakeholders has been undertaken in respect of the proposed regulations, what impact assessments have been conducted, and their view on the implications for businesses exporting / importing to Northern Ireland, and for businesses in Northern Ireland retailing such goods local. I have however provided individual responses to each question below:

### Regulatory alignment / divergence

SOLACE states that if the proposal was applied in NI, it would "pose a challenge to the toy industry". If it was <u>not</u> applied, SOLACE states businesses would not be "aligned with either the UK or EU market." This, SOLACE suggests, would lead to challenges for businesses and consumers in NI, as well as difficulties for councils providing advice and carrying out enforcement.

- If the proposal was to apply in NI, what specific challenges would it pose for the toy industry, and would there be any cost/supply implications for consumers and businesses?
- If the proposal was not applied in NI, what specific challenges would arise for businesses and consumers as a result of the 'trivergence', and would there be any cost/supply implications for consumers and businesses?

Councils do not hold any additional information on specific challenges for the toy industry or on potential trivergence. Whilst at an officer level it may be assumed there 'might' be some impact, we are not in a position to quantify what this would be or how trading processes might be affected in any detailed way as we do not hold this information. We would expect that this would be a role for the national competent authority (OPSS) to advise the committee on, following engagement with stakeholders in industry.

#### **GB-NI Movement**

If applied, the proposal would alter the requirements that toys must meet to be sold in NI (including those manufactured in GB). The European Parliament's <u>press release</u> dated 10 April 2025 states that the proposal "clarifies requirements for online marketplaces", and that obligations would also apply to fulfilment service providers.

• If the proposal was to apply in NI, how would you expect it to impact on the movement of toys between GB and NI?

Councils have not assessed the impact for movement of toys between GB and NI. Councils do not hold data on trade movement volumes for such products or details of the relevant customs declaration processes. We would expect that OPSS, as the national competent authority for product safety, would be able to advise on the implications for such movements.

Nonetheless, we assume that products for sale in NI would need to meet the EU regulations to be compliant and permitted for sale in NI.

#### **Product Safety**

SOLACE states applying the proposal in NI would "significantly benefit" consumers from a product safety perspective.

- In terms of product safety, can you provide more detail on how applying the proposal would significantly benefit consumers in NI?
- Are there likely to be any product safety risks for consumers if the proposal was not applied in NI? If so, what are they?

At a summary level, we would expect there will be a benefit to consumers due to the additional controls being applied and these are outlined in our letter. Councils have not received any detailed information from OPSS that quantifies this potential impact for consumers. We would suggest that the committee seeks this information from OPSS.

### **Digital Product Passports**

SOLACE states that the introduction of a new digital product passport would "assist district councils in verifying compliance". However, SOLACE states that it would also be "a burdensome administrative requirement for toy manufacturers."

 Can you provide more detail on how a new digital product passport would assist district councils in verifying compliance?  What challenges would it pose for toy manufacturers based in, or selling into, NI?

We can advise that we would expect that a digital product passport for relevant products will be publicly accessible online to consumers, businesses and regulators alike. This will aid councils in their enforcement role to access relevant safety and business information more quickly in relation to products under investigation. We do not have detailed information on how the digital product passport scheme will work, how businesses will interface with the scheme or any associated challenges they might face. We would expect that the national competent authority for product safety in Northern Ireland and GB (OPSS) will assess this and provide advice and guidance to businesses affected. We would suggest that the committee should seek this information from OPSS.

## **Consultation and engagement**

SOLACE states that "councils have not been formally consulted by the Department of Business and Trade on the proposed legislation."

- Has the UK Government indicated that it intends to consult councils on the proposal as it progresses through the EU legislative system?
- Have councils undertaken any stakeholder engagement on the proposal? If so, what was the outcome?

The UK government has not indicated to councils that it intends to consult on the proposals. Nonetheless, in many areas of regulation, central competent authorities with policy and legislative oversight roles at the national level would often engage with enforcement bodies (including local councils) to advise on upcoming changes in EU legislation, and when appropriate, provide additional guidance. For consumer product safety, OPSS are the central competent authority and are also the designated Single Liaison Office for the EU, in respect of product safety regulation in Northern Ireland. We would therefore suggest that the committee seeks an update from OPSS on its plans for engaging NI stakeholders in respect of forthcoming EU legislation to understand its impacts and to ensure that businesses and local councils are supported in its implementation.

Councils have not undertaken stakeholder engagements on the proposals. We would expect that the central competent authority for Product safety (OPSS) would engage with industry/businesses, consumer groups and enforcement bodies to assess and understand the impacts of forthcoming changes to, or additional, legislation that will apply in Northern Ireland. We are not aware of OPSS undertaking any such engagement in respect of the proposed regulations for Toy Safety.

In light of the information above, I am conscious that councils are unable to offer any additional insight to the original response. Councils are not best placed to advise the committee on the potential impacts, and we would expect that OPSS would support NI stakeholders in ensuring any new EU legislation to be applied in NI is fully understood and prepared for. We would therefore suggest that the committee directs these questions to OPSS.

Should the committee decide they still wish to question representatives from local councils, I must advise it would be preferable the Office of Product Safety and Standards be in attendance to provide the clarity required.

Yours sincerely

De Nod.

Marie Ward Chair, Solace NI

CC: Solace NI