

Committee for the Economy

Report on the Legislative Consent Memorandum for the Product Regulation and Metrology Bill

This report is the property of the Committee for the Economy.

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Report: NIA 97/22-27 - Committee for the Economy

Mandate 2022-27 2nd Report

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Powers and Membership

Powers

- 1. The Committee for the Economy is a Statutory Departmental Committee established in accordance with paragraphs 8 and 9 of Strand One of the Belfast Agreement and under Assembly Standing Order No 48. The Committee has a scrutiny, policy development and consultation role with respect to the Department for Communities and has a role in the initiation of legislation.
- 2. The Committee has power to:
 - consider and advise on Departmental budgets and Annual Plans in the context of the overall budget allocation;
 - approve relevant secondary legislation and take the Committee Stage of relevant primary legislation;
 - call for persons and papers;
 - initiate enquiries and make reports; and
 - consider and advise on matters brought to the Committee by the Minister of Communities.

Membership

3. The Committee has nine Members, including a Chairperson and Deputy Chairperson, and a quorum of five Members. The membership of the Committee is as follows:

Mr Phillip Brett MLA (Chairperson)

Mr Gary Middleton MLA (Deputy Chairperson)

Ms Diana Armstrong MLA¹²³

Mr Jonathan Buckley MLA

Mr Pádraig Delargy MLA

Mr David Honeyford MLA

Ms Sinéad McLaughlin MLA

Ms Kate Nicholl MLA4

Ms Emma Sheerin MLA5

¹On 17 June 2024 Mr Doug Beattie MC replaced Mr Mike Nesbitt

² On 9 September 2024 Mr Colin Crawford replaced Mr Doug Beattie MC

³ On 7 October 2024 Ms Diana Armstrong replaced Mr Colin Crawford

 $^{^{4}}$ On 9 September 2024 Ms Kate Nicholl replaced Ms Sorcha Eastwood MP

⁵ On 10 February 2025 Ms Emma Sheerin replaced Mr Philip McGuigan

Background

- 4. The Product Regulation and Metrology Bill was introduced at Westminster on 4 September 2024.
- 5. The UK's product safety and metrology framework is described as being derived from European Union law. On leaving the EU, the Department for the Economy (the Department) has advised UK set up an independent UK regime. The Bill is described as providing powers to the UK Government (UKG) "to address modern day safety issues to protect consumers, harness opportunities that deliver economic growth, and ensure a level playing field for responsible businesses operating online or on the high street."
- 6. Specifically, the Bill is described as providing the UKG with the power to:
 - respond to new product risks and opportunities, to keep pace with technological advances, such as AI, and address issues such as incidents from ingesting button batteries and fire risks associated with e-bikes.
 - identify new and emerging business models in the supply chain, ensuring the
 responsibilities of those involved in the supply of products, such as online
 marketplaces are clear and modernised for increasingly complex supply
 chains, to support consumers' confidence in the products they buy and whom
 they buy them from.
 - ensure that the law can be updated to allow a means of recognising new or updated EU product requirements, with the intention of preventing additional costs for businesses and provide regulatory stability.
 - enable improvements to compliance and enforcement reflecting the challenges of modern, digital borders. This Bill seeks to enable the Government and its regulators to tackle non-compliance and target interventions by allowing greater sharing of data between regulators and market surveillance authorities.
 - update the legal metrology framework, which governs the accuracy of weights and measures for purchased goods. This seeks to give consumers and business confidence in what they are buying and to allow for technological progress, including in support of net zero aims and infrastructure, for example enabling innovation whilst ensuring energy smart meters are accurate in their readings
- 7. The UK government asked the Assembly to provide consent for clauses 1 to 11 which include powers for the Secretary of State for Business and Trade (SoS DBT) to:
 - Make product regulations
 - Make product requirements
 - Enforce product regulations
 - Make metrology regulations
 - Enforce metrology regulations
 - Make regulations in respect of data sharing
 - Make regulations in respect of cost recovery

Consideration of the Legislative Consent Memorandum by the Committee

- 8. The Department provided evidence on the Bill at the Committee meetings of 29 January 2025 and 15 May 2025.
- 9. The Department advised that metrology other than units of measurement is generally devolved whereas product regulation is generally reserved. However, it was argued that the Bill is complex and some of the regulation-making powers relating to reserved matters may lead to overlap with devolved issues including those under the remit of other departments. In particular the Bill as introduced gave the SoS DBT powers to make regulations related to environmental impacts likely of interest to DAERA and the broad definition of product allows regulations to be made in areas where other departments have competence for many products. Examples were thought to include:
 - DAERA, fertilisers and chemicals,
 - Department for Infrastructure, vehicle type approvals and;
 - Department of Justice, firearms and explosives.
- 10. Further to the above, the Department argued that although much of the provisions of the Bill would be subject to the Windsor Framework in Northern Ireland, where matters fall outside of the Windsor Framework, it was indicated that they are likely to be reserved but may indeed go beyond this to included devolved matters.
- 11. The Committee noted the relevant DBT impact assessment which indicated that in order to ensure dual access to both the UK Internal Market and the EU Single Market, Northern Ireland continues to apply certain EU product safety and metrology rules under the Windsor Framework. Further to this, DBT argued that the powers conferred by this Bill would ensure that the UK Government can continue to respond to any new EU legal developments that may have internal market impacts and facilitate the continued smooth flow of goods between GB and Northern Ireland.
- 12. The Committee understood this to mean that DBT was indicating that the Bill would allow the UK Government to apply changes to EU product regulation and metrology rules (which might apply in Northern Ireland, subject to the Windsor Framework) to the rest of the UK. In this way, divergence between NI and the rest of the UK internal market could be minimised.
- 13. The Committee noted previous correspondence from the Windsor Framework Democratic Scrutiny Committee. This indicated that as the Bill was not amending nor replacing EU law and nor was it new EU law, it was not within the scope of that Committee's purpose and functions and the matter was therefore referred to the Committee for the Economy.
- 14. The Committee noted that the Scottish Government had argued that the Bill as introduced did not contain any consent mechanism which would prevent the Secretary of State from using the powers in devolved areas without the consent of Scottish Ministers even though this could lead to divergence from EU law on devolved matters and lead to the repeal of Scottish legislation. The Scottish Government therefore had indicated, at that time, that it did not believe that the

Bill as introduced incorporated mechanisms to recognise properly devolved responsibility for these matters.

- 15. The Committee noted that the Welsh Government had indicated that it was supportive of the Bill with respect to its role in facilitating the smooth functioning of the UK Internal Market. However, it called, at that time, for further engagement with the UK Government on the enabling powers in clauses 1(1)(a), 1(1)(b) and 1(2), and the role of the Welsh Ministers and the Senedd in this area.
- 16. In order to inform its understanding, the Committee sought and subsequently received from the Department sight of the relevant consultation papers particularly in respect of consumer and business groups in NI; and clarity on the timeframes for the legislation.
- 17. The Committee noted subsequent relevant correspondence between DBT and the House of Lords Northern Ireland Scrutiny Committee.
- 18. On 14 May 2025, the Committee considered proposed UKG amendments to the Bill which would require the agreement of the Northern Ireland departments prior to the passage of related delegated legislation. The Committee noted that the Minister for the Economy had accepted the proposed amendment and laid a related legislative consent memorandum. The Committee noted that the Minister had indicated that subject to the UKG amendments and in the interest of good government that so far as the provisions of the Bill deal with a devolution matter, they should extend to Northern Ireland.
- 19. The Committee sought, and the Department provided, assurances that, subject to the approval of the relevant NI Executive departments, the Bill would indeed permit the SoS DBT to introduce legislation which would apply changes to EU product regulation and metrology rules (which might apply in Northern Ireland under the Windsor Framework) to the rest of the UK. In this way, divergence between NI and the rest of the UK internal market could be minimised in respect of relevant matters including but not limited to: eco-design, product safety, Artificial Intelligence, and lithium ion batteries etc..
- 20. On this basis, the Committee agreed that it was content to support the anticipated Legislative Consent Motion.
- 21. The Committee ordered this report to be printed on 21 May 2025 in order to inform the anticipated Legislative Consent Motion debate.

Appendices

Appendix 1: Written submissions

Written submissions in respect of the Product Regulation and Metrology Bill

Appendix 2: Minutes of Evidence

Minutes of Evidence – 29 January 2025

Minutes of Evidence – 14 May 2025

Appendix 3: Minutes of Proceedings

Minutes of Proceedings – 29 January 2025

Minutes of Proceedings – 14 May 2025

Minutes of Proceedings – 21 May 2025