

Product Risk Radar

The Product Security and Telecommunications Infrastructure Act 2022

Last updated: 15 January 2024

What are the key takeaways?

Summary:

- The Product Security and Telecommunications Infrastructure Act 2022 (“**the Act**”), which became law in December 2022, seeks to ensure that consumer connectable devices are better protected from cyber-attacks and are designed more securely at the manufacturing stage against cyber-attacks. It also aims to improve digital connectivity for individuals and businesses.
- The Act is complemented by the Product Security and Telecommunications Infrastructure (Security Requirements for Relevant Connectable Products) Regulations 2023 (“**the Regulations**”), which were introduced in September 2023. The Regulations specify the requirements for manufacturers' compliance with the Act.
- The new law defines applicable products (clarifying that the Act covers specifically those products related to the Internet of Things (**IoT**), such as smart TVs, security cameras, and alarm systems), grants powers to specify product requirements, imposes duties on relevant persons (manufacturers, importers, and distributors), and confers enforcement powers on the Secretary of State (such as fines of £10 million or 4% of global revenues, compliance and stop notices).

Why has the Act been introduced?

- IoT devices continue to be reported as possessing inadequate cybersecurity, which leaves consumers vulnerable to cyber-attacks.
- The Government aims to provide gigabit-capable coverage to at least 85% of UK premises within the next 3 years to enable a faster and more reliable connectivity network. Additionally, the Government wants to increase 4G coverage to 95% in the UK by 2025 while also attaining nationwide coverage of standalone 5G to all populated areas of the UK by 2030.

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Why should your business care?

The new regime will come into full effect on 29 April 2024.

Manufacturers, importers, and distributors have a duty to comply with the security requirements, which are likely to include password requirements, as well as vulnerability disclosure rules and after sales reporting requirements.

They also have duties to investigate potential compliance failures, to take appropriate corrective action, and to maintain records.

The Act imposes potentially onerous (and continuing) duties on relevant persons throughout the product lifecycle, so taking legal advice on the Act is recommended.

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