July 2023

Introduction

- 1. The Welsh Government laid a Legislative Consent Memorandum No.1 ("LCM No.1") in respect of the Data Protection and Digital Information (No. 2) Bill before the Senedd on 29 March 2023.1
- 2. The Business Committee referred the LCM No.1 to this Committee and to the Legislation, Justice and Constitution Committee with a reporting deadline of 8 June 2023. Subsequently, the Business Committee extended this reporting deadline to 6 July 2023.
- **3.** The Welsh Government laid Legislative Consent Memorandum No.2² ("LCM No.2") in respect of the Bill on 25 May 2023.
- **4.** The Business Committee referred LCM No.2 to this Committee and to the Legislation, Justice and Constitution Committee with a reporting deadline of 15 September 2023. As a result of the second memorandum, this deadline applies to both LCM No.1 and No.2.

² Legislative Consent Memorandum No.2 on the Data Protection and Digital Information (No.2) Bill



¹ Legislative Consent Memorandum No.1 on the Data Protection and Digital Information (No.2) Bill

1. Our approach

5. The Committee considered LCM No.1 at its meeting on 25 May 2023.³ LCM No.2 was considered on 29 June 2023.⁴ Both are being reported upon at the same time.

The Data Protection and Digital Information (No. 2) Bill

- **6.** The Data Protection and Digital Information (No. 2) Bill⁵ ("the Bill") was introduced into the House of Commons on 8 March 2023.
- 7. The main policy objective of the Bill, as described in the Explanatory Notes⁶ to the Bill, is to "...update and simplify the UK's data protection framework with a view to reducing burdens on organisations while maintaining high data protection standards". It also contains provisions, amongst others, to reform the regulator (the Information Commissioner, establish a framework for the provision of digital verification services (DVS) in the UK, and reform the way in which births and deaths are registered in England and Wales.
- **8.** The original Data Protection and Digital Information Bill⁷ was originally laid in the House of Commons on 18 July 2022. However, this Bill was paused prior to its second reading and subsequently withdrawn on 8 March 2023. The Bill replaces the original Data Protection and Digital Information Bill.

3. Provisions for which consent is being sought

- **9.** Standing Order 29 provides that the Welsh Ministers must lay a legislative consent memorandum where a UK Bill makes provision in relation to Wales:
 - a. for any purpose within the legislative competence of the Senedd (apart from incidental, consequential, transitional, transitory, supplementary or

³ Culture, Communications, Welsh Language, Sport, and International Relations Committee meeting - 25 May 2023

⁴ Culture, Communications, Welsh Language, Sport, and International Relations Committee meeting - 29 June 2023

⁵ Data Protection and Digital Information (No. 2) Bill

⁶ Explanatory Notes for Data Protection and Digital Information (No. 2) Bill

⁷ Data Protection and Digital Information Bill

- savings provisions relating to matters that are not within the legislative competence of the Senedd); or
- b. which modifies the legislative competence of the Senedd.
- **10.** LCM No.2 describes the changes made to the Bill at Committee stage in the Commons which, in the view of the Welsh Government, require the Senedd's legislative consent.
- 11. As the Committee is reporting on both LCMs at the same time, the consent which is being sought is outlined under each subheading.
- **12.** Reference to clauses are made as numbered on the Bill's introduction in both LCM No.1 and LCM No.2. This report subsequently refers to clauses as numbered on introduction. But it should be noted that clause numbering has since changed following amendments made to the Bill at Committee Stage in the House of Commons.

Legislative Consent Memorandum No.1

- 13. Paragraphs 28 and 29 of LCM No.1 explains that the UK Government is not in agreement that clauses 54 and 56 (Part 2, Digital Verification Services, Information Gateway) require the legislative consent of the Senedd. Instead, the UK Government has stated in correspondence sent to the First Minister by Julia Lopez MP, Minister of State in the Department of Science, Innovation and Technology on 7 March 2023 that it would be seeking legislative consent from the Senedd in respect of three areas within the Bill:
 - a. Part 3, Customer Data and Business Data;
 - b. Part 4, Disclosure of information to improve public service delivery to undertakings; and
 - c. Part 4, Implementation of law enforcement information-sharing agreements.8

Clauses 54 and 56 - Part 2, Digital Verification Services, Information Gateway

14. Clause 54 creates a permissive gateway enabling public authorities to share information relating to an individual with an organisation registered on the newly

⁸ Letter from the First Minister to the Legislation Justice and Constitution Committee: Legislative Consent: Data Protection and Digital information (No.2) Bill - 14 June 2023

established DVS register (the establishment of which is required by clause 48), where the individual makes a request to the registered organisation to provide DVS.

- **15.** Clause 56(1) sets out that the Secretary of State must publish a code of practice regarding the disclosure of information under clause 54. This code must be consistent with the data sharing code prepared and issued under the Data Protection Act 2018 (clause 56(2)). Clause 56(3) requires public authorities to have regard to the code of practice when disclosing information under clause 54.
- **16.** The UK Government is of the view that clauses 54 and 56 do not require the Senedd's consent. Paragraph 93 of the Explanatory Notes to the Bill explains that the 'internet services' reservation (paragraph 84, section C9 (Telecommunications and wireless telegraphy) of Schedule 7A to the Government Of Wales Act 2006 ("GOWA 2006")) applies to DVS provisions. However, paragraph 888 of the Explanatory Notes goes on to state that the telecommunications reservation (paragraph 83, section C9 (Telecommunications and wireless telegraphy) of Schedule 7A to GOWA 2006) applies. It is not clear why this inconsistency exists in different parts of the Explanatory Notes.
- 17. Regardless, the Welsh Government is of the view that the UK Government takes an "extraordinarily wide interpretation" of the reserved matter of 'internet services' (see paragraphs 29 and 30 of LCM No.1). In its view, to follow this interpretation would suggest that any service that is provided via the internet would be captured by the reservation. Instead, the Welsh Government's view is that these clauses relate to devolved matters of public services, economy and business and are, therefore, "relevant provisions" for the purposes of Standing Order 29 (see paragraphs 17 and 18 of LCM No.1).
- **18.** Neither LCM No.1 or No.2 address the reference made to the telecommunications reservation in the Explanatory Notes.
- **19.** Clause 54 relates to the specific purpose of providing public authorities with an information gateway to share information relating an individual (i.e. personal data) with an organisation registered on the DVS register, so long as consent is provided. Clause 56 is ancillary to clause 54 and provides for the publication of a related code of practice.

Clauses 61 to 77 - Part 3, Customer Data and Business Data

- **20.** These clauses make provision about sharing customer and business information to improve data portability (Smart Data) in order to improve the quality of service provided to the customer and to businesses.
- **21.** The improvement in data portability between suppliers, service providers, customers, and relevant third parties is designed to (as explained in the Explanatory Notes to the Bill, at paragraph 39):
 - a. Rebalance the information asymmetry between suppliers and customers;
 - b. Enable customers to make better use of their personal data, for example by enabling accurate tariff comparisons and providing access to better deals;
 - Enabling customers to benefit from a more competitive marketplace, including through lower prices and higher quality goods and service delivery;
 - d. Provide new services in and across the sectors, such as those which may help consumers save and manage their money and services.
- **22.** Clause 62 provides the principal regulation-making power in relation to customer data. Clause 62(1) enables the Secretary of State or the Treasury to make regulations requiring data holders to provide customer data either directly to a customer at their request or to a person authorised by the customer to receive the data, at the request of the customer or the authorised person.
- **23.** Clause 62(2)(a) enables regulations to provide for the production, collection and retention of customer data so that, as explained at paragraph 466 of the Explanatory Notes, "data holders have specific data to hand in order to ensure that Smart Data schemes can operate consistently and effectively."
- **24.** The Explanatory Notes explain that (at paragraph 465):

"...it is envisaged that data will be provided to an authorised person rather than the customer since the authorised person will be best able to make use of the data on the customer's behalf (in the provision of innovative services such as account management services via a visual dashboard of accounts, displayed on a smartphone app) but the regulation-making powers have been kept broad to allow [...] for direct provision of data to customers in the future."

- **25.** Clause 64 provides the principal regulation-making power in relation to business data. Clause 64(1) enables the Secretary of State or the Treasury to make regulations requiring data holders to provide business data to a customer or to third parties eligible to receive data under the regulations (such as an authorised person referred to in the context of clause 62(1)). Additionally, regulations may require data holders to publish business data.
- **26.** Similar to clause 62(2)(a), clause 64(2) enables the Secretary of State or the Treasury to make regulations to provide for the production, collection and retention of business data. The purpose of this power is to require data holders to have specific data to hand in order to ensure that Smart Data schemes can operate consistently and effectively.
- **27.** Clause 73 is designed to ensure that the regulations may provide for the processing of information under the regulations not to breach an obligation of confidence or other restriction on the processing of information.

Clause 92- Part 4, Disclosure to improve public service delivery to undertakings

- **28.** This clause amends section 35 of the Digital Economy Act 2017 ("DEA 2017") to enable the sharing of information to improve the delivery of public services to businesses, expanding on the existing gateway which allows specified public authorities to share information to improve the delivery of public services to individuals and households.
- **29.** 'Specified persons' are listed in Schedule 4 to the DEA 2017 and include 'Welsh Bodies' (various devolved Welsh authorities).
- **30.** Section 35 of the DEA 2017 allows the "appropriate national authority" to make regulations to add "specified persons" and "specified objectives". The "appropriate national authority" includes the Welsh Ministers in relation to Wales.
- **31.** LCM No.1 indicates that consent is required for clause 92 (see paragraph 23 of the LCM).

Clause 93 - Part 4, Disclosure to improve public service delivery to undertakings

- **32.** Prior to amendment at Committee Stage in the Commons, this clause provided a Delegated Power to the Secretary of State to implement, via regulations, international agreements relating to the sharing of information for law enforcement purposes. "Law enforcement purposes" is defined in clause 93(7) as meaning the prevention, investigation, detection or prosecution of criminal offence or the execution of criminal penalties, including the safeguarding against, and the prevention of, threats to public security.
- **33.** Following amendment, the clause provides a concurrent power to the Welsh Ministers in relation to devolved matters (see Amendments 8-16 and NC5, as explained below).
- **34.** The prevention, detection and investigation of crime is reserved under paragraph 39, Section B5 (Crime, public order and policing) of Schedule 7A to GOWA 2006. However, clause 93 also makes provision for the prosecution of criminal offences or the execution of criminal penalties. The Senedd has legislative competence to make provision for the prosecution of criminal offences and execution of criminal penalties on a wide range of devolved matters.

Delegated powers

- **35.** The Bill contains numerous delegated powers which allow the Secretary of State and the Treasury to make regulations under the Bill. The UK Government's justification for the conferment of these powers is outlined in its Delegated Powers Memorandum to the Bill.⁹
- **36.** The amendments made by clause 92 of the Bill to section 35 of the DEA 2017 have the effect of extending a pre-existing delegated power exercisable by the Welsh Ministers in relation to Wales. Section 35 of the DEA 2017 contains delegated powers to (i) specify data sharing objectives, and (ii) specify public authorities that can share data for a specified objective by amending Schedule 4 to the DEA 2017 (a Henry VIII power). The DEA 2017 allows the "appropriate national authority" to make regulations to add "specified persons" and "specified objectives" by amending Schedule 4 to the DEA 2017.

⁹ UK Parliament: <u>Data Protection and Digital Information (No. 2) Bill: Memorandum from the Department for Science, Innovation and Technology to the Delegated Powers and Regulatory Reform Committee - March 2023 [PDF 488KB]</u>

- **37.** Clause 92 extends the section 35 public delivery power to include businesses and charitable bodies. Currently, the power only extends to public services delivered to individuals or households. The extension means that "specified objectives" may have an objective to improve a public service provided to businesses and/or charitable bodies, so long as other conditions in clause 92 are met.
- **38.** Standing Order 29.3 provides that a legislative consent memorandum must:

"(ii) specify the extent to which the Bill makes (or would make) relevant provision; (iii) explain whether it is considered appropriate for that provision to be made and for it to be made by means of the Bill; (iv) where the Bill contains any relevant provision conferring power to make subordinate legislation on Welsh Ministers, set out the Senedd procedure (if any) to which the subordinate legislation to be made in the exercise of the power is to be subject;"

39. The First Minister explained to the Legislation, Justice and Constitution Committee that reference to the extension of this power was not included in LCM No.1 as it is a modification of an existing power, rather than a conferral of a power. The First Minister added that, for completeness, the regulation making power in section 35 of the Digital Economy Act 2017 (the power being modified), is subject to the affirmative procedure.¹⁰

Policy difference between England and Wales

- **40.** Clause 36 inserts new section 148A into the Data Protection Act 2018. This new section makes provision about interview notices, which can be used to require a person to attend an interview and answer questions when required by the Information Commissioner (the "Commissioner").
- **41.** Additionally, clause 36 inserts new section 148B, which places certain restrictions on the circumstances in which the Commissioner can require a person to answer questions under an interview notice. Subsection (9) lists bodies to whom the Commissioner cannot give an interview notice, including:

¹⁰ Correspondence from the First Minister to the Legislation, Justice and Constitution Committee on 14 June 2023 regarding Supplementary Legislative Consent Memorandum (Memorandum No. 2) on the Data Protection and Digital Information Bill

"...the Office for Standards in Education, Children's Services and Skills in so far as it is a controller or processor in respect of information processed for the purposes of functions exercisable by His Majesty's Chief Inspector of Education, Children's Services and Skills by virtue of section 5(1)(a) of the Care Standards Act 2000."

- **42.** The functions referenced relate to the registration of children's homes in England, residential family centres in England, fostering agencies in England or, where the activities of a fostering agency are carried on from two or more branches, the branches in England, voluntary adoption agencies whose principal office is in England, and adoption support agencies in England or, where the activities of an adoption support agency are carried on from two or more branches, the branches in England.
- **43.** The Committee notes the response provided by the First Minister to the Legislation, Justice and Constitution Committee on 14 June where he states:

"I have asked my officials to consider our position with regard to these provisions, where Welsh Ministers are the regulator for the equivalent services in Wales, namely Care home services provided wholly or mainly for children, Residential family centres, Fostering services and Adoption services."

Legislative Consent Memorandum No.2

Amendment NC3 - Information disclosed by the Welsh Revenue Authority

44. LCM No.2 explains that, following discussions with UK government officials, the UK Government tabled amendment NC3. This amendment sets out that, where the Welsh Revenue Authority discloses information for the provision of DVS under clause 54 (now clause 56 following other amendments made to the Bill at Committee stage), further disclosure of that information is prevented without the consent of the Welsh Revenue Authority.

¹¹ Correspondence from the First Minister to the Legislation, Justice and Constitution Committee on 14 June 2023 regarding Supplementary Legislative Consent Memorandum (Memorandum No. 2) on the Data Protection and Digital Information Bill

- **45.** This provision was sought by the Welsh Government in response to similar provision which exists in relation to information disclosed by HM Revenue and Customs.
- **46.** The Welsh Government is of the view that this amendment makes "relevant provision" for the purposes of Standing Order 29. However, LCM No.2 (at paragraph 27) explains that the UK Government are not in agreement that the amendment requires the legislative consent of the Senedd as it is of the view that DVS will always involve use of the internet in some way and, therefore, argue that the "internet services" reservation is engaged.
- **47.** The purpose of the new clause inserted by Amendment NC3 (now clause 58 following other amendments made to the Bill at Committee stage) is to, along with clauses 54 and 56 (now clauses 56 and 60 following other amendments made to the Bill at Committee stage), facilitate the provision of a digital service. That service will invariably be provided online.
- **48.** Clauses 54 and 56 (now clauses 56 and 60 respectively) were identified by the Welsh Government as requiring legislative consent in its LCM No.1. No other provisions in Part 2 of the Bill, which relate to DVS, were identified as requiring legislative consent. The Legislation, Justice and Constitution Committee wrote to the Welsh Government on 15 May 2023, requesting further information as to why legislative consent was not sought in relation to other substantive clauses of Part 2. A response was received on 14 June 2023. In the response, the First Minister noted that:

"Clauses 54 and 56 confer a power on public authorities to provide personal information about individuals (subject to consent) to organisations providing Digital Verification Services (DVS). The purpose is to facilitate the provision of DVS and improve the service offered to the user. Unlike the other clauses in Part 2, they do not relate to the regulation of DVS."12

Amendment 46 - Change to clause 61 (Customer data and business data)

49. Clauses 61-77 (Part 3), as introduced, make provision about sharing customer and business information to improve data portability (Smart Data). These clauses

¹² Correspondence from the First Minister to the Legislation, Justice and Constitution Committee on 14 June 2023 regarding Supplementary Legislative Consent Memorandum (Memorandum No. 2) on the Data Protection and Digital Information Bill

allow for the secure sharing of data, upon the customer's request, with authorised third-party providers (ATPs), who would then use the data to provide services to the customer, including automatic account switching, personalised market comparisons and account management services. The customer can be a consumer or a business.

- **50.** Amendment 46 is a technical amendment made to the definition of "business data" in clause 61 (now clause 65 following other amendments made to the Bill at Committee stage). That definition refers to the supply or provision of goods, services and digital content. The amendment provides that another part of that definition refers to what is *supplied*, as well as what is provided, to ensure consistency across the definition. As introduced, that part of the definition only referred to what was provided.
- **51.** The view of the Welsh Government is that the purpose of Part 3 of the Bill relates to business and economy. As such, the provisions of Part 3 were included in LCM No.1 as requiring Senedd legislative consent. As the amendment falls within Part 3, legislative consent is required.
- **52.** LCM No.2 states (at paragraph 26) that the UK Government agrees that legislative consent is required for Amendment 46.

Amendments 8-16 and NC5, relating to clause 93 (Implementation of law enforcement information sharing agreements) clause 108 (Regulations) meaning of "appropriate authority"

- **53.** LCM No.2 explains (at paragraph 22) that discussions have been held between the Welsh Government and UK Government officials in relation to clause 93 which, as introduced, confers powers on the Secretary of State to make regulations, as they deem appropriate, for the purpose of implementing an international agreement relating to sharing information for law enforcement purposes.
- **54.** LCM No.1 set out the Welsh Government's view that Welsh Ministers should be given appropriate powers to make regulations for such purpose within the Senedd's legislative competence. As introduced, the Bill provided that the power would be exercised by the Secretary of State only.
- **55.** As a result of discussions, the UK Government tabled amendments 8-16 and NC5.

- **56.** Paragraph 24 of LCM No.2 sets out in detail the effect of these amendments. A number of the amendments are consequential. But the main effect of these amendments, in particular Amendments 8, 10 and NC5, is to enable the regulation-making power conferred by clause 93 (now clause 99 following other amendments made to the Bill at Committee stage) to be exercised concurrently by the Secretary of State and, in relation to devolved matters, the Welsh Ministers and Scottish Ministers.
- **57.** The regulation-making powers of the Welsh Ministers would be subject to the negative resolution procedure.
- **58.** The Welsh Government is of the view that legislative consent is required as regulations made under this power could make provision for a purpose within the Senedd's legislative competence insofar as they relate to the implementation of international agreements in devolved areas (as set out at paragraph 25 of LCM No.2).
- **59.** LCM No.2 states (at paragraph 26) that the UK Government agrees that legislative consent is required for Amendments 8-16 and NC5.
- **60.** The implementation of international obligations insofar as they relate to devolved areas is a devolved matter. Elements of "law enforcement purposes" (as defined in the Bill) are also devolved, such as the prosecution of criminal offences or the execution of criminal penalties in devolved areas.

4. Reasons for making provisions for Wales in the Bill

Legislative Consent Memorandum No.1

- **61.** The Welsh Government has concluded that it is appropriate to recommend consent in respect of clause 54 (Part 2, Digital Verification Services) and clause 92 (Part 4, Disclosure of information to improve public service delivery to undertakings).
- **62.** However, the Welsh Government has concluded that it is not appropriate to recommend consent for the remaining provisions to which the Welsh Government consider that the Senedd's consent is required, namely:
 - a. Clause 56 (Part 2, Digital Verification Services);

- b. Clauses 61 to 77 (Part 3, Customer Data and Business Data); and
- c. Clause 93 (Part 4, Implementation of law enforcement information-sharing agreements).
- **63.** The Welsh Government explains at paragraph 36 of the LCM No.1 that the vast majority of the Bill concerns matters reserved as a result of the data protection reservation, the sale and supply of goods and services to consumers reservation, the telecommunications reservation and the reservation for the registrations of births, deaths and places of worship, as set out in Schedule 7A to GOWA 2006. As such, it believes that, "it may be appropriate for these provisions to be made through a UK Bill".
- **64.** However, LCM No.1 goes on to explain that there are matters of concern which will need to be resolved before it can recommend the Senedd gives consent to the Bill. To summarise:
 - a. In relation to clause 56, the Welsh Government explains that further consideration needs to be given to the devolved implications of a UK wide Code of Practice relating to the permissive data sharing power provided at clause 54 of the Bill (paragraphs 38 and 39 of the LCM No.1);
 - b. In relation to clauses 61 to 77, the Welsh Government explains that further consideration needs to be given to the devolved implications of the regulation making powers being given to the Secretary of State and Treasury by those clauses (paragraphs 40 to 42 of the LCM No.1).
 - c. In relation to clause 93, it is the view of the Welsh Government that Welsh Ministers should be given appropriate powers to make regulations for the purpose of implementing an international agreement relating to sharing information for the aspects of law enforcement within the Senedd's legislative competence. The Bill currently provides that the power would be exercisable by the Secretary of State. Paragraph 44 of the LCM explains that the issue is subject to ongoing discussions between the Welsh and UK Governments.
- **65.** The Committee notes that the First Minister explains, in a letter to the Legislation, Justice and Constitution Committee dated 14 June 2023, that Welsh Government officials are considering, in relation to clause 56:

"...whether the powers provided to the Secretary of State in relation to clause 56 are appropriate as the resulting Code of Practice would apply to Welsh public bodies."

66. The Committee also notes that, in the same letter, the First Minister explains that, in relation to clauses 61-77, Welsh Government officials are currently considering:

"...whether the powers provided to the Secretary of State and Treasury in respect of clauses 61-77 are appropriate and whether it would be appropriate for Welsh Ministers to have powers in this area." ¹³

67. LCM No.1 expresses (at paragraphs 33 to 35 of the LCM) the Welsh Government's concerns in relation to the Bill more generally, including, in its view, the potential to undermine individual rights, dilute the independence of the Information Commissioner's Office as the regulator, and the risk to the UK's current adequacy decision which was granted by the EU for an initial period of four years in June 2021.

Legislative Consent Memorandum No.2

68. LCM No.2 states as follows, at paragraph 35:

"In my view it may be appropriate to deal with these provisions in this UK Bill, as the Bill represents the most effective way for these provisions to come into force."

- **69.** The Welsh Government indicates that it considers it appropriate to recommend legislative consent be given in respect of Amendment NC3 (Information disclosed by the Welsh Revenue Authority).
- **70.** However, it does not consider it appropriate to recommend consent be given in relation to the other provisions until further discussions have been held with the UK Government.

¹³ Correspondence from the First Minister to the Legislation, Justice and Constitution Committee on 14 June 2023 regarding Supplementary Legislative Consent Memorandum (Memorandum No. 2) on the Data Protection and Digital Information Bill

- 71. The Welsh Government's concerns are outlined in more detail at paragraphs 30-32 of LCM No.2. But it reiterates the concerns outlined in LCM No.1 in relation to regulation-making powers being given to the Secretary of State by Part 3 of the Bill (Customer and Business Data), as well as opposition to the use of a concurrent power in relation to the implementation of law enforcement information-sharing agreements.
- **72.** Specifically in relation to these agreements, the Welsh Government outlines its concern about the lack of a consent mechanism in response to the potential exercise of the power by the UK Government. It explains that Welsh Government officials requested that concurrent plus powers be given to Welsh Ministers for this purpose.

5. UK-EU considerations

73. As the Committee responsible for international relations, we recognise that the Bill intersects directly with UK-EU relations. It is from this perspective that we have considered this aspect of the Bill.

Data adequacy

- **74.** As outlined in paragraph 62 of this report, the Welsh Government is concerned that the Bill could pose a risk to the UK's adequacy decision, granted by the European Commission for an initial four-year period in June 2021.
- **75.** The European Commission has the power to determine whether a country outside the EU offers adequate levels of data protection. An adequacy decision means that no further safeguards are necessary for the flow of personal data from the EU, Norway, Liechtenstein and Iceland to third countries, such as the UK.
- **76.** The Committee notes the Welsh Government's concern on this matter, and the First Minister's correspondence to the Legislation, Justice and Constitution Committee dated 15 May 2023¹⁴. The Committee believes that sharing of data between the UK and EU is a crucial element of post-Brexit UK-EU relations. The Committee is concerned that elements referred to in the LCM could pose a risk to the current and future adequacy decisions.

¹⁴ Correspondence from the Legislation, Justice and Constitution Committee to the First Minister on 15 May 2023.

Trade and Cooperation Agreement

77. The Committee notes that the UK-EU Trade and Cooperation Agreement places duties on matters covered by the Bill, including on personal data protection, cross-border data transfers, and law enforcement cooperation.

6. Conclusions

- **78.** With regard to LCM No.1, the Committee is not of the view that consent is required for clauses 54 and 56 as they do not make provision for reason within the legislative competence of the Senedd. However, the Committee is of the view that consent is required for clauses 61 to 77, 92 and 93 respectively.
- **79.** On LCM No.2, the Committee is not of the view that consent is required for amendment NC3. The Committee is of the view that consent is required for amendment 46, amendments 8-16, and NC5 in relation to clause 93, clause 108, and the meaning of "appropriate national authority".
- **80.** The Committee acknowledges the concerns expressed by the Welsh Government with regards to the UK's EU adequacy decision.

Recommendation 1. In light of the potential risks outlined by the Welsh Government to the UK's EU data adequacy decision, we call on the Welsh Government to provide regular updates to the Committee on the Bill's impact on UK-EU relations, including intergovernmental discussions on the Bill as it progresses through the UK Parliament and on an ongoing basis should it be enacted.