

## The Information Commissioner's Office response to the Department for Business & Trade (DBT) consultation *Invest 2035: the UK's Modern Industrial Strategy*

### About the ICO

1. The Information Commissioner's Office (ICO) welcomes the opportunity to respond to the government's open consultation *Invest 2035: the UK's Modern Industrial Strategy* (the Green Paper).
2. The ICO has responsibility for promoting and enforcing the UK General Data Protection Regulation (UK GDPR), the Data Protection Act 2018 (DPA), the Freedom of Information Act 2000 (FOIA), the Environmental Information Regulations 2004 (EIR), the Privacy and Electronic Communications Regulations 2003 (PECR), and the Network and Information Systems Regulations 2018 (NIS Regulations). The ICO is independent from government and upholds information rights in the public interest, promoting openness by public bodies and data privacy for individuals. We do this by providing guidance to individuals and organisations and taking appropriate action where the law is broken.
3. The ICO is a whole-economy regulator, in that many of the laws we oversee apply to any organisation that undertakes specified activities and are therefore not limited to any individual sector of the economy. This wide remit is further bolstered by the role that digital services play in underpinning economic activity across every sector of the economy, and the immense value that organisations in all sectors are deriving from the personal data they collect. It is therefore vital that our regulatory approach supports sustainable economic growth throughout the UK economy, while ensuring that individuals are protected from harm. The ICO25 strategic plan<sup>1</sup> sets out our vision for delivering on these objectives, and highlights promoting regulatory certainty,

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<sup>1</sup> <https://ico.org.uk/about-the-ico/our-information/our-strategies-and-plans/ico25-plan/>

empowering responsible innovation and sustainable economic growth, and safeguarding the public as key priorities.

4. In line with our regulatory remit, our comments are limited to the elements of the Green Paper that relate to information rights, personal data and cyber security.

## Executive Summary

5. We recognise the importance of the proposed Industrial Strategy, the drivers that sit behind it and the outcomes it is seeking to achieve. As a whole economy regulator, we are well-positioned to support the delivery of the Industrial Strategy, both within the growth-driving sectors and beyond. We stand ready to assist the government with developing its plans for boosting economic activity and growth.
6. Our regulatory approach has a strong focus on encouraging sustainable economic growth, in line with our statutory duties to have regard for economic growth,<sup>2</sup> and proposed duties to have regard for innovation and competition.<sup>3</sup> Our efforts – including providing advice and support for businesses to reduce the compliance burden and help them develop innovative products and services – already deliver significant value for the organisations we regulate, while maintaining strong protections for individuals.
7. We welcome the Green Paper's focus on using and sharing data to support the delivery of the proposed Industrial Strategy. We also welcome the Green Paper's recognition that public trust and security are critical to the successful use or sharing of data (particularly public sector data), and emphasise the role that effective regulation of information rights plays in building this trust.
8. We recommend the Industrial Strategy explicitly acknowledge the need for organisations to take a 'data protection by design and default'

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<sup>2</sup> Deregulation Act 2015, section 108(1).

<sup>3</sup> Data (Use and Access) Bill, section 120B (Duties in relation to functions under the data protection legislation).

approach to any initiatives involving the use or sharing of data. This should include highlighting the ICO's Data Sharing Code of Practice,<sup>4</sup> Data Protection Audit Framework<sup>5</sup> and guidance on privacy-enhancing technologies.<sup>6</sup>

9. We note the importance of the UK having a strong, independent and consistent regulatory landscape in attracting trade and investment from overseas. We welcome the government's commitment to maintaining the UK's adequacy status with the EU through the Data (Use and Access) (DUA) Bill, which our engagement with stakeholders tells us is a top priority for many UK businesses and the economy as a whole.

## Regulatory environment

*19) How can regulatory and competition institutions best drive market dynamism to boost economic activity and growth?*

*20) Do you have suggestions on where regulation can be reformed or introduced to encourage growth and innovation, including addressing any barriers you identified in question 7?*

10. We agree with the Green Paper that the regulatory environment in which the UK's growth-driving sectors operate is "an important determinant of their success". Dynamic, well-resourced and effective regulatory institutions are important drivers of sustainable economic growth. Regulators boost economic activity and growth by:
  - a. Providing guidance and support to businesses and the public, which reduces the cost of compliance, increases regulatory certainty, and boosts responsible investment and innovation; and

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<sup>4</sup> <https://ico.org.uk/for-organisations/uk-gdpr-guidance-and-resources/data-sharing/data-sharing-a-code-of-practice/>

<sup>5</sup> <https://ico.org.uk/for-organisations/advice-and-services/audits/data-protection-audit-framework/>

<sup>6</sup> <https://ico.org.uk/for-organisations/uk-gdpr-guidance-and-resources/data-sharing/privacy-enhancing-technologies/>

- b. Making efficient and effective regulatory interventions, which level the playing field, tackle unfair advantages, and improve public trust and confidence.
11. The ICO (along with many of the UK's other regulatory institutions) already has a statutory duty to have regard to the desirability of promoting economic growth in the exercise of our regulatory functions (the Growth Duty).<sup>7</sup> Under the accompanying Growth Duty Performance Framework,<sup>8</sup> we report on the activities we undertake in support of the Growth Duty. We also have an obligation under the Regulators' Code to "consider how [we] might support or enable economic growth".<sup>9</sup> In addition, the DUA Bill, if passed, would introduce duties for the ICO to have regard to the desirability of promoting innovation and competition.<sup>10</sup> We take these duties seriously, including by enshrining "empowering responsible innovation and sustainable economic growth" as one of our strategic enduring objectives in ICO25.<sup>11</sup> As a competent authority under the NIS Regulations, we also have a duty to support key providers of digital infrastructure (such as cloud services, online marketplaces and search engines) to implement effective cyber security systems.
12. The Green Paper states that "the government is keen to understand how current regulations and the regulatory environment are impacting the growth-driving sectors". Our work promoting and enforcing the UK's regulatory framework for data protection, information rights and cyber security boosts economic activity and growth, including across the growth sectors. We do this by:
- a. **Providing advice and support to organisations**, to help them use data to invest and innovate responsibly and with confidence.

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<sup>7</sup> Deregulation Act 2015, section 108(1).

<sup>8</sup> <https://www.gov.uk/government/publications/growth-duty>

<sup>9</sup> <https://assets.publishing.service.gov.uk/media/5f4e14e2e90e071c745ff2df/14-705-regulators-code.pdf>.

<sup>10</sup> Data (Use and Access) Bill, section 120B (Duties in relation to functions under the data protection legislation).

<sup>11</sup> <https://ico.org.uk/about-the-ico/our-information/our-strategies-and-plans/ico25-strategic-plan/what-does-the-ico25-plan-do/>.

This includes off-the-shelf products and templates covering the areas we regulate, including a dedicated small-to-medium-sized enterprises (SME) hub; direct, tailored advice via our Business Advice service, Innovation Advice, Regulatory Sandbox and Innovation Hub services; industry events such as our annual Data Protection Practitioners Conference; and engagement with the organisations we regulate through initiatives such as our Data Controller Study. We also provide guidance and support for digital service providers (DSPs) to help them comply with their obligations under the NIS Regulations. By helping DSPs mitigate the risks and impacts of cyber attacks and other harms, our work promotes the reliability and security of the UK's digital infrastructure, which is a key enabler of growth for the entire UK economy.

We also provide indirect support to organisations through our broader work. This includes inviting public engagement in our development of regulatory policy; cooperating with other regulators to align our regulatory approaches, including through our membership of the Digital Regulation Cooperation Forum (DRCF); and undertaking horizon scanning and thought leadership to support research and innovation, such as our Tech Horizons report series<sup>12</sup> and guidance on AI and data protection.<sup>13</sup>

- b. **Providing advice and support to individuals**, to empower them to confidently share their information to use the products and services that power our economy and society. This includes a wide range of online guidance and resources, including services like our subject access request tool which in six months helped over 15,000 people get better access to their information;<sup>14</sup> a dedicated casework and complaints function to provide support

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<sup>12</sup> <https://ico.org.uk/about-the-ico/research-reports-impact-and-evaluation/research-and-reports/technology-and-innovation/tech-horizons-report/>

<sup>13</sup> <https://ico.org.uk/for-organisations/uk-gdpr-guidance-and-resources/artificial-intelligence/guidance-on-ai-and-data-protection/>

<sup>14</sup> <https://ico.org.uk/for-the-public/>. In the first six months from September 2023, over 15,000 people used the SAR tool to help get easier access to their information.

when things go wrong;<sup>15</sup> and engaging with specific communities who may face extra barriers to exercising their information rights.

- c. **Taking appropriate action where the law is broken**, to uphold the law and disrupt those who try to gain an unfair advantage. This includes setting out our regulatory approach and strategic priorities;<sup>16</sup> developing a regulatory action framework to prioritise effectively and ensure consistent and transparent decision-making;<sup>17</sup> and publishing details about the volume and types of cases we pursue, the outcomes we achieve, and case study examples to illustrate good practice and learning. We also publish our data protection fining guidance<sup>18</sup> to improve regulatory certainty, and offer payment plans to support businesses that are required to pay monetary penalties and fines. We also monitor DSPs' compliance with their obligations under the NIS Regulations, including investigating incidents and taking enforcement action.
- d. **Embedding transparency and accountability**, to help foster trust and confidence in the decisions we take and the activities of the organisations we regulate, including the public sector. This includes being transparent about our regulatory approach and strategic priorities;<sup>19</sup> promoting compliance with transparency requirements under data protection laws and taking action where these are not met;<sup>20</sup> providing a protected disclosure service for whistleblowers;<sup>21</sup> and upholding freedom of information (FOI) and

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<sup>15</sup> <https://ico.org.uk/make-a-complaint>

<sup>16</sup> <https://ico.org.uk/about-the-ico/our-information/our-strategies-and-plans/ico25-plan/>

<sup>17</sup> <https://ico.org.uk/media/about-the-ico/policies-and-procedures/4022320/regulatory-posture-document-post-ico25.pdf>

<sup>18</sup> <https://ico.org.uk/about-the-ico/our-information/policies-and-procedures/data-protection-fining-guidance/>

<sup>19</sup> <https://ico.org.uk/about-the-ico/our-information/our-strategies-and-plans/ico25-plan/>

<sup>20</sup> <https://ico.org.uk/for-the-public/getting-copies-of-your-information-subject-access-request/>

<sup>21</sup> <https://ico.org.uk/make-a-complaint/protection-for-whistleblowers-guidance/>

environmental information laws to keep public sector bodies accountable, including handling complaints.<sup>22</sup>

13. We work collaboratively with other regulators where a cohesive approach to regulatory supervision would be beneficial. We are a founding member of the DRCF, through which we collaborate with the CMA, Ofcom and FCA on digital regulation. Alongside DRCF, we are a member of the UK Regulators Network, and maintain bilateral memoranda of understanding with individual UK regulators and other public bodies. These networks help us ensure that our regulatory approach provides certainty and consistency for the organisations we regulate, and does not inadvertently create adverse market conditions.
14. We use a variety of frameworks, methodologies, and tools to ensure that our powers and functions are exercised in a way that boosts economic growth. These include our Regulatory Policy Methodology,<sup>23</sup> Impact Assessment Framework,<sup>24</sup> and Ex-Post Impact Framework.<sup>25</sup> Our approach is underpinned by national and international best practice, and draws closely from best practice principles and guidance set out by HM Treasury's Green Book and Magenta Book, the Better Regulation Framework, and resources from the Organisation for Economic Co-operation and Development (OECD) on regulatory policy making.
15. Our regulatory approach is having a quantifiably positive impact on economic growth. For example, in 2024 we estimate that our activities have enabled up to £140 million of value for UK businesses over a five year period.<sup>26</sup> The organisations we regulate also agree that our work

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<sup>22</sup> <https://ico.org.uk/for-organisations/foi/foi-complaints-and-ico-enforcement-powers/>

<sup>23</sup> <https://ico.org.uk/media/about-the-ico/policies-and-procedures/4028535/policy-methodology.pdf>.

<sup>24</sup> <https://ico.org.uk/media/about-the-ico/documents/4027020/ico-impact-assessment-framework.pdf>

<sup>25</sup> [https://ico.org.uk/media/about-the-ico/documents/4031030/ex-post-impact-framework\\_sept24\\_v1.pdf](https://ico.org.uk/media/about-the-ico/documents/4031030/ex-post-impact-framework_sept24_v1.pdf)

<sup>26</sup> [https://ico.org.uk/media/4031031/ico-business-impacts-summary-april-2024\\_v1.pdf](https://ico.org.uk/media/4031031/ico-business-impacts-summary-april-2024_v1.pdf)

enables and supports their business activities. For example, in our latest Data Controller Study:<sup>27</sup>

- a. 72% of organisations aware of the ICO prior to completing the survey agreed that the ICO's resources provide clarity about what the law requires, while 58% used ICO materials or services to comply with data protection regulations in the last 12 months;
  - b. 87% of medium and large organisations (those with more than 50 employees) agreed that data protection laws had been an enabler for their core activities; and
  - c. 64% of organisations that reported data protection laws had constrained their activities to at least some extent also agreed that data protection law was an enabler.
16. We welcome the government's continued support of our regulatory approach, which is effective in supporting sustainable economic growth while upholding people's information rights and safeguarding those at risk of harm.
17. We note the government's intention to establish the Regulatory Innovation Office (RIO), to speed up regulatory decisions and encourage innovative approaches to regulation. We have a track record of constructive engagement with existing government initiatives in this space such as the Regulatory Horizons Council, and look forward to engaging in a similar vein with the RIO to support the delivery of its functions.

## Growth-driving sectors

18. We note the Green Paper's proposal for the Industrial Strategy to target sustainable economic growth in key sectors, by tackling barriers to growth. As a whole economy regulator, we are well-positioned to support the delivery of the Industrial Strategy, both within the growth-

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<sup>27</sup> <https://ico.org.uk/about-the-ico/research-reports-impact-and-evaluation/research-and-reports/data-controller-study/>.



driving sectors and beyond. With data now underpinning many organisations' operations and business models, our regulatory remit extends to every corner of the UK economy, meaning our regulatory approach has widespread impact. For example:

- a. Our work programme exploring the interactions between artificial intelligence, biometrics and data protection,<sup>28</sup> including our recent consultation series on generative AI,<sup>29</sup> is helping to drive the responsible development of products and services utilising AI and biometrics. As the Industrial Strategy highlights, the responsible adoption of AI is a key enabler of increased productivity and growth across the entire economy.
- b. Our work on the regulatory and privacy implications of the development of genomics<sup>30</sup> will help the life sciences sector maintain its social licence to operate, by ensuring public confidence that the sector's important work is being undertaken ethically and responsibly. In line with this, we welcome the government's proposals through the DUA Bill to clarify and simplify the requirements for organisations to process personal information for the purpose of scientific research.<sup>31</sup>
- c. Our Regulatory Sandbox supports organisations working with emerging technologies, to help them take advantage of innovative approaches to using data while mitigating impacts on people's privacy. The Regulatory Sandbox is open to, and useful for, organisations across all of the growth-driving sectors. For example, one of our current Sandbox projects involves an organisation using mass thermal image capture and AI to construct real-world, 3D energy performance models of homes at city-scale. This project is helping housing providers, contractors,

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<sup>28</sup> <https://ico.org.uk/about-the-ico/what-we-do/our-work-on-artificial-intelligence/>

<sup>29</sup> <https://ico.org.uk/about-the-ico/ico-and-stakeholder-consultations/ico-consultation-series-on-generative-ai-and-data-protection/>

<sup>30</sup> <https://ico.org.uk/about-the-ico/research-reports-impact-and-evaluation/research-and-reports/technology-and-innovation/ico-tech-futures-emerging-genomics/>

<sup>31</sup> Data (Use and Access) Bill, clauses 67-68.

energy retailers and financial institutions, as well as their customers, plan and price retrofits faster – ultimately accelerating decarbonisation.

- d. Through our DRCF membership, we are collaborating with other whole economy regulators such as the CMA and FCA to take a coherent and coordinated approach to financial and digital regulation, including for sub-sectors such as fintech. For example, we recently worked with the FCA on a research project to understand consumer attitudes on the risks and benefits of engaging with digital assets such as cryptocurrencies.<sup>32</sup> This has helped build consumer trust and confidence in the sector, by ensuring our approach accounts for the perspectives and concerns of digital assets holders.

19. We look forward to engaging further with the government on the development of its plans to support economic growth and innovation in the growth-driving sectors. In particular, we would welcome the opportunity to provide more detailed advice and input on how the government can best use data to encourage growth in these sectors, and the role our regulatory approach plays.

## Data in the industrial strategy

*12) How can the UK government best use data to support the delivery of the industrial strategy?*

*13) What challenges or barriers to sharing or accessing data could the UK government remove to help improve business operations and decision-making?*

20. The Green Paper says that *"accelerating the rate of innovation and increasing the adoption and diffusion of those ideas, technologies, and processes is an essential step for growing the productivity of our growth-driving sectors. This must include ensuring that data is created,*

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<sup>32</sup> <https://www.drcf.org.uk/publications/papers/consumer-attitudes-on-the-risks-and-benefits-of-engaging-with-digital-assets/>

*handled, and shared in a way that both unlocks economic opportunities and is safe and ethical across the economy”.*

21. We welcome the Green Paper’s recognition that the safe, ethical handling of data is a key factor in unlocking economic growth. Ready access to information and knowledge is a key enabler for innovation and can lead to many economic and social benefits - provided it is used responsibly. Data can improve the quality and efficiency of products and services, encourage innovation, save money, and improve decision-making. Initiatives that use data responsibly not only contribute to a pro-growth agenda, but do so while protecting individuals and society from harm.
22. Successful data processing initiatives, particularly those involving public sector data, rely on trust. Principles of data protection, such as transparency, fairness and proportionality, build public trust and confidence in the way personal data is used and, in turn, enable businesses to innovate and grow. Our guidance underlines the importance of baking data protection into new products and technologies, especially when these are being developed at pace.<sup>33</sup> Following a ‘data protection by design and default’ approach, as required by data protection law, is a vital building block for any use of public sector data in support of the Industrial Strategy.
23. To achieve this, we would welcome a more explicit recognition of the ‘data protection by design and default’ approach in the Industrial Strategy - both to formally acknowledge ‘data protection by design and default’ as a legal obligation, and to highlight its benefits for encouraging responsible innovation and building consumer trust and confidence. As part of this, the Industrial Strategy could refer to our Data Protection Audit Framework<sup>34</sup> and guidance on privacy-enhancing

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<sup>33</sup> <https://ico.org.uk/for-organisations/uk-gdpr-guidance-and-resources/accountability-and-governance/guide-to-accountability-and-governance/accountability-and-governance/data-protection-by-design-and-default/>

<sup>34</sup> <https://ico.org.uk/for-organisations/advice-and-services/audits/data-protection-audit-framework/>

technologies,<sup>35</sup> which are useful tools to help organisations deliver data protection by design and default.

24. We note that the Green Paper reaffirms the government's intention to develop a National Data Library. While specific details about the proposal are yet to be published, at a conceptual level a central repository of public sector data assets would align with our own Enterprise Data Strategy,<sup>36</sup> which recognises the need for organisations to manage and treat their data as a corporate strategic asset. Any such repository will require strong protections to allow for data to be shared securely, in line with the requirements outlined in the following section.

### *Data sharing*

25. The Green Paper says that *"collaboration between the public sector, businesses, and researchers is critical to maximising the benefits of data for the economy. Ensuring public trust, security, and international data arrangements will always be at the heart of this."*
26. We support responsible and proportionate data sharing, including between the public, private and third sectors. As our Data Sharing Code of Practice<sup>37</sup> explains, data sharing is a driver of innovation, competition, economic growth and greater choice for consumers and citizens. Sharing data responsibly can help public bodies and other organisations fulfil their functions and deliver modern, efficient services that make everyone's lives easier. It can help keep vulnerable people safe at times of crisis, and help to produce official statistics, research and analysis for better decision-making in the public interest. Equally, sometimes it can be more harmful not to share data - not sharing data can mean that people receive an inferior service or less choice, and the chance to help people in need can be missed.

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<sup>35</sup> <https://ico.org.uk/for-organisations/uk-gdpr-guidance-and-resources/data-sharing/privacy-enhancing-technologies/>

<sup>36</sup> <https://ico.org.uk/about-the-ico/our-information/our-strategies-and-plans/ico-enterprise-data-strategy/>

<sup>37</sup> <https://ico.org.uk/for-organisations/uk-gdpr-guidance-and-resources/data-sharing/data-sharing-a-code-of-practice/>.

27. Both the proposed Industrial Strategy and the Data Sharing Code of Practice highlight that public trust and security are critical to the success of any initiatives that rely on sharing data. This is particularly the case where sensitive public sector data, such as information about people's finances or health data, is being shared with businesses and researchers. A risk-based and principle-driven approach will ensure that any collaboration is flexible and proportionate, and enable the public sector, businesses and researchers to proactively address risks and build in key protections from the outset.
28. To ensure such an approach is taken, we recommend that the government build the requirements and recommendations set out in the Data Sharing Code of Practice into any data sharing under the Industrial Strategy. At a minimum, the government must ensure that appropriate security measures are in place from day one and individuals are able to exercise their rights in relation to how their data is handled. This could also involve putting in place data sharing agreements and completing data processing impact assessments, which we recommend as best practice and may in some cases be required by law. In relation to international data arrangements, it will be important for the UK GDPR's rules about transfers of personal data to receivers located outside the UK<sup>38</sup> to be followed.
29. Powers contained in the Digital Economy Act 2017 (DEA) already provide legal gateways for data sharing between government departments that benefits households and individuals. We note the government's proposal in the DUA Bill to expand the scope of these powers to allow data sharing for the benefit of businesses. We look forward to advising the government on the implementation of these expanded powers in a way that ensure the responsible sharing of public sector data with private organisations.
30. On collaboration with researchers, we welcome the government's proposed amendments in the DUA Bill to clarify the UK GDPR's

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<sup>38</sup> <https://ico.org.uk/for-organisations/uk-gdpr-guidance-and-resources/international-transfers/international-transfers-a-guide/>

research, archive and statistical purposes provisions.<sup>39</sup> The changes provide more certainty to organisations and empower them to use personal information responsibly. This will generate social and economic benefits, while still ensuring people are protected.

### *Smart data schemes*

31. The Green Paper indicates the government's intention to empower individuals and businesses with their data through new smart data schemes. This intention is supported by the legislative amendments proposed in the DUA Bill to improve data portability between suppliers, service providers, customers, and relevant third parties.
32. We welcome the government's support for the expansion of smart data schemes. Smart data schemes make it more efficient for people to use and access their personal information. This can have significant positive effects, empowering people to use their personal data for their own benefit and acting as a lever for innovation and economic growth.
33. As our consultation response to the DUA Bill outlines,<sup>40</sup> establishing and maintaining people's trust is vital to ensuring the success of smart data schemes. Data protection is not, and should not be seen as, a barrier to stimulating competition, driving innovation and procuring new business models within the realm of smart data.<sup>41</sup> Data protection law enhances consumer trust and confidence in smart data initiatives, and improve the quality and safety of products and services that rely on smart data.
34. As with any initiative involving the use and sharing of personal data, we advocate a 'data protection by design and default' approach to the development of smart data schemes. Organisations involved in a 'smart data' initiative will need to ensure they identify data protection risks from the outset, building mitigations into their service rather than

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<sup>39</sup> <https://ico.org.uk/about-the-ico/the-data-use-and-access-dua-bill/information-commissioner-s-response-to-the-data-use-and-access-bill/>

<sup>40</sup> <https://ico.org.uk/about-the-ico/the-data-use-and-access-dua-bill/information-commissioner-s-response-to-the-data-use-and-access-bill/>

<sup>41</sup> <https://ico.org.uk/media/2615568/ico-response-to-dbeis-smart-data-20190801.pdf>

bolting them on at a later stage. Please refer to the section on 'Data Sharing' above for more details.

## International partnerships and trade

*24) How can international partnerships (government-to-government or government-to-business) support the industrial strategy?*

*25) Which international markets do you see as the greatest opportunity for the growth-driving sectors and how does it differ by sector?*

35. Having strong, independent regulators that are appropriately accountable to Parliament is vital for the UK economy to attract trade, investment and economic activity from overseas. Within the context of our remit, regulatory strength and independence is also key to maintaining the UK's adequacy status with the EU.<sup>42</sup> Our stakeholders have made it clear that the UK's relationship with the EU remains of central importance, and the certainty of a positive adequacy decision is a top priority for many UK businesses and the economy as a whole.

36. The UK's data protection regime, and the EU regime from which it has been developed, is designed to allow the free flow of data between countries offering an equivalent level of protection. In addition, the leading role that the EU has played in setting the direction and standards for data protection regulation globally means that maintaining EU adequacy ensures the UK's data protection regime remains open to direct data flows with other advanced economies. We therefore welcome the government's commitment to the importance of maintaining our adequacy status through the DUA Bill, and would welcome this commitment being reflected in the Industrial Strategy.

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<sup>42</sup> <https://ico.org.uk/for-organisations/data-protection-and-the-eu/data-protection-and-the-eu-in-detail/adequacy/>. An adequacy decision is a formal decision made by the EU which recognises that another country, territory, sector or international organisation provides an equivalent level of protection for personal data as the EU does. The UK's existing adequacy decisions are expected to last until June 2025, and the European Commission will start work later in 2024 to decide whether to extend the adequacy decisions for the UK for a further period up to a maximum of another four years.

37. International regulatory cooperation reduces the compliance burden for businesses and boosts trade, investment and economic growth. We have a statutory duty to develop international cooperation mechanisms to facilitate the effective enforcement of legislation for the protection of personal data.<sup>43</sup> One way we meet this duty is by advising the government on adequacy assessments of other countries' data protection arrangements. These assessments allow personal data to flow more freely between the UK and other countries, which reduces the need for businesses to put alternative arrangements in place and helps the UK attract trade and investment from international markets.
38. We have also built strong international partnerships with our counterparts in other jurisdictions, including by signing Memoranda of Understanding with overseas regulatory authorities, and participating in multilateral bodies such as the Global Privacy Assembly (GPA) and G7. Maintaining strong international partnerships helps us support the intent of the Industrial Strategy, by enabling us to better protect people in the UK and provide certainty and consistency for businesses across borders. It also allows us to promote global standards that align with our regulatory approach and learn from other regulators to improve our approach domestically. For example, we have a permanent seat on the GPA's Working Group on Ethics and Data Protection in AI, which allows us to influence global thinking on the regulation of artificial intelligence and promote regulatory alignment between jurisdictions.

## Further consultation with the ICO

39. We would be happy to engage further with the government on its development of the Industrial Strategy, including (but not limited to) the matters covered in this response.
40. We also welcome formal consultation under Article 36(4) UK GDPR on any proposals for legislative or regulatory measures in connection with the Industrial Strategy that relate to the processing of personal data.

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<sup>43</sup> Article 50 UK GDPR, section 120 DPA.