

Cyber Security Strategy Team
Cyber & Technology Security Policy Division
Department of Home Affairs

14 February 2025

CESA Submissions: Consultation on the subordinate legislation to the *Cyber Security Act 2024* – Exposure Draft Cyber Security (Security Standards for Smart Devices) Rules (“Security Standards Rules”)

Introduction

The Consumer Electronics Suppliers Association (CESA) is the national peak body representing the importers and suppliers of consumer electronic devices and home appliances in Australia.

Cyber security is a critical issue for CESA members, who are committed to protecting users of devices that they supply.

CESA members fully supports the Australian Government’s 2023-2030 Cyber Security Strategy and the sensible approach of aligning the exposure draft Security Standards Rules with UK regulations, based on the first three principles of ETSI EN 303 645.

This submission by CESA addresses the exposure draft Security Standards Rules focusing on areas and concerns impacting CESA members namely:

1. Introduction Timeframe

The proposed 12-month introduction timeframe is unworkable for CESA members. We strongly advocate for extending the proposed 12-month introduction timeframe to 24 months. This adjustment is crucial given the extensive range of devices covered, the technical nature of the required implementations, and the significant logistical challenges involved in coordinating with overseas manufacturers and distributors.

The vast majority of regulated products are manufactured offshore, requiring substantial lead times for device design modifications, collation and publication of defined security support periods to ensure compliance with the new Security Standard Rules. The additional

time will facilitate effective communication and implementation across diverse international suppliers and production facilities, mitigating risks of incomplete or rushed implementations.

2. Security Update Information Requirements

The proposed requirement to publish the defined support period for security updates in multiple website locations (product specifications and wherever main product characteristics are detailed) presents significant administrative challenges, particularly for manufacturers managing a broad, frequently updated product portfolio and in the case of multinational companies whose websites are based on a corporate standard design and administered offshore. This presents limitations with the degree of modifications and customisation that can be made for individual markets.

Requiring publication in multiple locations introduces disproportionate administrative burdens without a commensurate increase in consumer benefit. It duplicates efforts and increases the risk of errors.

CESA proposes a streamlined approach requiring publishing of the defined support period prominently within the product specifications section of the manufacturer's website. Consumers are accustomed to finding detailed product information, including regulatory compliance details, within product specifications. This approach ensures ready accessibility while significantly reducing administrative overhead and maintaining clear, concise information.

3. Retention Period for Statements of Compliance

Regarding the 10-year retention period for statements of compliance under Section 10 of the exposure draft Security Standards Rules, CESA seeks that this be amended to a 5-year retention period, commencing from the date a product is last manufactured or imported.

This proposal aligns with common practice across numerous Australian federal and state/territory legislative frameworks, including those from the ACMA and various state/territory safety regulators. A 5-year retention period has proven effective and workable across diverse industries.

Extending the retention period to 10 years imposes a significant administrative burden on manufacturers and importers, especially those managing extensive and rapidly evolving product lines. The costs associated with long-term document storage and management are substantial. Furthermore, the relevance of compliance documentation diminishes over time, particularly in the fast-paced world of consumer electronics and evolving security threats.

A 5-year retention period strikes a balance between ensuring accountability and mitigating unnecessary administrative burdens on industry. This shorter timeframe aligns with established practices and offers a practical solution to balance compliance requirements with the operational realities of the consumer electronics industry.

Therefore, CESA strongly advocates for amending Section 9(3) to reflect a 5-year retention period, calculated from the date the product type is last manufactured or imported.

4. Application of Security Standards to Consumer Energy Resources (CER)

Whilst not included in the exposure draft Security Standards Rules, the related explanatory memorandum foreshadows a voluntary labelling scheme for Consumer Energy Resources (CER).

The CESA wishes to take this opportunity to highlight challenges associated with labelling for certain CER products, particularly those not displayed in retail settings (e.g., ducted air conditioners) or those with optional internet-enabled features. Mandating labelling in these situations would be ineffective and impose an undue burden on industry.

CESA proposes that a self-declaration system, leveraging existing mechanisms like the RCM (Regulatory Compliance Mark) and EESS (Energy Efficiency Standards Scheme) databases, would be a more efficient and effective approach.

This approach would:

- **Reduce administrative burden:** Eliminate the need for physical labelling on products not typically displayed to consumers.
- **Improve accessibility:** Centralise information in easily searchable databases, offering a more practical and accessible method for consumers to obtain this information.
- **Maintain transparency:** Ensure that consumers can still access critical security information through readily available online resources.

This self-declaration method would ensure that manufacturers comply with security standards and consumers have clear access to relevant information without requiring cumbersome, impractical, and largely ineffective product labelling.

We urge you to consider this alternative solution as a practical approach to managing the complexities involved in labelling diverse CER product categories.

Conclusion

CESA believes that the proposed amendments to the introduction timeframe, security update information requirements and retention are vital for ensuring a practical and manageable compliance regime. The requested changes will balance consumer protection with the reasonable needs and operational realities faced by manufacturers of consumer electronics.

We appreciate your careful consideration of our feedback.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Evelyn Soud', with a stylized, cursive script.

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