



Department
for Transport

Lord Rosser
House of Lords
London
SW1A 0PW

Baroness Vere of Norbiton
Transport Minister for Aviation, International and
Security

Great Minster House
33 Horseferry Road
London
SW1P 4DR

Tel: 0300 330 3000
E-Mail: baroness.vere@dft.gov.uk

Web site: www.gov.uk/dft

5 June 2019

Dear Richard,

Connecting Europe Facility (Revocation) (EU Exit) Regulations 2019 debate

On 20 May we debated the Connecting Europe Facility (Revocation) (EU Exit) Regulations 2019. I dealt briefly with the points you made when winding up the debate but I thought it might be helpful to provide more detailed response to some of the issues you raised.

You asked what would happen to EU funding already promised for UK entities in the event that the UK leaves the EU without a Withdrawal Agreement. Ultimately this will be a decision for the EU, to be taken in the overall context of our withdrawal. This is exactly why the Government has put forward the Government guarantee, which will ensure continuation of funding to UK entities involved in Trans-European Network Transport (TEN-T) projects.

UK entities have been awarded approximately €345 million in the current EU budget period (2014-2020). I have enclosed a list of all "live" TEN-T projects that UK entities are involved in. You will note that the enclosed list includes projects that have a completion date which has already passed. This is because whilst these projects have completed all project activity, they have not yet concluded the Final Payment process with the EU. The Final Payment is based on actual costs incurred by projects and the process can take up to 15 months (and sometimes longer) to conclude. As I said during the debate, the Government has committed to providing funding through the Government guarantee over the lifetime of a project to those UK entities which successfully bid into EU-funded programmes before the end of 2020.

You asked how much money was potentially at risk. The Department cannot give a precise figure as this would very much depend on the approach EU would take. The extension to the Article 50 period agreed in April means that scheduled payments up to October are no longer at risk and if there were to be a further extension that would further reduce the risk of having to cover payments.

During the debate, you asked some questions about paragraph 2.3 and paragraph 7.2 in the Explanatory Memorandum (EM). In relation to paragraph 2.3 you were seeking to understand what concerns had been raised and by whom. As mentioned at paragraph 10.1 of the EM, concerns were raised by the Welsh Government and related to the handling of the TEN-T Regulation, rather than the CEF SI which was the subject of our debate. The Welsh Government accepted the legal rationale for the Government's proposal to revoke the TEN-T Regulation but opposed this course of action on policy grounds. The provisions relating to the TEN-T Regulation were removed from the SI and we are further considering the issues raised by Welsh Government before tabling a new SI.

You asked about the references to the enforcement mechanism in paragraph 7.2 of the EM. The mechanism referred to is the infraction process, set out under Article 258 of the Treaty on the Functioning of the European Union, together with the exemptions process set out in the EU TEN-T Regulation (1315/2013). The infraction process will become inapplicable to the UK as it will no longer be a Member State. The exemptions process enables the Commission to decide on exemptions to the requirements to upgrade infrastructure on the core network, notably where the benefits do not justify the costs. If we were to try to bring these provisions back into UK law then we could not leave that role with the Commission. We have not considered what an equivalent UK function would look like because the rationale for providing funding to reflect EU-level benefits falls away, and therefore the function is unnecessary. Domestic investments are all informed by cost benefit analysis.

I will be placing a copy of this letter in the libraries of both Houses.

Yours,
Charlotte

BARONESS VERE OF NORBITON

List of TEN-T projects

Project no.	Year	Project Number	Project Title	Start Date	End Date
1	2014	2014-EU-0385-M	Felixstowe - Vlaardingen	01/01/2014	31/12/2016
2	2014	2014-EU-0396-M	Esbjerg-Immingham	01/01/2014	31/12/2016
3	2014	2014-EU-0671-S	ATLANTIS -Liverpool	01/01/2014	30/04/2017
4	2014	2014-UK-0713-M	Birmingham Transport Hub	15/08/2015	31/12/2017
5	2014	2014-EU-0723-M	Atlantic Corridor	01/03/2015	20/12/2017
6	2014	2014-EU-0724-W	Atlantic Arch	01/03/2015	20/12/2017
7	2014	2014-UK-0251-W	Heathrow Airport resilience	12/11/2014	01/05/2017
8	2014	2014-EU-0582-S	I HeERO	01/01/2015	31/12/2017
9	2014	2014-EU-0279-S	Support to the implementation of ERTMS	01/01/2015	31/12/2017
10	2014	2014-EU-0597-W	Arc Atlantic Corridor II	01/01/2014	31/12/2017
11	2014	2014-EU-0451-M	Scrubbers closing the loop	21/04/2014	31/12/2018
12	2014	2014-UK-0459-S	Old Oak Common Study - TfL	01/03/2016	31/12/2017
	2014	2014-UK-0024-W	CDM Birmingham airport Ltd Programme		13/09/2018
13				01/05/2015	
14	2014	2014-EU-0206-S	STM Validation project	01/01/2015	31/12/2018
15	2014	2014-UK-0405-M	BRIDGE II	01/07/2015	31/12/2019
	2014	2014-EU-0043-S	Improvement and promotion of rail freight corridor North sea-Mediterranean	01/01/2015	31/12/2018
16					
	2014	2014-UK-0388-S	Study of Innovative Natural Gas Solutions for Road Transport in North West Europe with Pilot Deployment in UK and Netherlands		31/12/2018
17				01/01/2014	
18	2014	2014-UK-0324-S	HS2 Phase 1	01/03/2015	30/06/2018
19	2014	2014-EU-0136-M	SESAR - DM Project	01/01/2014	31/12/2022
20	2014	2014-EU-0317-S	EU ITS Platform	01/07/2015	31/12/2020
21	2014	2014-EU-0333-W	BRIDGE - II - MoS	01/07/2015	31/12/2020
22	2014	2014-UK-TM-0162-W	Knockmore to Lurgan Rail Improvements	01/01/2014	31/10/2019
			Design of new NATS systems to support SESAR implementation		
23	2015	2015-UK- 0047-S		01/01/2016	30/09/2017
			Preventing incident and accident by safer ships on the oceans -PICASSO		
24	2015	2015-EU- 0108-S		01/05/2016	30/06/2018
25	2015	2015-EU- 0098-M	DOOR2LNG	16/02/2016	30/06/2019
26	2015	2015-UK- 0281-S	Upgrading UK Military Terminal ATM VHF radios	16/02/2016	16/11/2018
27	2015	2015-UK- 0010-W	New NERL operational facilities	10/02/2016	31/12/2020
28	2015	2015-EU- 0159-S	InterCor	01/06/2016	31/08/2019
29	2015	2015-UK- 0012-W	Enablers to support SESAR deployment	01/02/2016	30/09/2019
30	2015	2015-EU- 0417-S	Masterplan for OPS in Spanish ports	01/11/2016	31/12/2019
31	2015	2015-EU- 0316-S	Models for economic hydrogen refuelling infrastructure	01/07/2016	30/06/2020
32	2015	2015-UK- 0013-W	CNS rationalisation and upgrade within the UK	10/02/2016	30/09/2020
			SESAR Deployment Programme implementation 2015 - Cluster 2		
33	2015	2015-EU- 0196-M		16/02/2016	31/12/2020
			SESAR Deployment Programme implementation 2015 - Cluster 3		
34	2015	2015-EU- 0197-M		16/02/2016	31/12/2020
			Provision of Short-Term Conflict Alert systems at 10 Royal Air Force Terminal ATM facilities		
35	2015	2015-UK- 0356-S		16/02/2016	31/07/2020
36	2015	2015-UK- 0150-M	8.33kHz radio equipage for UK General Aviation fleet	15/02/2016	31/12/2018
37	2015	2015-UK-TM-0067-M	PBN implementation	01/02/2016	30/02/2019
			SESAR Deployment Programme implementation 2015 - Cluster 1		
38	2015	2015-EU-0193-M		16/02/2016	31/02/2018
39	2016	2016-UK-TM-0048-W	PBN Instrument Flight Procedure Upgrade	07/02/2017	31/12/2020
40	2016	2016-EU-TM-0316-W	Arc Atlantique Phase 3	01/03/2017	31/12/2020
			A1 Belfast to Dublin Road Safety Improvements - Development Studies		
41	2016	2016-UK-TA-0007-S		07/02/2017	31/12/2020
			Removal of a major bottleneck on the North Sea-Med Corridor at Newry/Warrenpoint		
42	2016	2016-UK-TA-0008-S		01/02/2017	31/12/2020
			2016 SESAR Deployment Programme implementation - Cluster 1: General		
43	2016	2016-EU-TM-0117-M		07/02/2017	31/12/2020
44	2016	2016-EU-TM-0155-S	Deployment of SBAS Cat 1 capability on Airbus A320	08/02/2017	31/12/2020