<u>Draft Legislation: The Railway</u> (<u>Licensing of Railway Undertakings</u>) (<u>Amendment</u>) <u>Regulations 2021</u>

As part of the government's EU transition programme, the Department for Transport, working with colleagues in other government departments, has been in discussion with France on bilateral arrangements to support the continuation of cross-border services, which provide significant economic and social benefit to the United Kingdom.

While other bilateral agreements remain under discussion in relation to the Channel Tunnel, the critical agreement relates to the recognition of operator licences, which are needed to operate rail services. Agreement in principle has now been reached with France at a technical level, subject to final legal checks, and the agreement is expected to be concluded in the coming weeks, with ratification through the UK and French parliaments then to follow.

Through these Regulations (which will amend earlier 2005 and 2019 Regulations), the government intends to take the necessary steps to ensure that the above-mentioned bilateral agreement on the rail operator licensing framework for the Channel Tunnel can be ratified, supporting the continued smooth operation of cross-border rail services.

The Regulations will enable cross-border operators to continue to operate as they do now and will not introduce any new requirements on them. Without this legislation, there is a real risk that rail freight services (excluding Eurotunnel shuttles) and Eurostar passenger services through the Channel Tunnel would cease to operate from 30 September 2021, when the current EU contingency legislation applicable to the Channel Tunnel expires.

The Regulations are being published in draft 28 days before they are due to be laid for affirmative debate. This is required under paragraph 14 of Schedule 8 to the European Union (Withdrawal) Act 2018 because the 2005 and 2019 regulations which are being amended were originally made under the European Communities Act 1972.

See the draft Regulations and accompanying Explanatory Memorandum.