
Britain cancels ill-fated Brexit ferries

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Britain said it has cancelled ferry contracts intended to ensure the supply of critical products if it leaves the EU with no Brexit deal, at a cost of £50 million (€58m).

The price tag drew sharp criticism for a process already mired in farce, after one of the companies hired last December to run extra cross-Channel services turned out to have no ferries.

Britain was due to leave the European Union on March 29 but, with parliament unable to agree on the terms, Prime Minister Theresa May has delayed the decision until October 31 to avoid a damaging “no deal” exit.

“The government’s freight capacity contracts were a vital part of contingency measures, ensuring goods like medicines could enter the UK in the case of disruption during a no-deal Brexit,” a government spokeswoman said.

“Following the extension, the government is reviewing all preparedness plans.

“The government’s freight capacity contracts for the summer period are no longer needed and have therefore been terminated.”

The National Audit Office (NAO) spending watchdog estimated in February that the cost of compensating ferry operators if the contracts ended early would be £56.6 million (€65.9m).

A government source said the real figure was lower by “several million pounds”.

Officials said terminating the contract now represented the “best value for money” – although May’s Downing Street office said preparations for a no-deal Brexit in other ministries still continued.

The government struck deals worth nearly £108 million with Brittany Ferries, Denmark’s DFDS and a new British entity called Seaborne Freight.

The Seaborne contract was later cancelled when it emerged the firm was a startup that had never been involved in this line of work and had no ships.

Meanwhile, Channel Tunnel operator Eurotunnel challenged the contracts and

received £33 million (€35.5m) from the government to head off a lawsuit.

The debacle heaped further embarrassment on Transport Secretary Chris Grayling, who has earned the name “failing Grayling” for his handling of this and other public services.

“Chris Grayling and the ferry contracts will for evermore be a case study in ministerial incompetence,” opposition Labour lawmaker Andy McDonald said.

(Euractiv)