



10 DOWNING STREET
LONDON SW1A 2AA

4 August 2015

THE PRIME MINISTER

Dear Nick,

I wanted to thank you and Professor Dame Nancy Rothwell for your letter of 23 July about the need for the UK to capture value from the connected and autonomous vehicle industry.

The Government sees significant benefits from the ongoing introduction of connectivity and autonomy technologies in road vehicles. These technologies can improve road safety by removing human error, reducing congestion, and increasing productivity by allowing people to become mobile earlier or stay mobile for longer.

There are also industrial benefits that we must capture. As you note, the global market opportunity is enormous and the UK is in a position to secure a significant share, assuring the short, medium and long-term future of the automotive sector. In order to do this it is important to focus and prioritise our plans and in this spirit your advice is useful and timely.

I am sure that connected and autonomous vehicles will play a significant role in increasing productivity, as well as boosting our exports – all built on a foundation of world class research and innovation infrastructure, a thriving automotive sector, and the UK's welcoming regulatory environment.

As you will no doubt be aware, to help maintain and build the UK's world leading position, we have established the Centre for Connected and Autonomous Vehicles (CCAV) – a joint team from the Department for Transport and Department for Business, Innovation and Skills. CCAV will lead innovative policy development in this sector, provide a single contact point for stakeholder engagement, deliver a programme of R&D activity worth up to £200 million through Innovate UK, and coordinate activity across the

Department for Transport, the Department for Business, Innovation and Skills and the rest of Government.

As this new team develops its work plan, I have asked them to integrate your recommendations into their thinking. I am pleased that you have copied this letter to the Rt Hon Oliver Letwin MP. As you are aware, he maintains a strong interest in emerging and disruptive technologies like this and is planning to meet with the new centre's team shortly. I look forward to hearing more about this during our meeting in September.

Thank you, once again, for taking the time to get in touch.

Yours,
Daniel

Sir Mark Walport