



## State aid: Commission approves modification of existing German scheme to support rail freight operators and mitigate effects of coronavirus outbreak on the sector

Brussels, 21 May 2021

The European Commission has approved, under EU State aid rules, the modification of an existing German aid scheme to support rail freight operators in Germany by partially compensating track access charges. The amended scheme, which includes a budget increase and a further reduction of the track access charges due by rail freight operators, will contribute to reducing road congestion and CO2 emissions. At the same time, it will mitigate the effects of the coronavirus outbreak on the German rail freight sector.

### The amended scheme

In [December 2018](#), the Commission approved a scheme to promote the shift of freight traffic from road to rail.

Under the existing scheme, rail freight operators are compensated for up to 45% of their track access charges, i.e. the charges that railway undertakings have to pay for the use of the rail network. The scheme, which will run until 2023, had originally a yearly budget of €350 million.

On 7 May 2021, Germany notified the following modifications to the scheme:

- an increase in budget for the year 2021, from €350 million to €567 million; and
- an increase in the maximum compensation that rail freight operators can receive which, depending on the distance covered, could go up to an estimated 98% of their track access charges (compared to 45% under the current scheme).

The other elements of the existing scheme, including its overall duration, will remain unchanged.

Given the transparency of the applicable fees and the high degree of competition between operators in the sector, it is expected that rail freight operators will pass on part of the benefits of the aid to their customers, through lower prices.

The Commission assessed the modified scheme under EU State aid rules, in particular the 2008 Commission [Guidelines on State aid for railway undertakings](#).

It found that the scheme, as modified, is beneficial for the environment as it supports rail transport, which is less polluting than road transport, while also decreasing road congestion. The Commission also found that the amended measure continues to be proportionate and necessary to achieve the objective pursued, namely to support the modal shift from road to rail.

On this basis, the Commission concluded that the amended measure will facilitate the shift of freight transport from road to rail in line with the EU policy objectives, including those set out in the European Green Deal, without unduly distorting competition in the Single Market. On this basis, the Commission approved the modified scheme under EU State aid rules.

### Background

The non-confidential version of the decision will be made available under the case number SA.62763 in the [State Aid Register](#) on the Commission's [competition website](#) once any confidentiality issues have been resolved. New publications of State aid decisions on the internet and in the Official Journal are listed in the [Competition Weekly e-News](#).

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