

# Estonia: European support for Estonian railway upgrade

- EIB makes available EUR 95 million for the modernisation of the Estonian railway network.
- Upgrade includes modernisation of the tracks, signalling and traffic control systems.
- Project is located on the Trans-European Transport Network (TEN-T).

The European Investment Bank (EIB) has signed a EUR 95 million, 25-year tenor, loan agreement with the Estonian national railway company Eesti Raudtee. The Estonian Railways will use the funds to modernise tracks and the control-command and signalling systems on most of the Estonian network, as well as carry out the digitalisation of the train management systems. All interventions are located on the TEN-T, including on the North Sea – Baltic Corridor.

Technically speaking, the works include the refurbishment of parts of the **Tallinn-Tartu** line, including the construction of a new bridge on the Emajõgi River. Improved safety measures (including barriers) for level crossings and track refurbishment will allow a speed increase up to 135 km/h on the line, improving passenger service and cutting travel times. The same goes for the **Tapa-Narva** line, where two bridges will be renovated and 54km of tracks will be renewed. Here, too, level crossings will be made safer. Apart from the structural upgrades, new signalling devices will be installed on most of the Estonian network, and train management systems will be digitalised, improving service and safety.

The EIB's Vice President **Thomas Östros** commented: *"In the modal shift away from carbon-based transport, there is a big incentive to offer the best possible conditions to travellers, showing them that there are alternatives to taking the car. The modernisation will not only allow higher speeds on the tracks, but is also expected to improve safety by installing new signalling systems. With the EIB at the heart of financing the transition towards a carbon-neutral Europe, this is a scheme that we are happy to get behind."*

**Henrik Hololei**, Director-General for Mobility and Transport of the European Commission added: *"Our goal is to ensure railways are an attractive and well-established mobility choice for the future, which is why the European Commission proposed 2021 to be the European Year of Rail. The upgrade to the Estonian railway network signed today, as well as realising the Rail Baltica, will deliver travellers a modern, safe and green alternative to the car. Estonian Railways plays an important part here and continues to be a close and much appreciated partner for the European Commission."*

**Erik Laidvee**, CEO of Eesti Raudtee, said: *"Our aim is to develop the most convenient, environmental friendly and safe mode of transport in Estonia. We have set in motion a very ambitious investment plan until 2030 that will take our railway infrastructure to a new quality and safety level and the loan*

*from European Investment Bank is definitely a big part of realizing it.”*

The project follows earlier EIB-investments in the Estonian rail sector, including for new rolling stock, which took to the tracks in 2014.

**Estonian Railways Ltd** is a state-owned company operating since 1870 and it is responsible for railway administration related tasks. Estonian Railways Ltd ensures smooth operation, management and maintenance of the railway infrastructure and efficient traffic management. As the owner of the railway infrastructure, Estonian Railways Ltd holds a central role in functioning of the transit sector and responsibility for maintaining a functioning competitive situation both in passenger and cargo transport.