

State aid: Commission approves €350 million in public funding to promote shift of freight transport from road to rail in Germany

Commissioner Margrethe **Vestager** in charge of competition policy, said: *“Promoting the shift of freight transport from road to rail is one of many measures that Europe needs to take to help improve reduce our environmental footprint. The German aid scheme does exactly that – it supports this shift, ensures benefits are passed to customers and will contribute to meeting the EU’s environmental and transport objectives, without unduly distorting competition”.*

In August 2018, Germany notified to the Commission a scheme to provide public support for freight transport by rail. The scheme has an overall budget of €350 million and will run from 2018 to 2023.

Under the scheme, rail freight operators will be 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.

It is expected that the rail freight operators benefiting from the scheme will pass on the benefits of the aid to their customers, i.e., the freight shippers, through lower prices. Rail freight operators will be obliged to inform their customers of the fact that their track access charges have been significantly reduced.

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

As a result, the Commission concluded that the measure complies with EU State aid rules, in particular the 2008 Commission [Guidelines on State aid for railway undertakings](#).

Background

The non-confidential version of the decision will be made available under the case number SA.51956 in the [State Aid Register](#) on the Commission’s [competition website](#) once any confidentiality issues have been resolved. The State Aid Weekly e-News lists new publications of state aid decisions on the internet and in the EU Official Journal.