

# PRESS RELEASE

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## GERMANY & AUSTRIA –

### the answer to climate change is not less competition in Rail:

Evidence shows that wherever rail market opening has taken place, the results have benefited passengers, the taxpayers, and (most importantly) the environment.

For example: since new entrant Italo entered the Italian high-speed rail market seven years ago ridership has doubled- to the detriment of airlines & road-based travel.

Meanwhile in Slovakia, new entrant RegioJet just introduced double-deck coaches to increase capacity on the Bratislava–Komárno line that it won through a competitive tender. Ridership has grown 50% since 2018 – while saving money for the taxpayer<sup>1</sup>.

Therefore it makes no sense that, while German & Austrian rail incumbents DB & ÖBB claim they want to help the environment, instead **they try to prevent market opening**, use climate change as an excuse to lobby for taxpayer money **only for themselves**:

1. On 19<sup>th</sup> September 2019, Austria politicians voted to give ÖBB a €11 billion direct award for the next 15 years – without a competitive tender.
2. On 20<sup>th</sup> September 2019 - under the guise of tackling climate change - the German government announced it will be pumping €1 billion of equity into DB every year until 2030<sup>2</sup>.
  - **The result was predictable** – just a few hours later, DB said it will spend €1 billion on 30 new high-speed trains that it previously had been unable to afford.
  - But DB's competitors do not have the same access to taxpayer funds!

ALLRAIL's Secretary General Nick Brooks states: "The evidence is compelling – **less competition in railways means less rail transport and more pollution**. If there is no proper market opening, then this is exactly what will happen."

### The EU must scrutinise market opening more closely:

- **Austria: It is crucial the EU either defines stricter rules for direct awards or – even better – bans them** in order to avoid such misuse of public money.
- **Germany: If the government wants to encourage more rail travel, it should do so in a way fair to all operators**, such as equal financing conditions for new trains.

**Otherwise, the EU's decarbonisation goals will not be achieved – it will be too late.**

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<sup>1</sup> <https://www.railwaygazette.com/passenger/regiojet-expands-capacity-on-bratislava-commuter-route/54580.article>

<sup>2</sup> <https://www.welt.de/politik/deutschland/article200631128/Klima-Paket-Autofahren-und-Fliegen-wird-teurer-Entlastung-beim-Strompreis.html>