

Dept. Energy, Transport, Environment

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# The German Rail Passenger Market: Competition and Problems after Covid

*Roundtable Masaryk University Brno*

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# The Rail Passenger Market in Germany

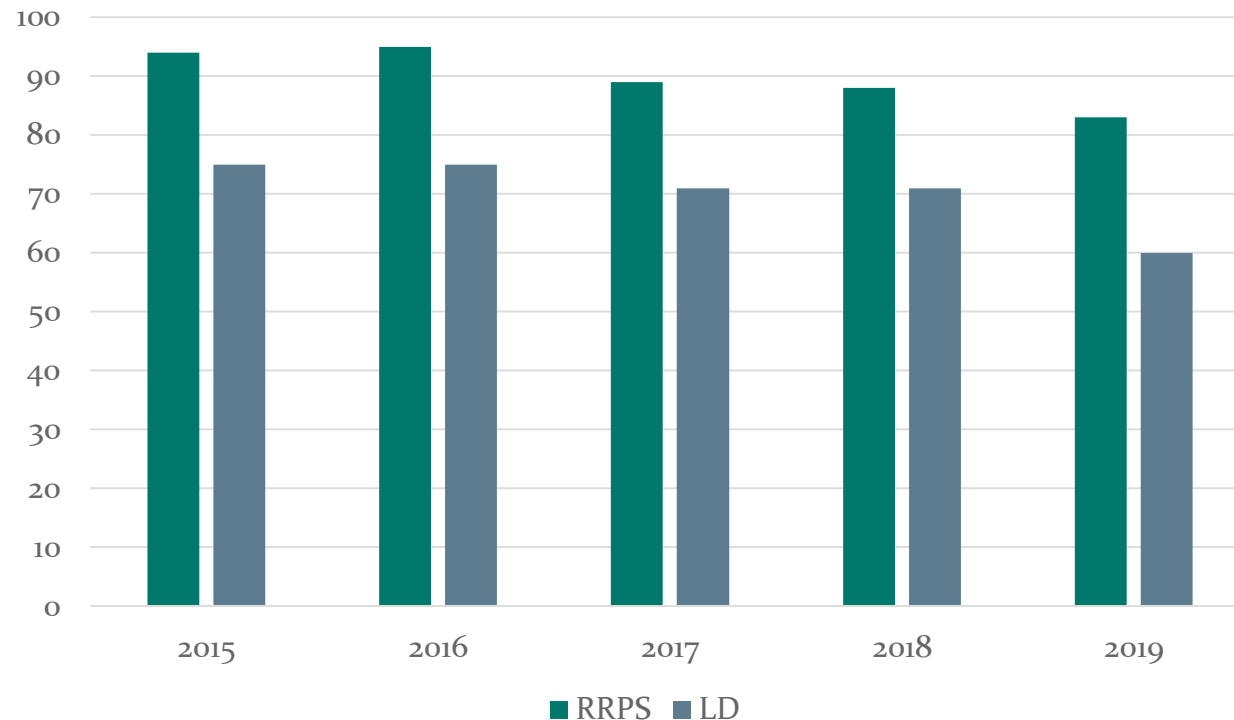
- Number of licensed rail companies constant: 447 in 2020, 332 active
- Open access to all rail tracks (33.000km DB Netz, 3000 km non-DB)
- DB Netz state-owned, vertically integrated, full cost recovery constraint for TACs, state financing
- Regional rail services (RRPS) franchised, TACs passed through within PSO contracts to PTAs

	RRPS	Long-distance
Number companies	126	30
Transport performance (bill. Pass-km)	33.8 (57.3)	23.7 (44.7)
Share of competitors (%)	(28)	(4)
Passengers/train	50 (82)	168 (305)
<i>As of 2020. In brackets: 2019. Source: BNetzA, ViZ.</i>		

## Problems already before COVID – service quality

- Crowded trains, decrease of customer satisfaction, safety issues
- Cancellations, decrease of punctuality (DB 9/2022: 62% in LD, 92% in RRPS)

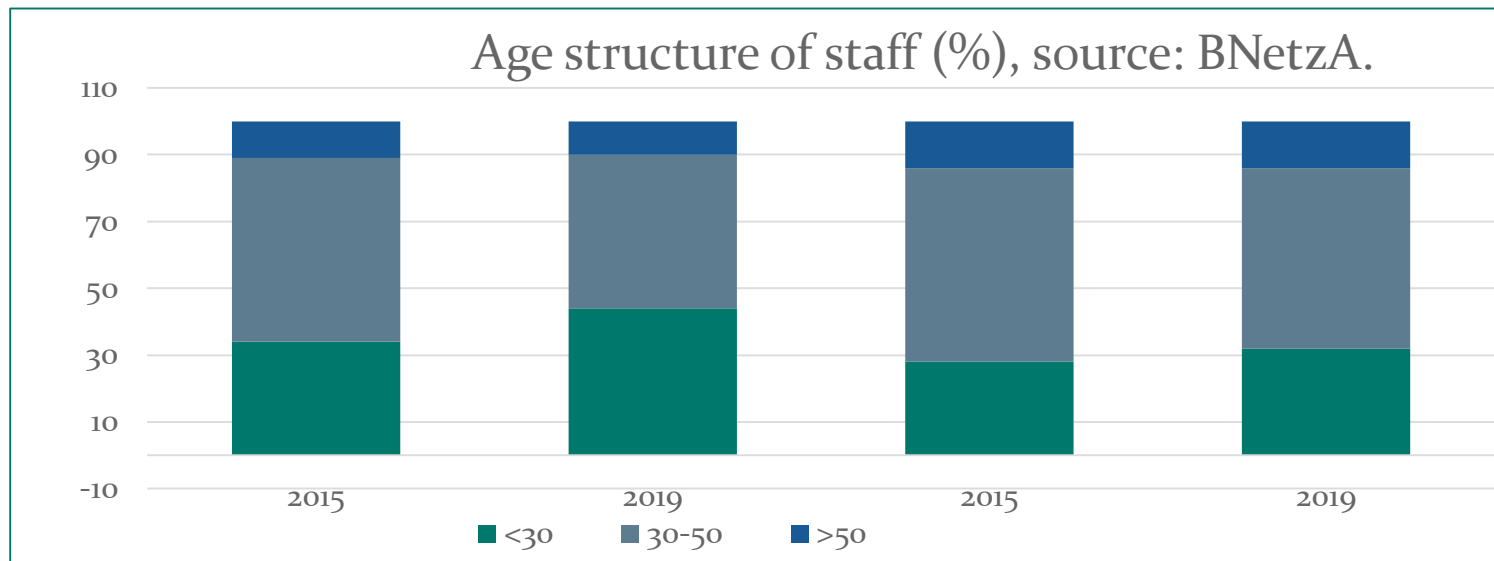
Punctuality of DB Netz, source: BNetzA.



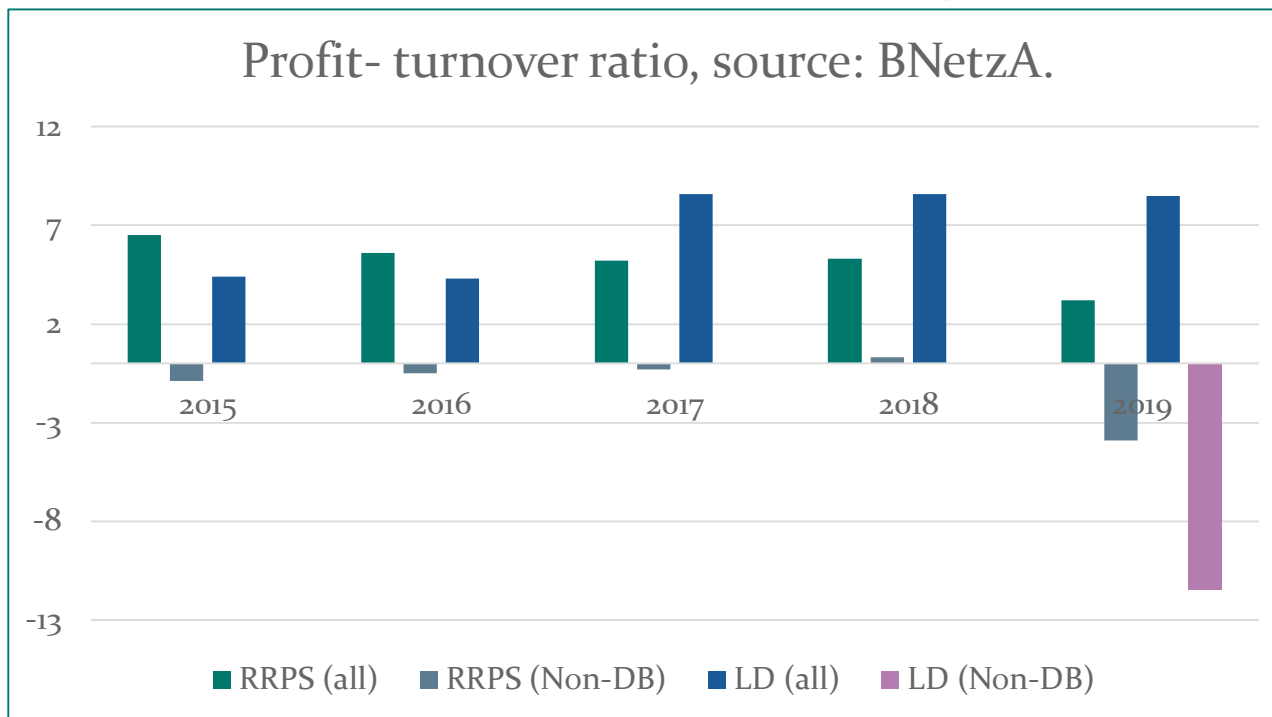
## 3

## Problems already before COVID - Capacity

- 21 lines/stations declared as over-utilized, since 2009 not improved, tendency increasing
- Delays for agreed capacity increases, only 15 measures within 740m program since 2017!
- “Parking” problems for trains
- Lack of staff, expensive qualification programs



- Profit/turnover ratio RRPS and LD negative for non-DB



- Increase of DB's debts:
  - 2005-2018: € bill. 20
  - 2019: € bill. 25
  - 2020: € bill. 30

### **Mainly state subsidies to buffer losses during the pandemics:**

- PTAs paid RRPS as ordered, not as operated
- Subsidies for decreasing TACs of €bill. 3 p.a. 2020-2022
- VAT for tickets in LD decreased to 7%
- Debt limit for DB increased
- New financing agreement DB Netz/Federal government: €bill 86 for 10 years, but only €bill 2.8 for regional networks
- €mill 100 for customer-friendly construction work

**Is this enough to solve the problems?**

Thank you for your Attention.

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