



Grant scheme for single wagonload transport begins

The German government has published new legislation in the Federal Gazette (13 November 2020) implementing a grant scheme for single wagonload transport. The subsidies will assist rail freight companies with the costs of using the service facilities needed for this type of freight. The scheme has received approval from the European Commission under EU state aid rules.

The grant scheme represents a clear commitment from the German government to the single wagonload system, which is the backbone of German's economy and rail freight traffic. The subsidies underline the importance of single wagonload transport as an environmentally friendly network for the German and wider European economy. A tonne of freight transported by rail emits 80% less CO₂ than the equivalent transport by road. The scheme will also make an important contribution to levelling the playing field between modes of transport in terms of infrastructure costs.

Single wagonload traffic is an indispensable part of rail freight transport in Germany and Europe. It enables you to transport even small cargo volumes by climate-friendly rail and make a significant contribution to climate targets. Without a strong single wagon network, there is no prospect of achieving the national transport and climate policy goals.

Though our dense single wagon network plays an essential role in keeping the economy moving, it is currently unable to cover all its costs. The government support will allow us to stabilise operations and modernise the service with urgently needed investment projects. By investing in the network structure and in digital planning and control systems, we will enable faster, more frequent services and improved shipment quality. The environmentally friendly network will become a more attractive option.

Now that the support scheme is in place, we are working flat out on implementation. Our ambition to grow single wagonload transport is already clear. Together with our customers, we want to further expand our single wagon network and shift more traffic to environmentally friendly rail.

Relieving companies of some of the costs of using single wagon freight service facilities was one of the eight policy recommendations by the rail freight working group of the German Federal Ministry of Transport and Digital Infrastructure. It also makes one of the policies of the 2030 Climate Action Programme a reality. The Programme called for single wagonload transport to be promoted as an alternative to road haulage. Under the grant scheme, DB Cargo has been awarded subsidies of EUR 77 million for the 2020/2021 working timetable period. The funding will reduce losses from single wagonload transport.

Further information can be found on the website of the Federal Ministry of Transport and Digital Infrastructure.