



State aid: Commission opens in-depth investigation into measures in favour of Ryanair at Frankfurt-Hahn airport in Germany

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The European Commission has opened an in-depth investigation to assess whether measures in favour of Ryanair at the German airport of Frankfurt-Hahn are in line with State aid rules. The Commission will also investigate certain measures in favour of the airport operator FFHG.

Commissioner Margrethe **Vestager**, in charge of competition policy, said: "*Fair competition is essential for consumers, jobs and growth - also for air transport operators. We will investigate whether regional and local authorities in Germany, against the rules, gave an unfair advantage to Ryanair over its competitors, potentially harming other airlines and having spill-over effects on other regions in Europe.*"

Frankfurt-Hahn airport is a regional airport located in the German State of Rhineland-Palatinate, approximately 120 km west of Frankfurt am Main. It handles around 2.5 million passengers per year, as well as significant freight traffic. The airport is operated by the company Flughafenengesellschaft Frankfurt-Hahn GmbH (FFHG), which between 2009 and 2017 was controlled by the State of Rhineland-Palatinate. On 1 March 2017, the HNA Group purchased 82.5% of FFHG.

The Commission received a complaint concerning certain measures in favour of Ryanair with respect to its operations at Frankfurt-Hahn Airport, as well as other measures in favour of airport operator FFHG. The complainant alleged that these measures amounted to illegal State aid in favour of Ryanair and FFHG respectively.

With respect to **Ryanair**, following a preliminary assessment, the Commission has decided to open **an in-depth investigation** in relation to:

- Certain marketing agreements between the State of Rhineland-Palatinate and Ryanair, concluded prior to 2009, when the State was not the controlling stakeholder of FFHG, the airport operator;
- Several other agreements governing the financial relationships between Ryanair and FFHG, concluded between 2009 and 2017 when FFHG was controlled by the State of Rhineland-Palatinate. These agreements include airport service agreements, training aid to Ryanair, the financing of a crew and pilot school as well as the funding of a maintenance hall for Ryanair.

At this stage, the Commission has concerns that the agreements in question may give Ryanair an undue economic advantage vis-à-vis its competitors that might amount to incompatible aid in favour of Ryanair.

The Commission will now investigate further to find out whether its initial concerns are confirmed.

With respect to airport operator **FFHG** the Commission has today:

- Opened an in-depth investigation with respect to two measures adopted by the State of Rhineland-Palatinate - a guarantee granted to FFHG with respect to a sale of land to an aircraft maintenance company and a measure related to the sale of a plot of land by FFHG - to verify whether these measures are in line with EU State aid rules, and in particular with the provisions of the [Commission's Guidelines on State aid to airports and airlines](#).
- Concluded that the other measures in favour of FFHG covered by the complaint either do not constitute State aid or are in line with EU State aid rules.

The opening of proceedings gives interested third parties an opportunity to submit comments on the measures under assessment. It does not prejudice the outcome of the investigation.

Background

In the aviation sector, the [Commission's Guidelines on State aid to airports and airlines](#) (see also [MEMO](#)) allow for investment and operating aid to regional airports under certain conditions, including that the aid contributes to connectivity, hub decongestion or regional development and is limited to what is necessary to reach those objectives.

In addition, the Guidelines reflect the fact that, subject to certain conditions, public subsidies can be used by regional airports or regional authorities to attract price-sensitive airlines. Such subsidies can typically take the form of low airport charges, discounts to airport charges, success fees or marketing payments.

Publicly-owned regional airports may offer attractive conditions to airlines to encourage them to operate there and thereby boost their traffic. However, such conditions must in principle not go beyond what a profit-driven airport operator would be prepared to offer under the same circumstances (the market economy operator principle). If this principle is respected, the conditions do not involve State aid to the airlines and are not subject to the Commission's review. Conversely, if this principle is not respected, the conditions involve State aid and the Commission must then examine whether this can be found compatible with EU State aid rules.

In recent years, the Commission has concluded a number of cases regarding aid to airlines aimed at attracting or maintaining airlines' aircraft capacity at certain airports, finding that they were not in line with State aid rules, for example, regarding the airports of [Nîmes, Pau and Angoulême](#) in France, [Zweibrücken](#) and [Altenburg-Nobitz](#) in Germany, [Klagenfurt](#) in Austria, and the Sardinian airports of [Cagliari, Olbia](#) and [Alghero](#) in Italy. In July 2018, the Commission opened a formal investigation into alleged State aid to Ryanair at the French airport of [Montpellier](#).

Regarding the airport of Frankfurt-Hahn, the Commission has already approved measures to the benefit of the airport operator in three previous decisions in [2014](#) and [2017](#).

The non-confidential version of the decision will be made available under the case number SA.43260 in the [State Aid Register](#) on the Commission's [competition website](#) once any confidentiality issues have been resolved. More information on the Commission's State aid policy in the air transport sector is available in this [policy brief](#).

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