

TRANSPORT SITUATION IN GERMANY IN 2009

1. Traffic trends

- The freight sector in Germany is - on the whole as well as with regard to all transport modes - heavily affected by the decline in industrial production and by the massive drop in external trade flows.
- In the first half of 2009, the traffic volume of the modes rail, inland waterways and maritime shipping fell by approximately 20 per cent from the preceding year. The road haulage sector performed slightly better (-12 per cent).
- Despite improvements in the second half of the year, a drop in transport demand by 13 per cent is to be expected for the full year 2009. Transport volumes in passenger transport are expected to be close to stagnation for all modes in 2009.
- For 2010, the overall economic and sectoral economic data indicate a slight recovery in the freight transport sector. The anticipated increase is currently estimated at approximately 2 per cent (rail) and approximately 4 per cent (road haulage, air transport, maritime shipping).

2. Obstacles to the development of transport

The year 2009 was characterised by the **financial and global economic crisis**, which, for Germany, led to the most severe economic downturn since the foundation of the Federal Republic. After one year of economic downturn, German's economy overcame the decline in the summer of 2009. Against this background, a GDP decrease of 5.0 per cent is now expected for the full year. For companies in the transport and logistics sectors, the crisis manifested particularly clearly in terms of a decline in freight volume.

To mitigate the effects of the crisis, the Federal Government has, in close consultation with the international community, taken comprehensive crisis management measures. Important elements of these measures are the **economic stimulus packages** with a total volume of close to € 100 billion: the **Economic Stimulus Package I** of November 2008 (package of measures entitled "Safeguarding Jobs by Promoting Growth") and the **Economic Stimulus Package II** of January 2009 ("Pact for employment and stability"). For the Federal Government it was particularly important that these economic support measures take into consideration long-term challenges and boost the overall growth strengths.

- Against this background, the economic stimulus packages facilitate a faster implementation particularly of urgent investment in transport infrastructure – for this, an additional € 4 billion have been made available for developing the federal transport infrastructure in 2009 and 2010. These funds serve the implementation of the following measures in particular: Strengthening of ongoing and new transport infrastructure projects, noise mitigation measures, passenger station programme for the acceleration of the refurbishment of train stations, construction of urgently needed HGV parking spaces on parking sites along federal motorways, upgrading of seaward approaches and of the hinterland connections of the ports.
- With its scrappage scheme (volume: € 5 billion) the Federal Government provides incentives for the scrappage of old and the purchase of new cars, thereby boosting sales in the automobile sector and making an important contribution to the reduction of air pollution.
- For 2009 and 2010, € 500 million have been made available for applied research in the field of mobility, specifically for innovations in the field of transport and vehicle technology. This is essentially intended to promote the entire emerging sector of electric mobility (further development in particular of fuel cells and storage technologies as well as hybrid propulsion systems).

3. Good practices in the transport sector

The Federal Government is committed to an **integrated transport policy**, since solely optimising the transport sector subsystems will not be sufficient considering the future challenges the transport system as a whole faces in terms of efficiency and sustainability. Instead, comprehensive strategic approaches are needed which, apart from the shaping and financing of transport infrastructure, also incorporate all further transport policy areas, such as pricing and innovation policies, to form a sound overall approach. With its integrated transport policy, the Federal Government thus seeks to ensure that each transport mode can and must make its contribution to safeguarding mobility and tackling traffic growth according to its inherent strengths.

Important strategic approaches in this context are approaches such as the **Masterplan Freight Transport and Logistics** with which the Federal Government, in the summer of 2008, presented a comprehensive strategy for freight transport. For the important transport hubs - airports and ports - the Federal Government presented respective integrated strategies in the summer of 2009.

- the **Airport Strategy 2009** is the foundation for a sustainable and requirement-oriented development of the German airports;
- the **National Ports Strategy** is a strategic federal guideline for the seaports and inland ports;
- and also the **promotion of combined transport** is given high priority by the Federal Government within the framework of the Masterplan Freight Transport and Logistics; thus funding for transshipment facilities and for the promotion of innovative transshipment technologies has been increased.

Furthermore, the successful toll scheme for **heavy goods vehicles (HGVs)** has been refined, giving preferential treatment to low-emission HGVs and raising toll rates according to the pollutant emission category. The new scheme came into operation on 1 January 2009. In return, compensation measures totalling € 600 million per year are ensured in order to ease the burden on the road haulage sector including an Innovation Programme to provide incentives to purchase cleaner heavy goods vehicles, a Training Aid Programme and a De-Minimis Aid Programme to improve the efficiency, safety and environmental performance of the transport sector in Germany. The remaining toll revenues will be re-invested in transport infrastructure.

4. Transport infrastructure investment

Please provide estimates of the percentage **share of transport infrastructure investment** in GDP in recent years and describe briefly the measures adopted in 2009 that aim to **support transport infrastructure investment** (fiscal stimulus provisions, regulatory reforms to encourage private investment, etc).

The following table provides information on transport infrastructure investment in Germany broken down by years, source of funds and use of funds. Furthermore, the GDP at current prices and the resulting share of total investment is provided in per mille.

Year	Federal Government investment incl. Economic Stimulus Packages I and II					Total investment incl. federal states and local authorities	GDP at current prices	GDP share of infrastructure investment
	<i>Federal railways</i>	<i>Federal trunk roads</i>	<i>Federal waterways</i>	<i>Other areas (GVFG*, aviation...)</i>	<i>Federal Government total</i>			
	<i>[Million euros]</i>					<i>[Million €]</i>	<i>[Billion €]</i>	<i>[1/1000]</i>
2000	3,363	4,173	620	1,743	9,899	21,270	2062.50	10.31
2001	3,865	4,659	555	1,730	10,809	20,743	2113.16	9.82
2002	4,294	4,713	554	1,880	11,441	22,451	2143.18	10.48
2003	4,451	4,653	609	1,912	11,625	21,591	2163.80	9.98
2004	3,518	4,928	600	1,888	10,934	19,798	2210.90	8.95
2005	3,442	5,193	611	1,850	11,096	17,425	2242.20	7.77
2006	3,398	5,144	590	1,961	11,093	18,141	2325.10	7.80
2007	3,953	4,890	682	1,889	11,414	18,797	2428.20	7.74
2008	3,860	5,027	811	1,942	11,640	-	2495.80	-
2009 (target)	4,320	6,300	1,320	2,033	13,973	-	-	-

*Local Authority Transport Infrastructure Financing Act

In 2008/2009, two economic stimulus packages were launched in support of the economy that also make provisions for additional transport infrastructure investment. The Economic Stimulus Package I was adopted in November 2008. On 20 February 2009, the German Bundesrat approved the "Act for employment and stability in Germany" (Economic Stimulus Package II) following its adoption by the Bundestag. These economic stimulus packages will provide additional funding in the total amount of € 4 billion for federal transport infrastructure in 2009 and 2010.

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