



Commission orders recovery of around €14 million in incompatible German State aid from Frankfurt-Hahn airport and Ryanair

Brussels, 9 September 2024

Today, the European Commission has concluded that three German measures in favour of **Ryanair** and the **Frankfurt-Hahn airport** are incompatible with EU State aid rules. Germany must now recover the incompatible aid, including interest. The Commission has also found in separate decision that other public funding measures for **Frankfurt-Hahn airport**, **Haitec AG** and **Ryanair** do not constitute State aid.

The Commission's investigation

In [October 2018](#), the Commission opened an in-depth investigation to assess whether public funding granted by Germany to Frankfurt-Hahn airport and Ryanair was in line with EU State aid rules.

The Commission's investigation covered **two measures in favour of Frankfurt-Hahn airport**, namely: (i) a **guarantee** granted by the Land Rhineland-Palatinate with respect to a sale of land and (ii) the **return** to Frankfurt Hahn airport of a **plot of land** previously acquired by the Land Rhineland-Palatinate without Frankfurt Hahn airport paying any compensation.

The Commission also investigated **four measures in favour of Ryanair**, namely: (i) two **marketing agreements** concluded in 2005 and 2017 with the Land Rhineland-Palatinate, (ii) three **airport service agreements** concluded in 2013, 2015 and 2016 with Frankfurt-Hahn airport, (iii) a **training support**, and (iv) the **lease** of a crew and pilot school and of a maintenance hall.

The Commission found that the **following measures are incompatible with EU State aid rules**, namely: (i) the **return** to Frankfurt Hahn airport of a plot of land previously acquired by the Land Rhineland-Palatinate without Frankfurt Hahn airport paying any compensation; (ii) **two marketing agreements** between the Land Rhineland-Palatinate and Ryanair; (iii) a **training support** to Ryanair. The investigated measures have been found to involve State aid, in particular as measures (i) and (ii) were found not to be in line with market conditions and measure (iii) concerns an economic activity; which does not fulfil any grounds for compatibility invoked by Germany.

On this basis, the Commission **ordered Germany to recover** approximately €13 to €14 million, plus interest, from Ryanair and €1.25 million, plus interest, from Frankfurt-Hahn airport. As a matter of principle, EU State aid rules require that incompatible State aid is recovered without delay in order to remove the distortion of competition created by the aid. There are no fines under EU State aid rules and the purpose of recovery is to restore the situation which existed in the internal market before the aid was paid. By paying back the unlawful aid, the beneficiary forfeits the advantage which it has enjoyed over its competitors.

Moreover, the Commission found that some of the measures **do not constitute State aid** within the meaning of [Article 107\(1\)](#) of the Treaty on the Functioning of the European Union ('TFEU'). In particular, the Commission concluded that:

- The **three airport services agreements** between Frankfurt Hahn airport and Ryanair as well as the **lease** of a crew and pilot school and of a maintenance hall do not confer an economic advantage on Ryanair given that they were **concluded in line with market conditions**.
- The **guarantee** granted by the Land Rhineland-Palatinate to Frankfurt-Hahn airport with respect to a sale of land is not liable to have any effect on trade between Member States or to threaten to distort competition, given that it fulfils the conditions of Commission Regulation (EU) No 1407/2013 ("*de minimis* aid").

The Commission's preliminary assessment of complaints

In a separate decision adopted today, the Commission has also found, after a preliminary examination triggered by complaints, that **four support measures** to Frankfurt-Hahn airport, Ryanair and Haitec AG do not constitute State aid within the meaning of Article 107(1) TFEU. Haitec AG is an aircraft maintenance company operating at Frankfurt-Hahn airport.

The Commission assessed four measures, namely: (i) an **exclusive purchasing agreement** between a public real estate company and Frankfurt-Hahn airport; (ii) a **land sale contract** between a public company in charge of road construction and maintenance and Frankfurt-Hahn airport; (iii) a **guarantee** allegedly granted in 2008 to Haitec AG; and (iv) the **construction of an aircraft maintenance hall** allegedly designed for the needs of Ryanair.

The Commission concluded that the first two measures do not confer an economic advantage on Frankfurt-Hahn airport given that they were concluded in line with market conditions. It also found that the third measure was never granted to Haitec AG. Finally, the Commission found no need to assess the fourth measure given that the Commission declared the lease of this aircraft maintenance hall to Ryanair in line with EU State aid rules in the above in-depth investigation.

Background

According to Article 107(1) TFEU, a measure constitutes State aid if the following four cumulative conditions are met: (i) the measure has to be granted by Member States through State resources; (ii) the measure has to confer a selective economic advantage to certain companies, (iii) the advantage has to distort or threaten to distort competition, and (iv) the measure has to affect trade between EU Member States.

Public interventions in favour of companies that carry out economic activities can be considered free of State aid within the meaning of EU rules when they are made on terms that a private player operating at market conditions would have accepted.

The [de minimis regulation](#) exempts small amounts from EU State aid control since they are deemed to have no impact on competition and trade in the Single Market.

The assessment criteria for public interventions in airports and airlines are set out in the Commission's [Aviation Guidelines](#), adopted in February 2014. These rules aim to ensure good connections between regions and meet the transport needs of European citizens, while establishing a level playing field among airports and airlines in the Single Market.

For More Information

The non-confidential version of the decisions will be made available under the case numbers SA.43260 and SA.115160 in the [State aid register](#) on the Commission's [competition](#) website once any confidentiality issues have been resolved. New publications of State aid decisions on the internet and in the Official Journal are listed in the [Competition Weekly e-News](#).

IP/24/4588

Quotes:

"Competition between airports and between airlines is crucial for consumers, economic growth and jobs. Our in-depth investigation has confirmed that several public funding measures for Frankfurt-Hahn airport and Ryanair are incompatible with EU State aid rules. They gave Ryanair an unfair and selective advantage over its competitors and caused harm to other regional airports. Germany must now recover the aid."

Margrethe Vestager, Executive Vice-President in charge of competition policy - 09/09/2024

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