

Commission Decision (EU) 2020/1814 of 28 June 2019 ON THE STATE AID SA.33846 – (2015/C) (ex 2014/NN) (ex 2011/CP) implemented by Finland for Helsingin Bussiliikenne Oy (notified under document C(2019) 3152) (Only the Finnish and Swedish texts are authentic) (Text with EEA relevance)

COMMISSION DECISION (EU) 2020/1814

of 28 June 2019

ON THE STATE AID SA.33846 – (2015/C) (ex 2014/NN) (ex 2011/CP) implemented by Finland for Helsingin Bussiliikenne Oy

(notified under document C(2019) 3152)

(Only the Finnish and Swedish texts are authentic)

(Text with EEA relevance)

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union, and in particular the first subparagraph of Article 108(2) thereof,

Having regard to the Agreement on the European Economic Area, and in particular Article 62(1)(a),

Having regard to the decision by which the Commission initiated the procedure laid down in Article 108(2) of the Treaty of the functioning of the European Union⁽¹⁾,

Having called on interested parties to submit their comments pursuant to the provisions cited above⁽²⁾ and having regard to their comments,

Whereas:

1. **PROCEDURE**

(1) On 31 October 2011, Nobina Sverige AB and Nobina Finland Oy lodged a complaint to the Commission alleging that Finland granted unlawful aid to Helsingin Bussiliikenne Oy ('HelB'). On 15 November 2011, Nobina AB – the parent company of Nobina Sverige AB and Nobina Finland Oy – joined the complaint. Nobina Sverige AB, Nobina Finland Oy and Nobina AB are hereinafter jointly referred to as 'the complainants'. The complainants provided additional information on 12 December 2011, 27 February 2012, 4 April 2012, 21 June 2012 and 4 September 2012.

(2) The complaint along with the Commission's request for information in English was forwarded to Finland for comments on 22 November 2011. The Finnish translation of the complaint was sent to Finland on 1 February 2012. Finland's comments were provided, together with additional information, by letter dated 28 February 2012.

Changes to legislation: There are currently no known outstanding effects for the Commission Decision (EU) 2020/1814. (See end of Document for details)

- (3) The comments of Finland on the complaint were forwarded to the complainants by letter of 31 May 2012. The observations of the complainants were provided on 27 July 2012. Finland provided additional information on 28 September 2012.
- (4) By letter dated 31 October 2012, the Commission forwarded to Finland the observations of the complainants received on 27 July 2012 and requested additional information. Finland provided the information requested on 3 January 2013 and 7 and 12 February 2013. Moreover, Finland provided additional information by email of 16 May 2013.
- (5) A meeting with the Finnish authorities took place on 17 May 2013, after which the Commission requested additional information by email of 24 May 2013. Finland provided the information requested on 31 May 2013 and 3, 7 and 10 June 2013.
- (6) The Commission requested additional information by email of 24 October 2013 and by letter dated 6 November 2013, to which Finland replied on 8 November 2013 and on 31 January 2014, respectively.
- (7) The Commission requested additional information by e-mails of 27 February 2014 and 3 April 2014, to which Finland replied by e-mails of 5 March 2014 and 11 April 2014, respectively.
- (8) The services of the Commission met with the complainants and their legal representatives on 29 January 2014 and 14 October 2014.
- (9) By letter dated 16 January 2015, the Commission informed Finland that it had decided to initiate the procedure laid down in Article 108(2) of the Treaty on the Functioning of the European Union ('TFEU') in respect of the alleged aid ('the Opening Decision').
- (10) The Opening Decision was published in the *Official Journal of the European Union*.⁽³⁾ The Commission invited interested parties to submit their comments on the measures identified in the Opening Decision.
- (11) Finland provided comments on the Opening Decision on 18 March 2015, 18 June 2015 and 6 November 2015.
- (12) The Commission received comments from the complainants on 8 May 2015 and forwarded them on 20 May 2015 to Finland, which was given the opportunity to react. Finland replied to the comments of the complainants by letters dated 12 August 2015 and 10 September 2015.
- (13) The Commission requested additional information from Finland on 27 May 2016, 15 September 2016, 13 October 2016 and 21 December 2016. Finland responded on 23 June 2016, 2 September 2016, 24 October 2016, 26 October 2016, 8 December 2016 and 13 January 2017.

Changes to legislation: There are currently no known outstanding effects for the Commission Decision (EU) 2020/1814. (See end of Document for details)

(14) On 16 February 2017, the Commission met with the complainants and their legal representatives.

(15) The Commission requested further information from Finland on 31 October 2017 and 21 December 2017. Finland responded on 9 November 2017 and 16 February 2018.

(16) On 19 March 2018, the Commission met with the Finnish authorities. Finland submitted additional comments on 10 April 2018.

2. BACKGROUND

2.1. The complainants

(17) Nobina AB is the largest company to offer public transport bus services in the Nordic region and one of the ten largest public transport companies in Europe, active in the regional and interregional traffic segments. Its market share in the regional traffic segment in the Nordic region was 16 % in 2015/2016 (calculated on the basis of the number of buses). In the same period the company carried approximately 377 million passengers. In 2015/2016, Nobina AB made a profit after tax of approximately SEK 4 million (ca. EUR 0,4 million).

(18) Nobina AB's main market is Sweden, where it operates as Nobina Sverige AB. In 2015/2016, Nobina AB's sales in Sweden accounted for approximately 71 % of its total sales and its market share in Sweden was 30 % (measured by the number of buses). In the same period, Nobina AB's sales in Finland, where it operates as Nobina Finland Oy, accounted for approximately 11 % of its total sales and its market share in Finland was 19,1 % (measured by the value of services).

2.2. The beneficiary

(19) HelB was created on 1 January 2005 through the acquisition of assets and liabilities of HKL Bussiliikenne – a separate business unit of the City of Helsinki ('the City') – by the City-owned transport company Suomen Turistiauto Oy ('STA'), which then changed its name to HelB. HelB operated bus routes in the area of Helsinki and offered charter transport and bus leasing services. Around the time of the Opening Decision it had a fleet of approximately 380 buses.

(20) HKL Bussiliikenne was created in 1995 as a spin-off from the City's transport services' department. The key figures concerning the financial situation of HKL Bussiliikenne prior to its acquisition by STA are presented in Table 1 below.

Table 1

Key figures of HKL Bussiliikenne (in EUR 000)

	1999	2000	2001	2002	2003	2004
--	------	------	------	------	------	------

Source: Financial statements of HKL Bussiliikenne.

Changes to legislation: There are currently no known outstanding effects for the Commission Decision (EU) 2020/1814. (See end of Document for details)

Table 1

Key figures of HKL Bussiliikenne (in EUR 000)

Net turnover	49 490	49 612	51 936	53 759	58 129	62 863
Operating profit	1 724	512	-917	-1 095	-35	447
Result before appropriations and tax	-374	-1 533	-3 036	-3 144	-1 738	-1 086

Source: Financial statements of HKL Bussiliikenne.

- (21) STA was a private limited company owned by the City, providing transport services. The key figures concerning the financial situation of STA prior to it acquiring HKL Bussiliikenne and changing its name to HelB are presented in Table 2 below.

Table 2

Key figures of STA (in EUR 000)

	1999	2000	2001	2002	2003	2004
Net turnover	29 460	32 187	34 069	29 921	29 511	25 674
Operating profit	-777	-624	-1 139	-2 334	-2 892	-2 546
Result before appropriations and tax	-1 109	-1 085	-1 638	-2 366	-3 220	-2 833

Source: Financial statements of STA.

- (22) HelB was 100 % owned by the City until December 2015. The key figures concerning the financial situation of HelB in 2005-2014 are presented in Table 3 below.

Table 3

Key figures of HelB (in EUR 000)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Net turnover	85	88	90	91	98	93	91	99	89	80
turnover	134	169	194	913	164	641	506	407	943	696

Source: Financial statements of HelB.

Changes to legislation: There are currently no known outstanding effects for the Commission Decision (EU) 2020/1814. (See end of Document for details)

Table 3

Key figures of HelB (in EUR 000)

Operating profit	214	-1 590	-2 399	-8 470	-4 319	-3 621	-6 136	-1 941	-1 511	-4 498
Result before appropriations and tax	-2 842	-2 321	-2 231	-7 505	-3 768	-3 308	-6 123	-1 845	111	-7 031

Source: Financial statements of HelB.

- (23) On 14 December 2015 HelB was sold⁽⁴⁾ to a private bus operator Viikin Linja Oy ('the buyer'), a competitor of the complainants and the largest bus operator in Finland, belonging to the Koiviston Auto Group ('KAG'). In 2016, KAG's estimated market share in Finland was 21,9 % (based on the value of services) and its profit after tax was EUR 3,8 million.

2.3. **Local transport market in the Helsinki area**

- (24) Local bus transport services in Helsinki were tendered for the first time in 1998⁽⁵⁾. The responsibility for the planning of public transport and the purchase of public transport services in the metropolitan area of Helsinki, including the City, lies with the Helsinki Regional Transport Authority.

- (25) There are a number of companies operating in the Helsinki area in addition to HelB, notably Nobina Finland Oy and Veolia Transport Finland Oy. The estimated percentages of market shares of bus operators in the Helsinki local transport market each year are presented in the chart below.