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**LITHUANIAN RAILWAYS: THE MOST STRAIGHTFORWARD ABUSE CASE EVER?**

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On the 2nd of October, the European Commission fined Lithuanian Railways – the state-owned rail company in Lithuania, responsible for railway infrastructure and rail transport – an amount of EUR 27 873 000 for removing a rail track connecting Lithuania and Latvia and, consequently, blocking competition on the rail freight market, in breach of EU antitrust rules.

The Commissioner in charge of competition policy, Margrethe Vestager, stated: "Lithuanian Railways used its control over the national rail infrastructure to penalise competitors in the rail transport sector. The European Union needs a well-functioning rail freight market. It is unacceptable and unprecedented that a company dismantles a public rail infrastructure to protect itself from competition."

In 2008, Orlen, a major customer of Lithuanian Railways, considered changing its freight from Lithuania to Latvia, causing this rail company to lose a key client. Consequently, in October of the same year, Lithuanian Railways dismantled 19 km of track connecting Lithuania and Latvia (close to Orlen's refinery). The Commission's investigation found that these actions hampered competition on the rail freight market by preventing a major customer of Lithuanian Railways from using the services of another rail operator, a clear breach of Article 102 of the Treaty on the Functioning of the European Union (TFEU), which prohibits the abuse of a dominant market position.

Since then the dismantled track has not been rebuilt.

Besides the imposition of the fine, the Commission's Decision requires Lithuanian Railways to bring the transgression to an end and abstain from any measure with an equal or equivalent effect.

[http://europa.eu/rapid/press-release\\_IP-17-3622\\_en.htm](http://europa.eu/rapid/press-release_IP-17-3622_en.htm)