



TRIBUNAL DE CUENTAS

HOW DO FARE DISCOUNTS CONTRIBUTE TO SOCIAL AND TERRITORIAL COHESION?

Elena López Díaz

09/06/2026-10/06/2026

Some remote territories do not have equal access to transports, public services, business opportunities, etc.

As a result, there is a risk of uneven economic and social development across territories within the same country.



SPAIN



FRANCE



GREECE

Governments acknowledge regional disparities in development and promote policies aimed at reducing inequality between regions. The Spanish Constitution enshrines the principle of solidarity between regions.

Article 138 The Spanish Constitution

1. The State guarantees the effective implementation of the **principle of solidarity** vested in Article 2 of the Constitution, safeguarding the establishment of a **just and adequate economic balance between the different areas of Spanish territory and taking into special consideration the circumstances pertaining to those which are islands.**
2. The differences between the Statutes of the different Autonomous Communities may in no case imply economic or social privileges.

Article 158.1 The Spanish Constitution

1. In the State Budget, an allocation may be made to the Autonomous Communities in proportion to the volume of State services and activities for which they have assumed responsibility and to their guarantee **to provide a minimum level of basic public services throughout Spanish territory**



- Subsidies for sea and air transport. These instruments provide financial assistance to residents in remote areas and to large families throughout the country.
- Establishment of public service obligation routes. Minimum operating conditions are imposed (prices, number of flights or sailings, minimum number of seats, etc.).
- Contracts for public service obligation routes. Financial compensation is provided to companies to cover routes that are less profitable for airlines or shipping companies.

- To promote territorial cohesion.
- To ensure equal access to essential services such as healthcare, education, and employment.
- To mitigate the structural disadvantages faced by residents of remote territories.
- To facilitate labor mobility and local economic activity.
- To prevent social and economic exclusion driven by geographic isolation.
- To improve access to transport, as there is no viable alternative in terms of frequency and timings.
- To offset the additional cost resulting from higher air or sea fares compared to other modes of transport.



SUSTAINABLE DEVELOPMENT GOALS (SDG)

Tribunal de Cuentas has audited the 'Subsidies and support for maritime transport', for the 2023 financial year, and has now started its audit of 'Subsidies and support for air transport', for the 2025 financial year.



The content of this presentation is based on data from the report related to 'Subsidies and support for maritime transport', for the 2023 financial year.



- To analyse the data submitted by shipping companies to the government authorities, the audit team used:
 - Excel
 - IDEA (Interactive **D**ata **E**xtraction and **A**nalysis)
 - PowerBI
- No IA was used to analyze the data because:
 - Sensitive and personal data (ID Numbers, Names)
 - Confidentiality



- No market intervention in ticket price. However, if a resident or a member of a large family is traveling on a public service route covered by a contract, a maximum price is set.
- The government subsidises up to 75% of the ticket price.
- The autonomous communities may also fund a further percentage.
- Up to 50% funding for large families.
- Maximum refund: 100% of the ticket price.
- Some service fees are also subsidized.
- Requirements: be registered as a resident in a remote area, be part of a large family.

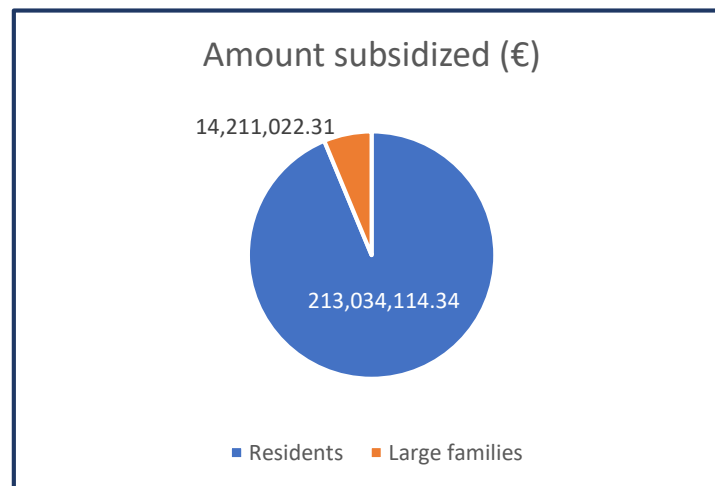
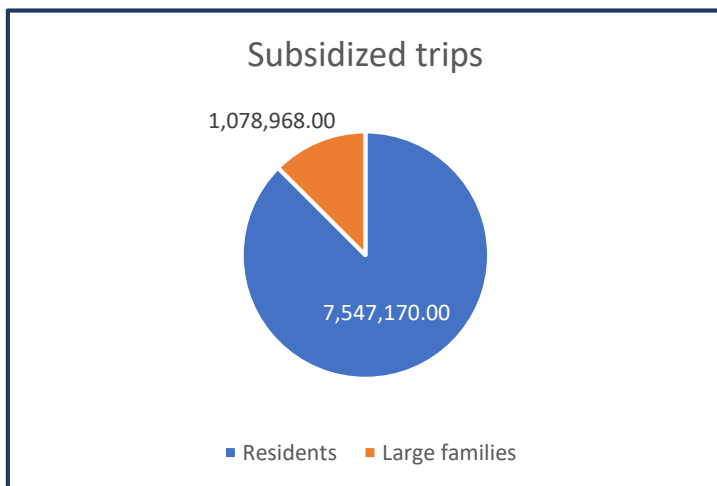
Granting authority	Trips mainland-rest of the country	Inter-island trips
State - Ministry of Transport and Sustainable Mobility for residents in non-peninsular territories	75%	50%
State - Ministry of Transport and Sustainable Mobility for large families *	20 % / 50 %	20 % / 50 %
State - Ministry of Defense for military personnel	50%	50%
Autonomous Community of the Canary Islands for its residents	-	25%
Autonomous Community of the Balearic Islands for its residents **	-	25 % / 39 %

* 20 % for normal large families and 50 % for special large families

** 39 % only on Ibiza-Formentera trips.

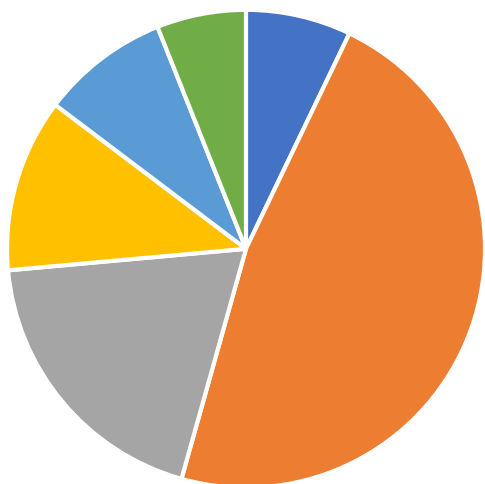


Subsidies	Subsidized trips	€
Residents	7.547.170,00	213.034.114,34
Large families	1.078.968,00	14.211.022,31
TOTAL	8.626.138,00	227.245.136,65



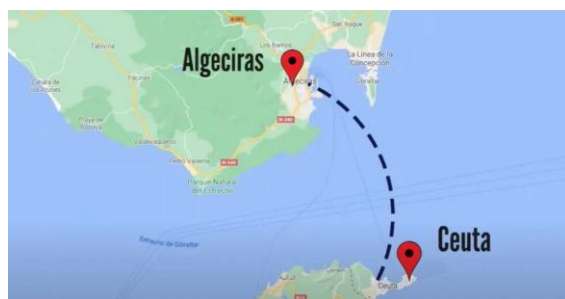


Subsidy/Territory	Subsidies to residents		Subsidies to large families		Total subsidies	
	Trips subsidized	€	Trips subsidized	€	Trips subsidized	€
Canary Islands - rest of the country	56.896,00	15.187.550,21	4.724,00	399.429,67	61.620,00	15.586.979,88
Canary Islands -Inter-islands	4.545.443,00	100.599.110,04	306.059,00	3.904.177,48	4.851.502,00	104.503.287,52
Balearic Islands - rest of the country	675.445,00	40.928.408,63	129.822,00	2.122.143,75	805.267,00	43.050.552,38
Balearic Islands - Inter-islands	1.155.275,00	24.978.557,39	76.936,00	860.422,01	1.232.211,00	25.838.979,40
Ceuta - rest of the country	886.487,00	18.472.267,63	360.436,00	3.138.776,55	1.246.923,00	21.611.044,18
Melilla - rest of the country	227.624,00	12.868.220,44	200.991,00	3.786.072,85	428.615,00	16.654.293,29
TOTAL	7.547.170,00	213.034.114,34	1.078.968,00	14.211.022,31	8.626.138,00	227.245.136,65



Amount subsidized (€)

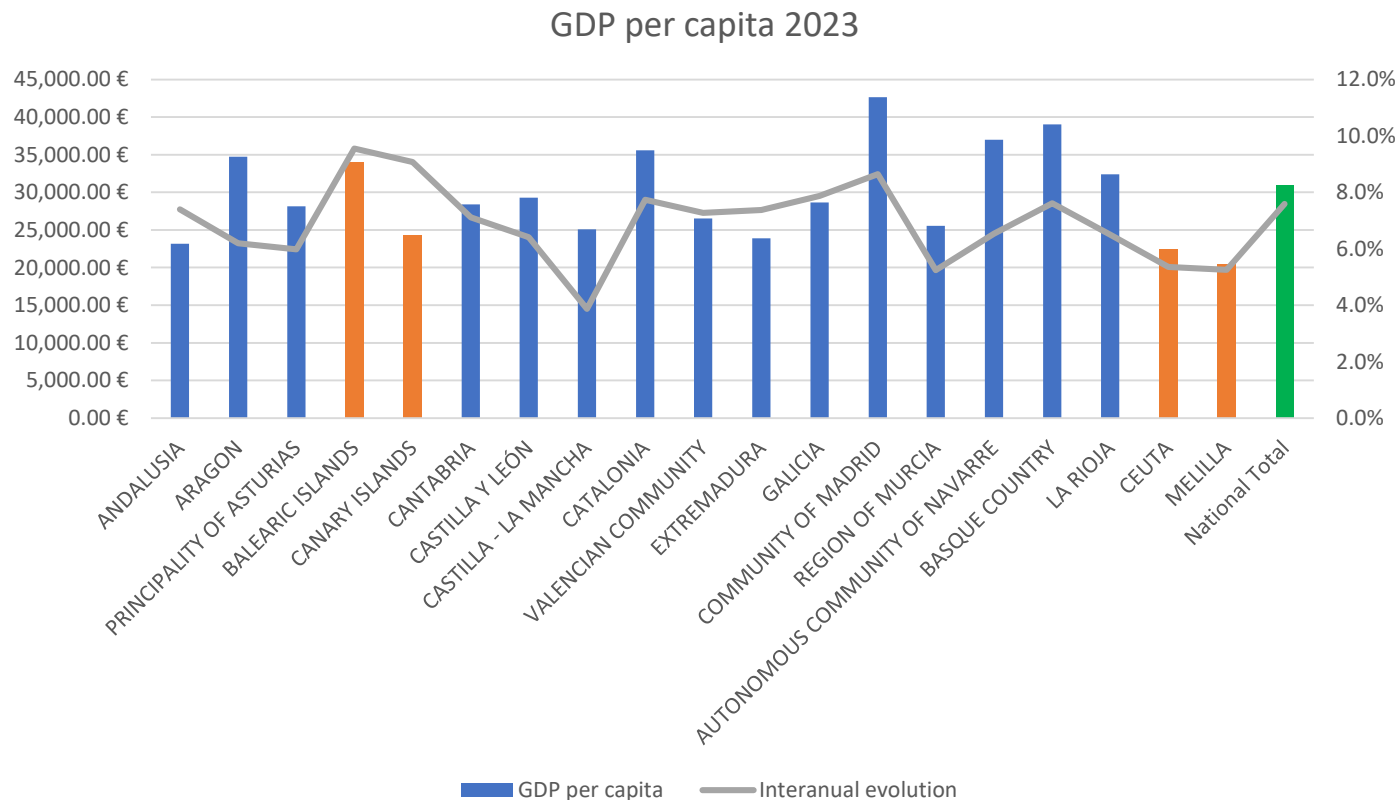
- Canary Islands - rest of the country
- Canary Islands -Inter-islands
- Balearic Islands - rest of the country
- Balearic Islands - Inter-islands
- Ceuta - rest of the country
- Melilla - rest of the country



- A higher number of trips were made in certain territories, particularly CEUTA.
- There might be a risk of fraud in the grant conditions, given the territory's geographical proximity to the mainland (approximately 28 km). It is possible that people residing in Algeciras are using this subsidy to commute to work in Ceuta.
- **Stricter regulation of the effective residency requirement, along with travel restrictions or ticket price limitations, is necessary.**

- Maritime transport is extensively used by residents in certain territories due to their specific geographical characteristics.
 - Residents of Ceuta use shipping services to travel with their vehicles or to commute to work in the mainland.
 - Residents of the Canary Islands rarely use shipping services for travel to the mainland due to the distance involved. However, such services are widely used for inter-island trips, particularly for travelling with vehicles.
 - Maritime transport is widely used for Balearic Islands – Mainland trips.
- Fare discounts are also available to large families throughout Spain.
- Maritime and air transport work in combination to promote territorial, social and economic cohesion.

The volume of trips made and the economic and social development of the remote areas suggest that the policy objective has been achieved.



Source: Compiled by the author using data from the Spanish National Statistics Institute

https://www.ine.es/dyngs/INEbase/es/operacion.htm?c=Estadistica_C&cid=1254736167628&menu=resultados&idp=1254735576581

- A high number of trips were made by residents in remote areas.
- GDP per capita in remote territories is similar to that in the mainland.
- Year-on-year growth of GDP per capita is higher in the Canary and Balearic Islands.
- Ceuta and Melilla have a similar GDP per capita, although it is slightly lower than that of other mainland regions; therefore, this policy remains necessary.
- All of the above suggests that **the policy objective has been achieved.**



- Insufficient planning of economic resources.
- The initial budget could be amended if necessary to finance the subsidies and cover all the trips made during the year (expandable budget allocations).
- There are insufficient relevant performance indicators.
- Resident status is only confirmed by registration; it does not necessarily mean that the person is actually living there. There might be a risk of fraud.
- There is no standard or maximum rate.
- Higher average ticket prices for residents. The reason for this difference may be that resident passengers are more likely than non-residents to choose fares for higher classes of accommodation, as they are able to benefit from the discount.

- The more trips are made, the more fuel shipping companies consume.
- Two interests are in conflict: the rights of residents in remote territories and environmental sustainability. It is important to balance these rights against their environmental costs.
- In 2023, the Spanish government provided **subsidies to shipping companies using more sustainable fuels on public service obligation routes**. This was an economic measure taken by the Spanish Government as a consequence of the Russia-Ukraine war.
- Total amount granted: 41.568.501,87 €



COUNTRY	TERRITORY	POLICIES FOR RESIDENTS	
FRANCE	Corsica	Fixed price	
	Overseas territories	Variable discount based on distance, which is deducted from the price of the ticket	Requirements: - Household income <18.000 € - One voucher every four years
	Guadalupe	A certain amount is paid per journey	
ITALY		Maximum price	In public service obligation routes, the rate is updated. If there is a contract, it remains unchanged
GREECE	Islands	Maximum price	
	Except Creta, Eubea and Lefkada	The difference in price is refunded if the transport would have been by land	
PORTUGAL	Azores	Maximum price	
	Madeira	A maximum rate is set, and if the price is higher, the difference is refunded	