



## Market oriented capacity management

### FTE response to Call for Evidence on Cross-border rail traffic

Railway Undertakings (RUs) organised by FTE have been asking for a more market-oriented approach on Capacity Management. Having initiated TTR (Timetable Redesign), RUs in FTE welcome DG MOVE's approach to reflect on legal and non-legal adaptations to improve the market situation for rail.

RUs in FTE welcome the described approach with potential adaptations of (EU) 913/2010 and 2012/34/EU, published March 10th, 2022 and would like to put special focus on:

- **Capacity Management for all users** – as freight and passenger RUs as well as IMs (for temporary capacity restrictions, TCR) use the same physical network, capacity management rules should cover and benefit all actors. As such, improvements shall both include freight and passenger markets and provide commercially viable and operationally robust capacity for all.
- **Path stability is key** – RUs face major disturbances due to TCRs which are a hindering factor for rail competitiveness. Legal support by Annex VII was a first step but has not triggered the needed stability of already allocated paths.
- **Network view** - With traffic flows using the full network, a network approach shall be used for all capacity management rules. Corridors or any other artificial geographies would create borders instead of seamless flows. This also means that no differences between domestic and cross-border solutions shall be made.
- **Capacity goes beyond paths** – linking capacity management of paths with capacity in service facilities, terminals, sidings, etc. is essential.
- **Incentives for market orientation** – establishing incentives like reciprocal commercial conditions shall motivate all users, RUs and IMs, to fulfil the market needs.
- **Collaborative decision making** – The market needs to work together, also cross-border to ensure a single European railway area. IMs shall collaborate in the interest of all customers, domestic and cross-border. With IMs mostly organized nationally, effective decision-making levels need to be elaborated, including last-resort binding decision making to cover cross-border issues. The Impact Assessment should be used to identify adequate forms of such decision making with a focus on international needs of RUs and their customers.

- **Market oriented planning** – RUs customers want clarity on possible traffic at different lead times. Therefore, applicants needs should remain the starting point of capacity planning. Different order times as well as short and multiannual path commitments, all providing high quality paths shall be envisaged. If advance planning is necessary, all stages need to be transparent and effectively incorporate dialogues between IMs and applicants. Flexibility for later market changes need to be possible.
- **Digitalisation to serve business** –Business is national and cross border, thus there shall be no difference in the use of process and IT, building on common technical standards. The initiative should include means to get common implementations in a binding, transparent way and at ambitious timelines, including mandatory deadlines for TAF/TAP TSI and reduction of national specific parameters. The impact assessment may also identify if distributed IT using common standards at common implementation deadlines may be more promising than huge, centralized solutions.
- **Transparency for continuous improvements** – Fact based improvements are needed. To assess the well-functioning of processes and identify areas of improvement, KPIs on capacity management and the possibility to dig down in KPIs to identify areas of concern shall be made available by IMs to sector stakeholders incl. RUs. This shall cover both the capacity use and measuring the capacity management process.

Covering some of these elements we draw your attention on recently published position papers: <https://www.forumtraineurope.eu/services/ttr/fte-positions-on-ttr/>

Railway undertakings in FTE are available to contribute to improved capacity management legislation.