

Framework Agreements Requirements

Market View (version 2.0)

Applicants (including Railway Undertakings (RUs) and other operational stakeholders) consider Framework Agreements (FAs) a fundamental instrument to provide predictability for investments and customers, enabling rail to increase its modal share.

Introducing a new passenger connection requires substantial investments (rolling stock, stabling, maintenance- and cleaning facilities). Applicants therefore require a predictable, sufficiently long period of operation to recover these investments.

Certain freight segments have, over many years, developed stable point-to-point services without pre-contracted customers (supply-driven). Capacity on these services can be purchased by individual customers. Freight RUs invest in terminals and commercial activities to attract customers. To safeguard these investments, a high level of predictability and protection of their business cases against Infrastructure Manager (IM)-driven changes is required.

The right for applicants to request multi-network FAs shall create an internationally usable capacity product, available earlier than the Rolling Planning process and covering a longer time horizon, thereby providing greater certainty for train concepts and investment decisions.

Capacity for FAs in the Capacity Model shall:

- be defined for each line section/node (no uniform capacity share across the network).
- be defined as a percentage of each line section/node, usually limited to 70% (this shall constitute the European standard) of the overall capacity of a line section, ensuring:
 - operational flexibility
 - avoidance of over-allocation in long-term capacity products
 - availability for later capacity requests and evolving market needs.
- be subject to infrastructure characteristics and market needs
- based on a one/two-hour intervals
- allow justified deviations with different shares for specialised infrastructure¹ (e.g. day/night, rush-hour, high-speed), based on:
 - a harmonised and transparent methodology
 - stakeholder consultation
 - no negative impact on market predictability or the ability to establish new services.
- consider all capacity covered by existing strategic guidance
- include mandatory “capacity per line” (as defined in the Network Statement (NS)) and node specifications, including node operating times
- be usable by (cooperating) applicants for multi-network operations.

¹ e.g. high-speed lines or Rail-Freight-Corridors

Duration / Timelines

- FA capacity may be requested:
 - for the full FA period (≤ 5 years or longer if justified by e.g. investments)
 - for at least two timetable periods
 - with a yearly possibility for optimisation (minor changes via CNAs)
- For investment-driven projects (e.g. rolling stock or other investments):
 - requests may be submitted up to 5 years before the start of operations, in accordance with Regulation (EU) 2016/545
 - a lower share of capacity than the overall FA limit shall apply
 - commitments shall remain sufficiently general to allow for the optimisation and coordination of capacity utilisation, avoid undue restrictions on subsequent FA requests, and ensure fair competition
 - early FA requests shall be published by all respective IMs in a harmonised and transparent manner across networks, enabling potential competitors to submit requests on the same route and timeframe and allowing simultaneous coordinated handling of such requests by IMs.

FA Process and Products

- Strategic planning shall:
 - integrate the needs of Service Facilities and applicants²
 - deliver internationally harmonised results, including cross-border aligned pre-planned FA capacities.
- The process shall:
 - be customer-oriented, completely digitalised, and avoid fragmentation
 - enable continuous applicant–IM communication throughout the allocated capacity lifecycle, including consultation and coordination with freight market-segments
 - include fair and reasonable “Commercial Conditions” for both IMs and applicants:
 - penalties for applicants for unjustified capacity blocking
 - penalties for IM-driven changes or non-allocation
 - proportionality to the economic impact on the applicant’s business.

The minimum eligible criteria will be defined in the Applicant / RU Vision.

We, as FTE, are convinced that these requirements are essential to improving the competitiveness of the rail sector and reflect the needs of applicants and their customers.

This document is currently under development and may be updated as new insights emerge. Therefore, please consider the latest version on:

<https://www.forumtraineurope.eu/en/activities/capacity-projects/framework-agreement>

² Capacity Regulation Art. 31 (4)

Table of Requirements on Framework Agreements:

Requirement	Reasoning
<p>Two complementary models shall coexist, reflecting different planning horizons and operational needs of applicants:</p> <ul style="list-style-type: none"> • Early FA requests (X-60), allowing a start of operations at any time within the requested FA period up to five years from the date of the request, in particular for investment-driven projects • Standard FA requests (X-24), particularly for existing rolling stock <p>The FA process shall follow a structured and predictable timeline:</p> <p><u>Early FA requests (X-60):</u></p> <ul style="list-style-type: none"> • requests: until X-60 • IM coordination: ≤2 months. • Conclusion: ≤2 months (until X-54). <p><u>Standard requests:</u></p> <ul style="list-style-type: none"> • request until X-24 • coordination: ≤4 months. • conclusion: ≤2 months (until X-16). <p>This process timeline is independent of the Capacity Strategy and ensures predictability and planning security for all applicants. FA requests contracted within 4.5 years prior to the first timetable period should remain at a general level, while the detailed FA contract should be concluded within X-24 and X-16.</p>	<p>Early, fixed deadlines provide applicants with planning stability. Clear timelines ensure equitable access to capacity and allow adequate time for operational and commercial preparations, including placing rolling stock orders and initiating new service preparations.</p> <p>Early FA requests provide predictability for long-term investments, such as the procurement and authorisation of new rolling stock, as well as for securing financing and developing new market offers.</p> <p>Standard FA requests ensure efficient access to capacity for shorter planning horizons.</p> <p>Maintaining a general level of commitment for early FA requests enables optimisation of capacity utilisation and coordination with later requests.</p>
<p>Strategic planning shall be built on existing and requested FAs as an expression of market demand, alongside historical data, forecast demand and network constraints.</p>	<p>FAs represent concrete market demand and business commitment and must be reflected in infrastructure planning. Conversely, requiring applicants and their customers to adjust their needs to IMs planning documents would increase rigidity and reduce the use and competitiveness of rail as a means of transport.</p>
<p>Maximum capacity share for FAs shall be:</p> <ul style="list-style-type: none"> • defined per line section (typically ~ 70%, based on infrastructure characteristics and one/two-hour intervals) ensuring flexibility and safeguard sufficient capacity for RP and ad-hoc traffic. • adaptable for specialised infrastructure (e.g. day/night, rush-hour, high-speed) based on transparent methodology/justification. 	<p>Not all demand is visible at an early stage. Therefore, sufficient capacity must remain available for later allocation processes and for different market segments. Differentiation based on infrastructure characteristics (e.g. freight corridors or high-speed lines) and operational functions ensures balanced and non-discriminatory access while preventing capacity monopolisation.</p>
<p>FA capacity shall be planned jointly with all needs, including Open Access passenger/freight as well Public Service Obligation (PSO) services, through a market-oriented and non-discriminatory procedure.</p>	<p>Fair and efficient capacity allocation across all market segments requires coordinated planning that reflects the needs of open access passenger, freight, and PSO services.</p>

	<p>A standardised and harmonised procedure is therefore necessary to support market-oriented national and cross-border traffic, ensure fair access to infrastructure, and avoid distortions between different types of services.</p>
<p>FA capacity requests for cross-border trains shall allow joint and simultaneous applications by (cooperating) applicants for multi-network capacity rights. A coordinated model across networks/IMs shall be ensured.</p>	<p>International trains are often operated by (cooperating) applicants across network sections up to predefined handover points. Joint multi-network applications ensure coherent cross-border services.</p>
<p>FA shall not be based on a fixed common FA period. Applicants shall have the right to start operations within 5 years from the date of the request (subject to applicable operational and planning timelines (e.g., X-24/X-16)).</p> <ul style="list-style-type: none"> • Standard FA duration: ~5 years • at least two timetable periods • Longer FA durations of up to 10–15 years shall be possible where duly justified, in particular for projects involving significant investments such as new rolling stock 	<p>Flexible start dates reflect different project maturities and investment timelines and avoid unnecessary delays in service implementation. Longer durations may be necessary for investment-intensive projects (e.g. rolling stock), involving high capital costs and long amortisation periods. Such durations shall remain exceptional, duly justified (e.g. pursuant to Article 33(9) and shall not restrict market access or limit opportunities for applicants.</p> <p><u>Relevant considerations may include:</u></p> <ul style="list-style-type: none"> • financing timelines • alignment with vehicle procurement cycles • vehicle authorisation processes • market entry strategies.
<p>FAs can be requested via:</p> <ol style="list-style-type: none"> 1) Up to 5 years before operation (investment-driven projects) 2) X-24 via Multiannual Capacity Needs Announcements, with an FA request (harmonised international process). 3) X-24 via (inter-)national one stop shop. 	<p>Different access routes provide flexibility, transparency and fair/coordinated competition across networks.</p> <p>For a lower limited share of capacity then the overall FA limit and for newly ordered rolling stock, FA requests should be submitted up to 5 years prior to the first timetable period of operation to allow sufficient time for vehicle procurement and to secure funding.</p> <p>Commitment should not require excessive level of detail, as this could hinder capacity optimisation and coordination of subsequent FA requests. To ensure a level playing field, the general content of early FA requests should be published by the respective IMs, enabling potential competitors to submit FA requests for the same route and duration and facilitating coordinated handling by IMs.</p>
<p>For projects involving rolling-stock investments:</p> <ul style="list-style-type: none"> • FA requests up to 5 years before the start of operations (allowing sufficient time for vehicle procurement, authorisation and financing). • Where an FA contract needs to be concluded earlier than the standard timeline, applicants, IMs and Regulatory Bodies (RB) shall agree on an appropriate coordinated procedure. • Commitments shall remain sufficiently general to enable optimisation of capacity utilisation and coordination, while avoiding undue 	<p>Rolling stock investments involve long lead times, high capital costs and significant financial risks. Therefore, longer planning horizons increase investment certainty, reduce underutilisation risks and may encourage railway companies to invest more heavily in new rail vehicles.</p>

<p>restrictions on subsequent FA requests and ensuring fair competition.</p>	
<p>Strategic planning shall:</p> <ul style="list-style-type: none"> • integrate the needs of Service Facilities and applicants. • lead to internationally harmonised results, in particular ensuring that pre-planned FA capacities are aligned and consistent across borders. 	<p>Joint planning avoids capacity mismatches between infrastructure and Service Facilities, improves overall efficiency, and enables end-to-end coordination across networks, not only at borders or handover points, by linking capacity allocation to the next matching or requested FA capacity for effective cross-border operations.</p>
<p>The process shall:</p> <ul style="list-style-type: none"> • be completely digitalised • be customer-oriented • avoid patchwork solutions/fragmentation • support continuous and proactive applicant–IM communication about changes throughout the lifecycle of the allocated capacity, including consultation and coordination with relevant market segments, in particular freight. 	<p>Applicants and IMs must adapt to increasing system complexity and growing international demand, particularly in the freight sector. Simplified and harmonised processes reduce administrative burden and improve transparency.</p> <p>Continuous coordination improves capacity alignment and service reliability.</p>
<p>Capacity commitments shall be defined in a flexible manner to enable optimisation over time and to accommodate evolving or changing capacity needs. FAs may include parameters tailored to the specific market segment, applicant and operational use case (examples below).</p> <p>Freight traffic parameters:</p> <ul style="list-style-type: none"> • Days of operation (included) • Origin, destination and selected key points for commercial or production purposes, with flexibility • Maximum journey time between selected important points • Associations between trains (e.g., backward journey or wagon feeding train from single wagon load network) • Expected traction (electrification/hauling power) • Max weight • Max axle load • Max length • Max profile <p>Capacity of the related Service Facilities and necessary time for train and commercial operations (e.g., shunting, marshalling, terminal handling)</p> <p>Passenger traffic parameters:</p> <ul style="list-style-type: none"> • Need for electrified route, qualitative elements, business continuity • Number of trains by day of the week • Key commercial and production stations to be served • Regularity pattern • Maximum journey time between main stations 	<p>Key idea: Enable timetable optimisation by guaranteeing the ability to operate train services while accommodating market- and cost-sensitive constraints, rather than fixing train paths in advance.</p> <p>A flexible definition of capacity commitments allows IMs and applicants to optimise capacity allocation over time, improve overall network efficiency and better respond to evolving demand. Defining functional and operational parameters instead of fixed train paths ensures that capacity can be used more efficiently and coordinated more effectively across different services and market segments.</p> <p>This approach supports both operational robustness and commercial viability, while avoiding unnecessary rigidity that could limit the development of new or adjusted services.</p>

<ul style="list-style-type: none"> • Associations between trains (including turnaround times and minimum/maximum transfer times for passengers) • Needed minimum train length • Capacity of related Service Facilities and necessary time for operations (shunting, turnaround) 	
<p>Commercial Conditions shall be defined to ensure the binding nature of concluded FAs, while allowing appropriate flexibility and adjustments over the long-term.</p> <p>They shall be fair, balanced, and proportionate for both IMs and applicants and include in particular:</p> <ul style="list-style-type: none"> • Penalties for applicants to prevent the unreasonable blocking or overbooking of capacity • Penalties and compensation mechanisms applicable to IMs in case of non-allocation or IM-initiated changes, ensuring enforceability and a balanced allocation of risks 	<p>Well-defined Commercial Conditions are necessary to ensure that both applicants and IMs have clear incentives to respect agreed capacity and fulfil their commitments. Applicant penalties prevent unjustified blocking or overbooking of capacity, while penalties and compensation mechanisms for IMs ensure accountability for non-allocation or IM-initiated changes and support a balanced risk allocation.</p> <p>Early applicant involvement in capacity and Temporary Capacity Restriction (TCR) planning is essential to provide stable and reliable passenger and freight services well in advance. At the same time, Commercial Conditions and long-term FAs must remain sufficiently flexible and adaptable to reflect changing customer needs, evolving market conditions and the impact of TCRs.</p> <p>Where Commercial Conditions do not apply, reasonable quotas should be defined for both parties.</p>