



**FIATA**

International Federation of Freight Forwarders Associations  
Fédération Internationale des Associations de Transitaires et Assimilés  
Internationale Föderation der Spediteurorganisationen



UNION INTERNATIONALE DES CHEMINS DE FER  
INTERNATIONALER EISENBAHNVORBAND  
INTERNATIONAL UNION OF RAILWAYS



Comité international des transports ferroviaires  
Internationales Eisenbahntransportkomitee  
International Rail Transport Committee

## **Guidelines for the development and implementation of quality agreements for specific trainloads in international conventional rail freight traffic**

## **I. Introduction**

Based on the 2003 Quality Charter on international rail freight traffic, published by UIC, CIT and CER, these guidelines have been agreed on between UIC and CIT on the one side, and client associations on the other. Their specific form and practical implementation will be tailored to individual client, or separate quality, agreements. The guidelines represent the elements that can be incorporated into a quality agreement. They show that the parties are willing to advance, Europe-wide and harmonised; they also show the quality of services rendered, thereby making access into rail freight transport more attractive and increasing its chances on the competitive market.

In order to do this, partners involved in the transport chain are endeavouring to achieve new ways of working together, which

- guarantee competitive neutrality and co-operation with forwarding agents
- gear towards readiness to distribute risk
- are based on sensible and enforceable rail programming, and
- provide for acceptable response time behaviour for the quotation submittal

With this in mind, the RUs – with political support from national and international forwarding agent organisations – will lobby, particularly within the realm of possibilities, for the IM and regulators to allocate routes that fulfil the qualitative and quantitative demands, which require their denoting a higher priority to freight travel.

These guidelines, therefore, point the way to the future, clearly making it the top goal of partners involved to collectively increase the quality of services rendered. This “quality of services rendered in international rail freight transport” means the fulfilment of agreed client demands through partners involved in rail transport.

## **II. Application range**

These guidelines are valid for selected, international full trainloads as well as selected groups at least 10 wagons in conventional rail freight traffic, specifically and contractually agreed between the RU and its clients.

Recommendations for the international, conventional single wagonload traffic and transport of conventional wagon groups are to be developed. Their formulation will take place within the scope of a pilot project “quality in international single wagonload traffic”.

Recommendations for international, combined traffic have already been drawn up in partnership with the UIRR (see Appendix 1).

The recommendations included in this document do not limit the freedom of contract between the RU and clients, nor do they prevent them from using other parameters.

The contractual partners are ready within the scope of their field of responsibilities to reach and maintain a quality level, which is defined through the agreed criteria, including penalties.

## **III. Service specifications**

Service specifications are contractually agreed between RU and clients, and constitute as a complete package the purpose of the respective quality agreement.

Final version: 19.10.2006

Service specifications that can be agreed on are:

- transport quantities,
- train capacity, i.e. capacity per train, the number of trains per year (maximum and minimum),
- departure and destination points,
- routing,
- timetable, i.e. transport days, latest delivery date (inclusive of transport-specific time allowance), departure, arrival and release date,
- order and cancellation periods,
- information: content and frequency

#### **IV. Quality assurance**

##### Quality indicator and its measurability

Quality indicators fixed contractually between the RU and the clients constitute a basis for measuring the agreed quality.

The RU and the clients agree between themselves on the various transports routes on procedure suitable and communication (which is necessary in terms of compliance with the quality agreement in order to cover operational and cost-effective management of the trains), analysis of operational problems, conclusion feedback, improvement suggestions and reporting.

Quality indicators that can be agreed following a feasibility study include:

- Punctuality and reliability with transport-specific time allowances,
- No-claims bonus, claim settlements and accounting,
- Secure loading condition,
- Wagon supply (model-specific despatch and availability),
- Train cancellation,
- Reliable information:
  - Content: e.g. punctuality, wagons out of sequence,
  - Frequency: e.g. level, measuring points
- After-sales service

A detailed register of possible quality indicators, with explanations, can be found as circumscriptions in Appendix 2 of these guidelines.

These circumscriptions are to be considered as building blocks for transport parties involved in quality contracting. The building blocks are optional and can be expanded or reduced as desired.

#### **V. Liability**

##### Basic principle:

Quality agreements, which may either be within a client deal or separately agreed, do not affect liability according to the CIM.

#### **VI. Penalty**

The carrier is responsible for breach of the quality standards he has agreed on with the client. The carrier is exempt from this responsibility if breach of these standards is attributable to: client default, a client instruction not breached by the carrier, a particular freight or wagon not supplied by the carrier, defects, or in the event of circumstances which the carrier could not avoid and whose consequences the carrier could not avert.

For his part, the client is also responsible for breach of the quality standards he has agreed on with the carrier. He is exempt from this responsibility if breach of these quality standards is attributable to a breach by the carrier or in the event of circumstances which the client could not avoid and whose consequences could not be averted.

#### Delays:

A train is considered delayed if the agreed delivery date has been exceeded by the carrier.

Dispatch by the client is considered delayed if the agreed time for the hand-over to the carrier has been exceeded.

The contract parties can agree on a time allowance.

The contract parties can agree on penalties in the event of delays.

Penalty charging can be set out as follows:

- as a percentage of the price of the delayed rail transport,
- as a lump sum (per train),
- as a bonus-malus system, which outlines the exceeding or falling below fixed punctuality levels during an agreed time period

The penalty levels must be adequate and are jointly fixed by the RU and the clients, according to the affected market segment, route criteria as well as other, specific particularities with respect to other, available rail transport or the agreed service.

Penalty charging is based on a joint analysis of the contractually fixed trains, carried out on the basis of the indicators in Point IV (Quality Assurance).

#### Further compensations:

The contract parties can agree to further compensations taking into account the specific needs of a market segment. For example:

- damage or loss of goods,
- train cancellation by the carrier or the client,
- neglect of the agreed information duties.

The contract parties agree on the relationship between the responsibility for compliance with quality according to the client contract or quality agreements, and the liability according to the CIM's standard legal provisions.

## **VII. Implementation**

These guidelines are to be implemented for RU-client partnerships in client contracts or quality agreements.

In this regard, the following agreements for RU -- RU and RU --IM partnerships, with the corresponding quality aspects, are to be completed:

- RU - RU : Joint-working agreement (consecutive carriers, as well as main/secondary carriers),
- RU - IM : Use of infrastructure agreement.

Appendix 3 includes recommendations from the CIT for the legal application of quality clauses, which will be submitted to the CIM board in February 2007 for approval.



FIATA  
**Heiner ROGGE**  
*Chairman of Working  
Group Rail of MTI*



UIC  
**Oliver SELLNICK**  
*Director Railway Undertakings*

CIT  
**Thomas LEIMGRUBER**  
*Secretary General*



\*\*\*\*\*

This agreement is supported by CER and CLECAT as an example of good cooperation between business stakeholders.