

Annex 2 — Table 1

Table 1 — MINIMUM CONTENT OF PUBLIC SERVICE CONTRACTS — RAIL TRANSPORT

SECTION	TITLE	DESCRIPTION	REGULATORY REFERENCES	Reference to draft regulatory measures for revision of ART Decision 49/2015
<b>0 — Introduction</b>	<b>Introduction</b>	<i>Legal and regulatory requirements of the PSC</i>		
<b>1 — technical operating content</b>	<b>Subject</b>	Description of services, associated and instrumental activities and territorial scope with cross-reference to the schedule of operations. Explicit indication of any exclusive right, financing arrangements, with particular reference to the procedures for collecting traffic income (gross-cost versus net-cost management). The outcome of studies carried out to define the services to be awarded may be attached, such as: passenger flows by direction, transport networks and their interconnection (graphs), etc.	ART Decision no. 48/2017	Measure 2
	<b>Contract period</b>	Identification of the contract period, in compliance with the maximum time limits laid down in the relevant legislation (Articles 4 (3) and (4) and 5 (3a), (4b) and (6) of Regulation (EC) No 1370/2007; Article 18 (1) of Legislative Decree No 422/1997) in relation to: — risks allocated to the contracting parties (cf. risk matrix); — investments provided for in the PSC so as to allow their recovery in accordance with the relevant method of depreciation (cf. EFP); — need to limit as much as possible the extension of the PSC, by excluding unjustified advantages for the contractor and maximising the potential economic and technological benefits resulting from competition. The contract period also takes into account any relevant provisions in existing regional laws.		Measures 30 and 31
	<b>Extension/Renewal</b>	Any extension is identified in accordance with the maximum time limits laid down in Article 4 (4) of Regulation (EC) No 1370/2007, specifying the deadline for termination of the extension. Any extension of the period of the PSC, in case of emergency measures intended to ensure continuity of service, may not exceed 2 years (Article 5 (5) of Regulation (EC) No 1370/2007) and shall be justified in the context of the report under Article 34 (20) of Legislative Decree No 179/2012.		
	<b>Schedule of operations</b>	The schedule of operations, which may be included in an annex to the PSC and referred to therein, describes at least number of lines, frequency, timetables and compulsory stops, annual km output, seats offered, seats offered per km, type of rolling stock used on the line (general characteristics), annual hours of commercial service. The schedule of operations shall also define the expected number of rolling stock of the planned composition (e.g. 1loc + no. wagons by type or number of trainsets, in case of fixed train sets). The AE defines in the PSC the procedures for authorisation and communication to the public of the schedule of operations prior to its adoption (cf. "Transparency and Data Access Plan").		
	<b>Temporary changes to the service or cancellations</b>	Possible reasons for interruption/temporary changes to the service, by regulating, where possible, the procedures for their management. In the case of temporary changes (maximum length to be defined), defining of the immediate information to contractual parties and users. In the event of cancellations, provision of an alternative service to be provided within a specified period through the drafting of an "action plan" for alternative services in the event of total or partial cancellation of the journeys pursuant to Decision no. 16/2018.	ART Decision no. 16/2018	Measure 31
	<b>Permanent changes</b>	Definition of the conditions which, without prejudice to the economic equilibrium test of the PSC, require a contract review and/or renegotiation of existing provisions, with reference to quantitative parameters (schedule of operations), qualitative parameters (minimum performance of the CC) and economic parameters (EFP). For each parameter, a reference threshold is defined (allowance): quantitative adjustments (schedule of operations) or qualitative changes (performance) that do not have a significant impact on the EFP and/or do not exceed those thresholds shall not be considered as grounds for contractual review. The occurrence of events which are not foreseen or foreseeable at the time of the conclusion of the PSC may result only in the adoption of non-substantial contractual amendments, in accordance with the principles of EU law. Definition of procedures and timing for the request for amendments of the schedule of operations by the CC. These procedures may be included in an annex to the PSC. Definition of conditions and procedures for user involvement in case of changes in the schedule of operations, by ensuring at least that user information is made timely and through any appropriate communication channel of the CC.		Measure 31
	<b>Rolling stock and maintenance</b>	Fleet characteristics: type, quantity, age, available systems (Wi-Fi, video surveillance, stop indicator, etc.), PRM accessibility, environmental class, etc. Planned maintenance programme. The obligation to maintain and renew rolling stock and facilities, except for the extraordinary maintenance of publicly owned facilities and infrastructure, shall be borne by the CC, in accordance with the quality and technological innovation standards defined by the AE, where they do not apply driverless leasing. The vehicle fleet may be included in an annex. All vehicles shall be equipped with electronic passenger counting systems or other technologies for identification of demand. The AE shall define in the PSC the information to be regularly transmitted by the CC to the AE for the purpose of updating the vehicle fleet, with reference, at least, to the following data: — at the beginning of the year, availability of rolling stock, scheduled maintenance of rolling stock and any out-of-operation period; — during the year, <i>ad hoc</i> communications for any introduction, disposal and/or transfer of rolling stock; — at the end of the year, depreciation rates set aside for different types of investment (purchase of new rolling stock, cyclic maintenance, incremental maintenance, etc.).		Annex 6
	<b>Service reporting</b>	Monitoring system of the performed service, with identification of procedures, responsibilities and survey timing, release of economic, technical, managerial and quality reports. The PSC regulates the procedures for access of the AE to the IT system for automatic monitoring. The reporting shall allow the AE to determine, at least on a quarterly basis, the final balance of the journeys actually carried out by the CC (as per relevant statement), by identifying: — difference compared to scheduled journeys, net of any additional (authorised) and cancelled journeys; — difference compared to the journeys certified by the automatic vehicle monitoring system (if any) — quality performance of the service in terms of regularity and punctuality, based on assessment parameters that are set by the AE in the PSC (cf also section 3)	ART Decision 16/2018	Measure 25 Annex 7
<b>Obligations of the operator upon expiry of the contract</b>	Obligations of the incumbent operator upon expiry of the contract towards the AE and/or the new operator, including information requirements, provision of strategic assets (e.g. rolling stock, immovable property, points of sale, ticket vending machines), takeover title (lease or transfer of ownership), operating conditions for takeover by the new operator (e.g. travel tickets issued with validity beyond the takeover date), social clause, if any. Certifications (quality, safety, environmental or other) to be maintained for the assets to be taken over at the end of the award. Intended use and any restrictions at the end of the award period of all assets made available to the CC, including those acquired during the contract period. Capital goods for the performance of the service (in particular if they are essential/necessary) may be included in an annex, in which the AE indicates the takeover value of each asset. List of assets, essential or necessary to the CC at the end of the award, that are made available to the new operator with an obligation to take them over as a lease or transfer of ownership.		Measures 4 through 10 Measure 17 Measure 20	

2 — economic content	<b>Compensation</b>	Compensation paid by the AE to the CC, in return for PSO services, as determined so as to ensure its economic and financial sustainability, having regard to business and management risks, as correctly attributable to each party. Rules on the method of calculation and periodic verification, at least at the end of each regulatory period. For rail services, adoption of the regulatory accounting criteria and reporting formats referred to in Decision no. 66/2018.	ART Decision 48/2017 ART Decision 120/2018	Measures 14 through 16 Measure 26 Annex 5
	<b>Procedures and deadlines for payment</b>	Procedures and deadlines for payment of compensation: composition of instalments, balance, compliance with quality standards, definition of penalties and deductions.		
	<b>Interest on late payments</b>	Interest to be paid in case of late payment. Interest for late payment in commercial transactions is payable by the debtor for delayed payment of its debt (debtor in default) on the basis of a contract concluded with a supplier of goods or a provider of services.		
	<b>Charges and other infrastructure costs</b>	Cf. regulatory accounting criteria and reporting formats referred to in Decision no. 66/2018	ART Decision 120/2018	Measures 10 and 11
	<b>Fare policy and anti-avoidance measures</b>	Existing charging scheme, including any agreed/approved/planned increases, benefits and charge reductions for specified user categories; planned updating systems; procedures for charge updating; terms and procedures for charge allocation in case of integrated ticketing. This information may be included in an annex. Description of anti-avoidance arrangements and related collection targets.		Measure 29
	<b>Risk matrix and mitigation measures</b>	Matrix determined by the AE, including the risk allocation between the parties, as well as any measures to mitigate the impact of the risk-associated event. Description in the PSC and its Annex (if any).		Measure 13 Annex 4
	<b>Effectiveness and efficiency targets and incentive systems</b>	Economic, system, sustainability targets for service improvement, set by the AE, in terms of quantifiable, verifiable and comparable parameters and technical and economic indicators to be delivered within the period of the PSC. The AE also sets out the incentive and penalty system related to the target achievement.	ART Decision 16/2018 ART Decision 120/2018	Measures 27 and 28
	<b>Economic and financial equilibrium and reassessment of EFP</b>	The Financial Economic Plan (EFP), which may be included in an <i>ad hoc</i> annex, shall indicate the simultaneous presence of cost-effectiveness and financial sustainability, as well as the yield for the entire contract period. The PSC shall provide for verification and reassessment, if any, of the economic and financial equilibrium for each regulatory period, in accordance with the provisions laid down in Decision no. 66/2018, so as to identify any overcompensation and undercompensation and to determine the procedures for recovering overcompensation, net of the incentive systems and revision of fare policy or schedule of operations in the event of undercompensation. Deadline identified by the AE for drafting an updated EFP by the CC.	ART Decision 120/2018	Measure 26 Annex 5
	<b>Investment policy for rolling stock renewal, technological innovation, etc.</b>	Rules on the plan for gradual replacement of rolling stock — RMR plan (by age and environmental class) — and of the investment plan for technological innovation — ICT Plan (automatic passenger counting system, on-board diagnostic systems, video surveillance, equipment for PRM, Wi-Fi, etc.), if any, in accordance with the provisions of Article 27 (11-d) of Legislative Decree 50/2017, taking into account any investments that are implemented directly by the AE (or other local authorities) in the rolling stock made available to the CC, as well as any planned investments to be borne by the CC for the implementation of policies for rolling stock renewal and/or pursuant to the award procedure (e.g. award criteria and content of the technical offer of the CC). Compliance with the principle that the AE pays only for the investments that are actually made and not for the planned. The plans may be included in <i>ad hoc</i> annexes.		
<b>Other revenues</b>	Rules on the contractor's right to carry out initiatives for commercial enhancement of rolling stock, infrastructure or other, subject to the provision of space to the AE for information dissemination (e.g. promotion of the territory or urgent matters).			

<b>3 — qualitative content</b>	<b>Quality policy Customer Charter and user involvement</b>	Rules on the obligation for the CC to draw up and publicise the 'Customer Charter' (as an annex to the PSC), in agreement with consumer protection associations and business associations concerned, including the quality and quantity standards of the services provided, as well as the procedures to access guaranteed information, lodge complaints, submit comments or proposals, or enter into conciliation procedures. The AE monitors the compliance with the parameters laid down in the Charter by setting up an (at least) annual monitoring session with the CC and consumer associations, in which complaints, proposals and comments are analysed, by identifying ways of improving the standards (cf. Article 2 (461) (a) of Law 244/2007).	ART Decision 16/2018	
	<b>Minimum quality standards of services (MQS)</b>	Quality and related indicators, by regulating modes, liability and survey timing, and by defining minimum levels and standards (MQS) in accordance with Decision 16/2018, as well as penalties for non-compliance or incentive schemes. According to the a.m. Decision, the MQS concern in particular: — provision of service (capacity, regularity, punctuality); — user information (completeness and transparency); — sales channels (commercial accessibility), in accordance with Article 1 (167) of Law No 124/2017; — vehicle cleaning; — safety of journey and traveller, as guaranteed through the adoption of the "Operational Safety and Control Plan" provided for in Article 14 of Decision No 16/2018; — accessibility, including for PRM. The MQS (and related penalty/incentive schemes) may be included in an <i>ad hoc</i> annex to the PSC. Regular assessment of quality and quantity of services, at the intervals of the regulatory periods. This assessment also covers the adequacy to the users' needs of the parameters and qualitative and quantitative indicators of the service as laid down in the PSC, to be carried out with the involvement of consumer associations.	ART Decision 16/2018	Measures 25, 27 and 28
	<b>Minimum users' rights</b>	Complaint-handling procedures, with particular reference to the users' right to reimbursement or compensation, in compliance with Regulation (EC) No 1371/2007 (Articles 16, 17 and 27), as reproduced in the Customer Charter (cf. above), in accordance with the provisions of Article 2 (461) of Law No 244/2007 and Article 1 (168) and (169) of Law 124/2017. Regulation of the obligations of the CC towards persons with reduced mobility, in compliance with Regulation (EC) No 1371/2007 (Chapter V).	ART Decision 106/2018	
	<b>Monitoring of services</b>	Monitoring of demand, supply, effectiveness and efficiency of the service, including rules on manual or automatic passenger counting in accordance with Article 27 (11-b) of Legislative Decree No 50/2017. Setting the procedures and frequency of monitoring, including customer satisfaction surveys (by the CC) and verification (by the AE), in accordance with the provisions of ART Decision no. 16/2018. Rules on the obligation for the contractor to participate in the consultations organised by the AE during the planning of survey specifications and analysis of the outcome of the surveys and planning of ensuing activities.	ART Decision 16/2018	Measure 25
	<b>Incentive and penalty scheme — scheme for</b>	Incentive/penalty scheme related to contractual compliance, including minimum service performance (indicators and achievement of pre-established threshold target levels). Arrangements for penalty mitigation may be established as well.	ART Decision 16/2018 ART Decision 120/2018	Measures 20, 25, 27 and 28
	<b>Technical Committee for Contract Management</b>	Composition: even number of representatives of the CC, including director or operations manager and of the AE, that shall designate the Chair of the Committee. Tasks: assistance to the Parties in the application of the PSC, with particular reference to the following issues: (a) fulfilment of contract terms; (b) data monitoring, including for the purpose of testing compliance with the performance targets defined in the contract; (c) testing of economic and financial equilibrium of the contract, including the state of implementation of any planned investments; (d) dispute avoidance and settlement, including the setting of applicable penalties in case of breach of contract, in accordance with existing provisions and with the PSC. Setting operating modes (e.g. convening of meetings, participation of representatives and related charges, decision-making and enforcement powers, drafting and sharing of minutes), providing for the possibility of collaborating with experts, in an advisory capacity, to be appointed by common agreement between the parties.		Measure 32

<b>4 — General terms and conditions</b>	<b>Sub-contracting and prohibition of transfer</b>	List of services to be subcontracted, setting of procedure (authorisation by the AE) and determination of eligible share (percentage of the contract amount). Requirements of subcontractor. Prohibition of transfer of the contracted service to third parties, if any. The AE defines in the PSC the terms of subcontracting, by specifying that: — the CC retains the ownership and liability of the rail service, both towards the AE and the users, it being understood that the AE is not involved in the relationship between the CC and the subcontractor; — the subcontractor ensures that the quantity and quality levels of the service are maintained, and that the charges and all other obligations imposed on the CC in the PSC are complied with; — any changes in the production of the subcontractor with regard to the schedule of operations shall be assessed by the AE for the purpose of compliance with the contractual obligations of the CC (with application of the relevant non-compensation); — any deficiencies in the quality of the service performed by the subcontractor shall be assessed by the AE for the purpose of complying with the contractual obligations of the CC (with application of the corresponding penalties).		
	<b>Transparency and Data Access Plan</b>	Arrangements for publication and use of data/information, in compliance with a data access plan, that may be included in an annex, as defined through the consultation with the main stakeholders (including consumer associations), in order to ensure maximum transparency and accessibility of data and operating results. The availability of data (in editable format) is subject to compliance with the constraints on the processing of personal data and undisclosed information for industrial secrecy.	ART Decision 16/2018	Measure 25
	<b>Disputes between the Parties</b>	Identification of place of jurisdiction and arrangements for attempt at conciliation between the parties.		
	<b>Guarantees</b>	Regulation of security and insurance coverage (type and percentage of annual value) provided by the CC to cover the commitments made and compensate any damage to persons or goods occurred in the provision of the service.		
	<b>Penalties for breach of contract</b>	Amount and form of payment of penalties in case of non-compliance with the contract. Any non-implementation or partial implementation of specific projects of technical/economic relevance and/or investment, proposed by the CC in the tender phase and subject to assessment (scoring system) as part of the technical proposal, constitutes a breach of contract. In order to ensure the pursuit of the tender objectives, the AE specifies in the PSC the obligation for the CC to establish appropriate financial guarantees, that will be forfeited by the AE in case of non-implementation or partial implementation of the proposals concerning procedures and time schedules.		Measures 20, 25 and 32
	<b>Termination of contract</b>	Failure to fulfil obligations which, if not settled within the established time limits, may give rise to termination of the PSC, including by reference to Measure 4 of ART Decision No 16/2018.	ART Decision 16/2018	Measures 20 and 28
	<b>Personnel management</b>	Obligations of the CC regarding presence, requirements, qualification, behavioural standards of personnel towards users, (national and additional) labour contracts applied, verifications/actions of the AE in case of non-compliance. The personnel of the CC is noted in a regularly updated list (according to a format that may be included in an Annex to PSC). Failure to comply with the obligations laid down in the PSC (including the social clause) during the execution of the contract is a ground for termination of the contract and shall imply appropriate and proportionate penalties and termination clauses.		Measure 20
	<b>Other clauses provided for by legislation</b>	E.g.: Code of Ethics, confidentiality, management systems for corporate quality, environment, occupational health and safety (including any certifications).		

## Annex 2

Table 2 — MINIMUM CONTENT OF PUBLIC SERVICE CONTRACTS — ROAD TRANSPORT

SECTION	TITLE	DESCRIPTION	REGULATORY REFERENCES	Reference to draft regulatory measures on revision of ART Decision 48/2015
<b>0 — Introduction</b>	<b>Introduction</b>	<i>Legal and regulatory requirements of THE PSC</i>		
<b>1 — technical operating content</b>	<b>Subject</b>	Description of services, associated and instrumental activities and territorial scope with cross-reference to the schedule of operations. Explicit indication of any exclusive right, financing arrangements, with particular reference to the procedures for collecting traffic income (gross-cost versus net-cost management) pursuant to the relevant provisions of Decision no. 48/2017. The outcome of studies carried out to define the services to be awarded may be attached, such as: passenger flows by direction, transport networks and their interconnection (graphs), etc.	ART Decision no. 48/2017	Measure 2
	<b>Contract period</b>	Identification of the contract period, in compliance with the maximum time limits laid down in the relevant legislation (Articles 4 (3) and (4) and 5 (3a), (4b) and (6) of Regulation (EC) No 1370/2007; Article 18 (1) of Legislative Decree No 422/1997) in relation to: — risks allocated to the contracting parties (cf. risk matrix); — investments provided for in the PSC so as to allow their recovery in accordance with the relevant method of depreciation (cf. EFP); — need to limit as much as possible the extension of the PSC, by excluding unjustified advantages for the contractor and maximising the potential economic and technological benefits resulting from competition. The contract period also takes into account any relevant provisions in existing regional laws.		Measures 30 and 31
	<b>Extension</b>	Any extension is identified in accordance with the maximum time limits laid down in Article 4 (4) of Regulation (EC) No 1370/2007, specifying the deadline for termination of the extension. Any extension of the period of the PSC, in case of emergency measures intended to ensure continuity of service, may not exceed 2 years (Article 5 (5) of Regulation (EC) No 1370/2007) and shall be justified in the context of the report under Article 34 (20) of Legislative Decree No 179/2012.		
	<b>Schedule of operations</b>	The schedule of operations, which may be included in an annex to the PSC and referred to therein, describes at least number of lines, frequency, timetables and compulsory stops, annual km output, seats offered, seats offered per km, type of rolling stock used on the line (general characteristics). The AE defines in the PSC the procedures for authorisation and communication to the public of the schedule of operations prior to its adoption (cf. "Transparency and Data Access Plan").		
	<b>Temporary changes to the service or cancellations</b>	Possible reasons for interruption/temporary changes to the service, by regulating, where possible, the procedures for their management. In the case of temporary changes (maximum length to be defined), defining of the immediate information to contractual parties and users. In the event of cancellations, provision of an alternative service to be carried out within a specified period.		Measure 31
	<b>Permanent changes</b>	Definition of the conditions which, without prejudice to the economic equilibrium test of the PSC, require a contract review and/or renegotiation of existing provisions, with reference to quantitative parameters (schedule of operations), qualitative parameters (minimum performance of the CC) and economic parameters (EFP). For each parameter, a reference threshold is defined (allowance): quantitative adjustments (schedule of operations) or qualitative changes (performance) that do not have a significant impact on the EFP and/or do not exceed those thresholds shall not be considered as grounds for contractual review. The occurrence of events which are not foreseen or foreseeable at the time of the conclusion of the PSC may result only in the adoption of non-substantial contractual amendments, in accordance with the principles of EU law. Definition of procedures and timing for the requests for amendments of the schedule of operations by the CC. These procedures may be included in an annex to the PSC. Definition of conditions and procedures for user involvement in case of changes in the schedule of operations, by ensuring at least that user information is made timely and through any appropriate communication channel of the CC.		Measure 31
	<b>Vehicle fleet and maintenance</b>	Fleet characteristics: type, quantity, age, available systems (Wi-Fi, video surveillance, stop indicator, etc.), PRM accessibility, environmental class, etc. Planned maintenance programme. The obligation to maintain and renew rolling stock and facilities, except for the extraordinary maintenance of publicly owned facilities and infrastructure, shall be borne by the CC, in accordance with the quality and technological innovation standards defined by the AE, where they do not apply driverless leasing. The vehicle fleet may be included in an annex. Vehicles with more than 8 seats, fuelled by petrol or diesel, shall have anti-pollution characteristics equal to or greater than Euro 2. All vehicles shall be equipped with electronic passenger counting systems or other technologies for identification of demand, as well as satellite systems for electronic monitoring of the service. Registered vehicles shall be equipped with electronic ticketing systems. The AE shall define in the PSC the information to be regularly transmitted by the CC to the AE for the purpose of updating the vehicle fleet.		Annex 6
<b>Service reporting</b>	Monitoring system of the performed service, with identification of procedures, responsibilities and survey timing, release of economic, technical, managerial and quality reports. The PSC regulates the procedures for access of the AE to the IT system for automatic monitoring. The reporting shall enable the AE to determine, at least on a quarterly basis, the final balance of the rides actually operated by the CC (as per relevant statement), by identifying: — difference compared to scheduled rides, net of any additional (authorised) and cancelled rides; — difference compared to the rides certified by the AVM system (if any) — quality performance of the service in terms of regularity and punctuality, based on assessment parameters that are set by the AE in the PSC (cf also section 3).		Measure 25 Annex 7	
<b>Obligations of the operator at the expiry of the contract</b>	Obligations of the incumbent operator upon expiry of the contract towards the AE and/or the CC, including information requirements, provision of strategic assets (e.g. rolling stock, immovable property, stop signs, points of sale, ticket vending machines), takeover title (lease or transfer of ownership), operating conditions for takeover by the CC (e.g. travel tickets issued with validity beyond the takeover date), social clause, if any. Certifications (quality, safety, environmental or other) to be maintained for the assets to be taken over at the end of the award. Intended use and any restrictions at the end of the award period of all assets made available to the CC, including those acquired during the contractual term. Capital goods for the performance of the service (in particular if they are essential/necessary) may be included in an annex, in which the AE indicates the takeover value of each asset.		Measures 4 through 11 Measure 17 Measure 20	

2 – economic content	<b>Compensation</b>	Compensation paid by the AE to the CC, in return for PSO services, as determined so as to ensure its economic and financial sustainability, having regard to the business and management risks, as correctly attributable to each party. Rules on the method of calculation and periodic verification, at least at the end of each regulatory period.	ART Decision 48/2017	Measures 14 through 16 Measure 26 Annex 5
	<b>Procedures and deadlines for payment</b>	Procedures and deadlines for payment of compensation: composition of instalments, balance, compliance with quality standards, definition of penalties and deductions.		
	<b>Interest on late payments</b>	Interest to be paid in case of late payment. Interest for late payment in commercial transactions is payable by the debtor for delayed payment of its debt (debtor in default) on the basis of a contract concluded with a supplier of goods or a provider of services.		
	<b>Charges and other infrastructure costs</b>	In case of leased assets/infrastructure, rules on leasing fees and arrangements, including the procedures to keep these assets in good condition.		Measures 10 and 11 Annex 3
	<b>Fare policy and anti-avoidance measures</b>	Existing charging scheme, including any agreed/approved/planned increases, benefits and charge reductions for specified user categories; planned updating systems; procedures for charge updating; terms and procedures for charge allocation in case of integrated ticketing. This information may be included in an annex. Description of anti-avoidance arrangements and related collection targets. Setting the organization of sales methods and channels, that may be included in an annex.		Measure 29
	<b>Risk matrix and mitigation measures</b>	Matrix determined by the AE, including the risk allocation between the parties, as well as any measures to mitigate the impact of the risk-associated event. Description in the PSC and its Annex (if any).		Measure 13 Annex 4
	<b>Effectiveness and efficiency targets and incentive systems</b>	Targets for service improvement (economic, system, sustainability, etc.), set by the AE, in terms of quantifiable, verifiable and comparable parameters and technical and economic indicators to be delivered within the period of the PSC. The AE also sets out the incentive and penalty system related to the target achievement.		Measures 27 and 28 Annex 8
	<b>Economic and financial equilibrium and reassessment of EFP</b>	The Financial Economic Plan (EFP), which may be included in an <i>ad hoc</i> annex, shall indicate the simultaneous presence of cost-effectiveness and financial sustainability, as well as the yield for the entire contract period. The PSC shall provide for verification and reassessment, if any, of the economic and financial equilibrium for each regulatory period, so as to identify any overcompensation and undercompensation and to determine the procedures for recovering overcompensation, net of the incentive systems and revision of fare policy or schedule of operations in the event of undercompensation. Deadline identified by the AE for drafting an updated EFP by the CC.		Measure 26 Annex 5
	<b>Investment policy for rolling stock renewal, technological innovation, etc.</b>	Rules on the plan for gradual replacement of rolling stock — RMR plan (by age and environmental class) — and of the investment plan for technological innovation — ICT Plan (automatic passenger counting system, Automatic Vehicle Monitoring, on-board diagnostic systems, video surveillance, equipment for PRM, Wi-Fi, etc.), if any, in accordance with the provisions of Article 27 (11-d) of Legislative Decree 50/2017, taking into account any investments that are implemented directly by the AE (or other local authorities) in the rolling stock made available to the CC, as well as any planned investments to be borne by the CC for the implementation of policies for rolling stock renewal and/or pursuant to the award procedure (e.g. award criteria and content of the technical offer of the CC). Compliance with the principle that the AE pays only for the investments that are actually made and not for the planned. The plans may be included in <i>ad hoc</i> annexes.		
<b>Other revenues</b>	Rules on the contractor's right to carry out initiatives for commercial enhancement of rolling stock, infrastructure or other, subject to the provision of space to the AE for information dissemination (e.g. promotion of the territory or urgent matters).			

3 – qualitative content	<b>Quality policy Customer Charter and user involvement</b>	Rules on the obligation for the CC to draw up and publicise the 'Customer Charter' (as an annex to the PSC), in agreement with consumer protection associations and business associations concerned, including the quality and quantity standards of the services provided, as well as the procedures to access guaranteed information, lodge complaints, submit comments or proposals, or enter into conciliation procedures. The AE monitors the compliance with the parameters laid down in the Charter by setting up an (at least) annual monitoring session with the CC and consumer associations, in which complaints, proposals and comments are analysed, by identifying ways of improving the standards (cf. Article 2 (461) (a) of Law 244/2007).		
	<b>Minimum quality standards of services (MQS)</b>	Quality and related indicators, by regulating modes, liability and survey timing, and by defining minimum levels and standards (MQS) in accordance with Decision 16/2018, as well as penalties for non-compliance or incentive schemes. According to the a.m. Decision, the MQS concern in particular: — provision of service (capacity, regularity, punctuality); — user information (completeness and transparency); — sales channels (commercial accessibility), in accordance with Article 1 (167) of Law No 124/2017; — vehicle cleaning; — safety of journey and traveller, as guaranteed through the adoption of the "Operational Safety and Control Plan" provided for in Article 14 of Decision No 16/2018; — accessibility, including for PRM. The MQS (and related penalty/incentive schemes) may be included in an ad hoc annex to the PSC. Regular assessment of quality and quantity of services, at the intervals of the regulatory periods. This assessment also covers the adequacy to the users' needs of the parameters and qualitative and quantitative indicators of the service as laid down in the PSC, to be carried out with the involvement of consumer associations. The minimum standard of "safety of journey and traveller" is guaranteed through the adoption of the "Operational Safety and Control Plan", drawn up by the CC and approved by the AE, with a planning horizon that is proportional to the period of the PSC, which provides for specific monitoring objectives, with particular reference to the containment of criminal events on board (vandalism, thefts, pickpocketing, robberies, inconveniences and harassment) and incidental events due to the incorrect behaviour of users, on-board and ground staff.		Measures 25, 27 and 28 Annex 8
	<b>Minimum users' rights</b>	Complaint-handling procedures, with particular reference to the users' right to reimbursement or compensation, in compliance with Regulation (EC) No 1371/2007 (Articles 26 and 27), as reproduced in the Customer Charter (cf. above), in accordance with the provisions of Article 2 (461) of Law No 244/2007 and Article 1 (168) and (169) of Law 124/2017. Rules on the obligations of the CC towards persons with reduced mobility, in compliance with Regulation (EC) No 181/2011.		
	<b>Monitoring of services</b>	Procedures for monitoring demand, supply, effectiveness and efficiency and any provision of services as pre-determined by the AE, including rules on manual or automatic passenger counting in accordance with Article 27 (11-b) of Legislative Decree No 50/2017. Setting the procedures and frequency of monitoring (by the CC) and verification (by the AE). The monitoring system (indicators) may be included in an <i>ad hoc</i> annex.		Measure 25 Annex 7
	<b>Reward and penalty scheme – scheme for reduction/mitigation thereof</b>	Reward/penalty scheme related to contractual compliance, including minimum service performance (indicators and achievement of pre-established targeted thresholds). Arrangements for penalty mitigation may be established as well.		Measures 20, 25, 27 and 28
	<b>Technical Management Committee</b>	Composition: even number of representatives of the CC, including director or operations manager and of the AE, that shall designate the Chair of the Committee. Tasks: assistance to the Parties in the application of the PSC, with particular reference to the following issues: (a) fulfilment of contract terms; (b) data monitoring, including for the purpose of testing compliance with the performance targets defined in the contract; (c) testing of economic and financial equilibrium of the contract, including the state of implementation of any planned investments; (d) dispute avoidance and settlement, including the setting of applicable penalties in case of breach of contract, in accordance with existing provisions and with the PSC. Setting operating modes (e.g. convening of meetings, participation of representatives and related charges, decision-making and enforcement powers, drafting and sharing of minutes), providing for the possibility of collaborating with experts, in an advisory capacity, to be appointed by common agreement between the parties.		Measure 32

4 – General terms and conditions	<b>Sub-contracting and prohibition of transfer</b>	List of services to be subcontracted, setting of procedure (authorisation by the AE) and determination of eligible share (percentage of the contract amount). Requirements of subcontractor. Prohibition of transfer of the contracted service to third parties, if any. The AE defines in the PSC the terms of subcontracting, by specifying that: – the CC retains the ownership and liability of the rail service, both towards the AE and the users, it being understood that the AE is not involved in the relationship between the CC and the subcontractor; – the subcontractor ensures that the quantity and quality levels of the service are maintained, and that the charges and all other obligations imposed on the CC in the PSC are complied with; – any changes in the production of the subcontractor with regard to the schedule of operations shall be assessed by the AE for the purpose of compliance with the contractual obligations of the CC (with application of the relevant non-compensation); – any deficiencies in the quality of the service performed by the subcontractor shall be assessed by the AE for the purpose of complying with the contractual obligations of the CC (with application of the corresponding penalties).		
	<b>Transparency and Data Access Plan</b>	Arrangements for publication and use of data/information, in compliance with a data access plan, that may be included in an annex, as defined through the consultation with the main stakeholders (including consumer associations), in order to ensure maximum transparency and accessibility of data and operating results. The availability of data (in editable format) is subject to compliance with the constraints on the processing of personal data and undisclosed information for industrial secrecy.		Measure 25
	<b>Disputes between the Parties</b>	Identification of place of jurisdiction and arrangements for attempt at conciliation between the parties.		
	<b>Guarantees</b>	Regulation of security and insurance coverage (type and percentage of annual value) provided by the CC to cover the commitments made and compensate any damage to persons or goods occurred in the provision of the service.		
	<b>Penalties for breach of contract</b>	Amount and form of payment of penalties in case of non-compliance with the contract. Any non-implementation or partial implementation of specific projects of technical/economic relevance and/or investment, proposed by the CC in the tender phase and subject to assessment (scoring system) as part of the technical proposal, constitutes a breach of contract. In order to ensure the pursuit of the tender objectives, the AE specifies in the PSC the obligation for the CC to establish appropriate financial guarantees, that will be forfeited by the AE in case of non-implementation or partial implementation of the proposals concerning procedures and time schedules.		Measures 20, 25 and 32
	<b>Termination of contract</b>	Failure to fulfil obligations which, if not settled within the established time limits, may give rise to termination of the PSC.		Measures 20 and 28
	<b>Personnel management</b>	Obligations of the CC regarding presence, requirements, qualification, behavioural standards of personnel towards users, (national and additional) labour contracts applied, verifications/actions of the AE in case of non-compliance. The personnel of the CC is noted in a regularly updated list (according to a format that may be included in an Annex to PSC). Failure to comply with the obligations laid down in the PSC (including the social clause) during the execution of the contract is a ground for termination of the contract and shall imply appropriate and proportionate penalties and termination clauses.		Measure 20
	<b>Other clauses provided for by legislation</b>	E.g.: Code of Ethics, confidentiality, management systems for corporate quality, environment, occupational health and safety (including any certifications).		