

New Rail Financing Framework (NRFF)

NRFF	Version One	Version Two
Rail Lines and Year	Downtown Line (since 2011 and will transition to version two from 2022)	<ul style="list-style-type: none"> North-South Line, East-West Line, Circle Line, Bukit Panjang LRT (since 2016) North East Line, Sengkang LRT and Punggol LRT (since 2018)
Revenue from fares paid by commuters	Collected by operator	
Licence Charge	Operator pays Licence Charge to Government every year	
	<p>Fixed component regardless of fare revenue and profitability + variable component depending on revenue and profitability.</p> <p>No mechanism for Government to co-share in profits or fare revenue shortfall.</p>	<p>Varies depending on fare revenue and profitability.</p> <p>Mechanisms for Government to co-share in fare revenue shortfall if actual fare revenue is below projected revenue, and for operators to pay a higher licence charge if profits outperform expectations.</p>
Commercial risk borne by operators	High	Medium
Rail Infrastructure (e.g. viaducts, tunnels, tracks)	<p>LTA owns and makes decisions on building up, replacing and upgrading of rail infrastructure and operating assets; the operator is responsible for operating and maintaining them.</p> <p><i>*Prior to NRFF, rail infrastructure was also owned by LTA and maintained by operators.</i></p>	
Operating Assets (e.g. trains, signalling system)		
Fares	Regulated by Public Transport Council	