

Annual Report

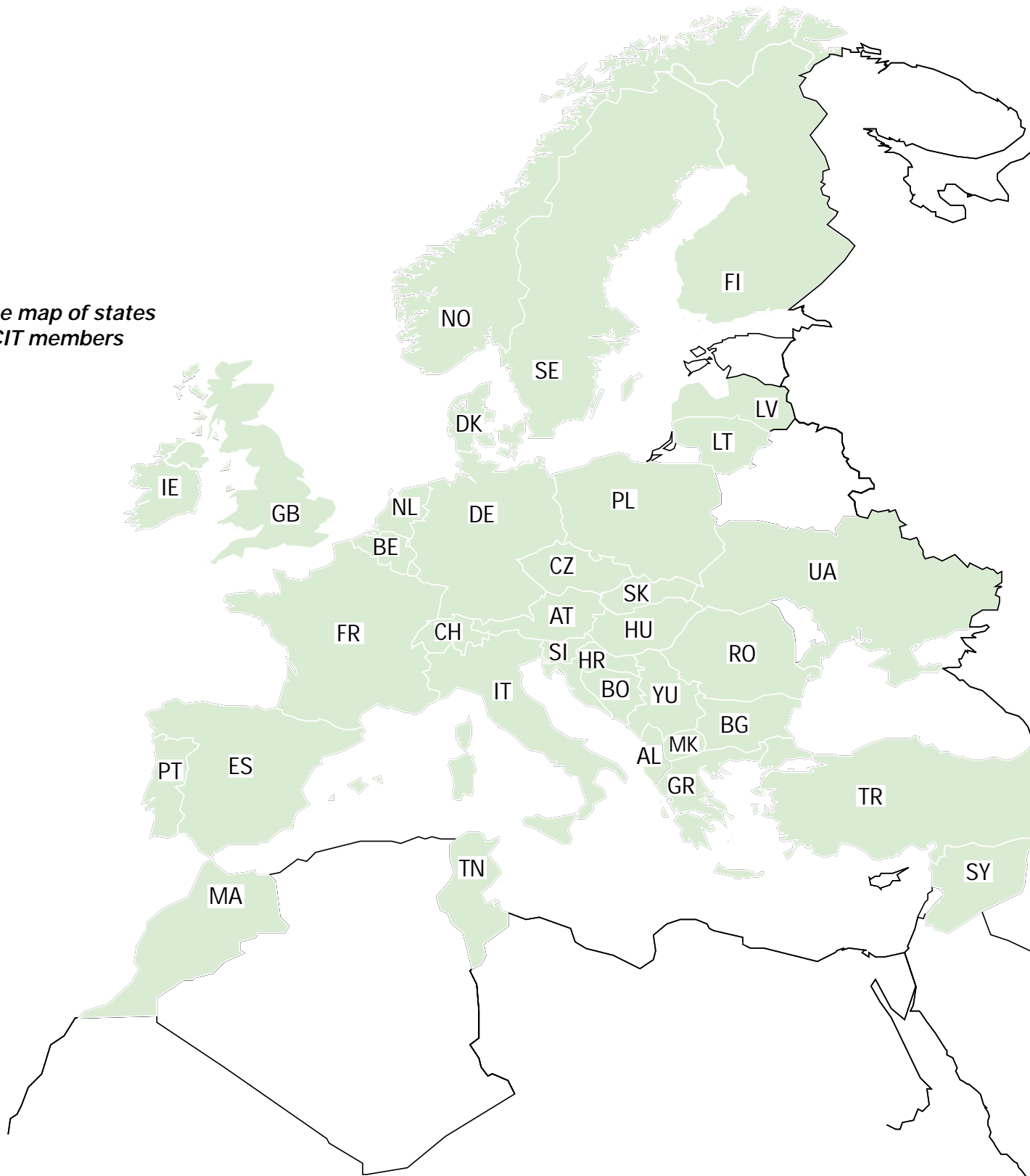
2002



International
Rail Transport Committee



*Outline map of states
with CIT members*



International Rail Transport Committee (CIT)
Secretariat
Weltpoststrasse 20
CH-3000 Bern 15
Telephone +41 512 20 29 54
Fax +41 512 20 34 57
E-mail info@cit-rail.org
Internet www.cit-rail.org

Editorial

2002 represents a watershed between the past and the future for the CIT. The centenary celebrations allowed us a brief and dispassionate look at the history of the CIT. It was born into a changing world, a world of rapid economic and industrial expansion which saw the railway triumph in Europe. Nevertheless despite being an inspired invention, the railway as a mode of transport never managed to take over all passenger and freight transport over the whole continent. Even today ideological and political differences hinder the full development of high-speed trains. That must and will change. The influence of the EU on transport policy and the move toward liberalisation are forcing states and their railways to make rapid progress on fundamental changes.

In so far as the activities of the CIT are concerned, the work of transposing COTIF has once again occupied centre stage. Next year we should finally complete it. Nevertheless, the respite will be short: the development and framing of legal interoperability will dictate a no less hectic pace.

The CIT finds itself at the centre of the most significant changes in its history. It must open itself up to offer a forum whose legal texts are adopted on their merits and not because they are an obligation of membership. The move of the Secretariat's office to a neutral site which took place in the centenary year, was more than a symbolic act,

it was the first step in a new direction.

The problems of transport law cannot be resolved in isolation but must be treated in the context of European Community law. That is the reason why the CIT, the International Union of Railways (UIC), the Community of European Railways (CER) and other railway organisations work closely and effectively together to make full use of the skills that they jointly possess to represent the interests of the railway industry in a co-ordinated way.

For a hundred years the CIT has worked wholeheartedly in the service of its members. It seems likely that this circle of members will enlarge in the next few years. As an open organisation which is robust and flexible and which can establish simple basic legal principles for rail transport, rapidly and determinedly, it will also have a bright future.

Benedikt Weibel
Chairman of the Board of SBB AG
and Chairman of the CIT

The new COTIF: soon to come straight

The various working groups and committees of the CIT are completing their work to transpose the new COTIF on time. By the middle of 2003 all the important documents will be finished. The new COTIF will come into effect at the end of 2004 or beginning of 2005.

The new COTIF can enter into force when it has been ratified by at least 27 states which are party to it. To date 12 states have completed this process of ratification. Yugoslavia and Lithuania have not been taken into account because they acceded to OTIF after the signature of the 1999 Protocol.

The new COTIF represents a crucial component in the process of liberalising international rail traffic. Its text together with that of its appendices was finished back in 1999. The Member States have therefore had adequate time to transpose it into their own legislation. However taking account of the minimum number of Member States which have to bring the new text into their national law, it is hardly possible that it can enter into force before Autumn 2004. It will be apparent that reform is dependent on national legislation and that there is no mechanism to speed up implementation of the liberalisation which follows from the new COTIF. In these conditions it is probable that the European Union will intervene earlier rather than later to force through those changes which it thinks are necessary by using its own legal means. Clear signals such as the reinforcement of passengers' and freight customers' rights are already visible without mentioning the forthcoming accession of the European Union to OTIF.

For the CIT, the new COTIF coming into force is important, because it will trigger the change from the old CIT publications to the new ones.

Passenger traffic

The work of implementing the new CIV Uniform Rules has moved forward at a sustained pace, although approval of the provisions which are necessary to apply the new CIV Uniform Rules will not take place until April 2003. The preparation of the associated documentation will be a further stage in the work, that further work will be started in 2003.

The work of the CIV Committee and the CIV Working Group (which has a consultative role) has been directed by Edmond Ber-

thier. Restricted working groups, formed by other specialists and in part chaired by them, were created to prepare various advance drafts. The CIT's CIV Committee met in February and September 2002.

The CIV General Terms and Conditions of Carriage (GTC-CIV)

The "CIV General Terms and Conditions of Carriage" (GTC-CIV) passed their first reading by the CIV Committee at its February meeting. They will be complemented by a list allowing the customer to identify the carrier coded on the ticket.

The principal objective of the GTC-CIV is to provide standard legal solutions for those issues within the relationship between the carrier and the passenger which are not addressed by the new CIV Uniform Rules. The commercial freedom which carriers must have is provided by the "Special Carriage and Tariff Conditions" which supplement the GTC-CIV. In this way the GTC-CIV can be applied flexibly both to price structure (market price, sectional prices e.g. for the TCV) and to a range of offers (e.g. single journey tickets, rover tickets etc.).

The CIV Committee expressed the view that it would prefer to see the GTC-CIV published as a separate CIT publication. This publication should also include a specimen GTC-CIV in a format suitable to be given to passengers, without nevertheless making the document mandatory. In the same way, extracts from the GTC-CIV should be produced for the various methods of issuing tickets (issue with or without a cover, use of paper documents for international as well as domestic traffic, use of paper documents for services other than carriage by rail).

The UIC Groupe Billetterie Ferroviaire (GBF) [Railway Ticketing Group] likewise suggested including explanations of the meaning of the various fields on tickets produced electronically using the RCT2 standard.

*The new COTIF:
soon to come into force*





A meeting was held to present the GTC-CIV in July 2002. National consumer protection associations, DG TREN from the European Commission and the UIC and CER were present. It was possible to accommodate a number of their suggestions; they were included in the draft GTC-CIV which was approved by the CIV Committee at its meeting in September 2002.

General Terms and Conditions for hire, sub-contracting and joint contracting (GTC-Passenger Traffic)

The texts for passenger traffic were based on drafts of the general terms and conditions which had already been produced for freight traffic. In doing so, care was taken to provide the greatest possible freedom of manoeuvre to the contracting parties.

The CIV Committee approved the "GTC-Passenger Traffic" at its meeting in September. They are compatible both with the 1980 CIV Uniform Rules and the future 1999 CIV Uniform Rules. The committee decided against having the General Terms and Conditions for both Freight and Passengers in a single document. The passenger conditions will also be submitted to the European Commission.

The "General Terms and Conditions for Passenger Traffic" constitute the ground rules for contracts to buy transport services (hire and sub-contracting) and for the relationships within a contract to contract jointly. They are structured into six chapters: general issues, execution of the contract of carriage, costs and charges, liabilities (including loss and damage and non execution or delayed execution of the contract), duration of the contract and miscellaneous.

International Passenger Manual (GIV)

A restricted working group prepared the draft "International Passenger Manual" (GIV). This publication contains individual leaflets which contain complete instructions for the different ways of issuing tickets (electronic, manual, issuing of pre-printed tickets). Specific leaflets also treat the distribution of tickets, their cancellation, how they are to be endorsed en route as well as how lost property is to be dealt with. Leaflets dealing with the issue of manual reservation tickets, the procedures of paying refunds for tickets and for paying allowances in the case of death or injury to passengers (which were formerly in the AIV) are now also included.

The CIV Working Group examined these drafts at its meeting in December 2002. They will be finalised in January 2003 and then submitted to the CIV Committee in April 2003 for final acceptance.

Compendium of Specimens of International Transport Documents (MDI)

This document has been entirely redrafted and redesigned to resemble the GIV International Passenger Manual, i.e. as complete instructions for each method of issue. The CIV Working Group considered the draft at its January 2003 meeting, and the CIV Committee is expected to approve it in April 2003.

Sharing of compensation paid in international passenger traffic (AIV)

The CIV Working Group decided to include the provisions on the procedure to be adopted for refunds and claims in the cases of injury or death of passengers in the GIV. The provisions for the procedure for compensation in the case of luggage will be included in the International Luggage Manual (GIB).

After two sessions' work, a restricted working group prepared a draft set of new provisions for the AIV. One chapter treats the procedure for handling and sharing the compensation due under statute in the case of delay. A second chapter together with an annex provides the basis for the calculation and sharing of compensation paid on a commercial and/or contractual basis. The draft will be submitted to the CIV Committee in April 2003.

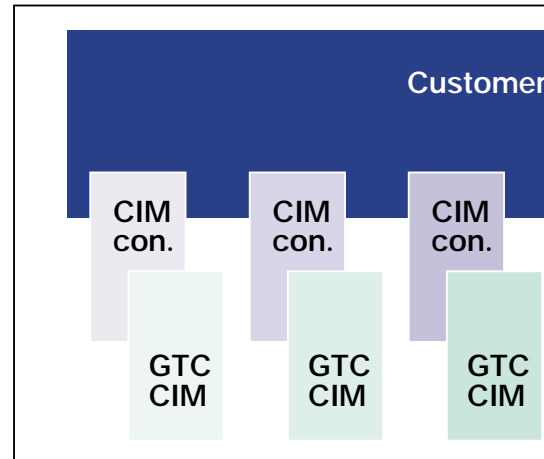
The provisions setting out the arrangements for compensation paid on a commercial basis will be submitted to the machinery of the UIC Passenger Commission for its approval.

Notification of traffic restrictions (ARV)

The ARV must be revised to take account of the abolition of the obligation to carry and the separation of infrastructure and transport provision. A number of solutions for a new system of notifying traffic restrictions have been studied and will be presented to the CIV Committee in April 2003.

Freight traffic

Right back at the beginning of 2000, the CIT initiated a fundamental review of what basic changes in the law of transport were foreseen, and on their implications for the CIT's activities and publications. As a result of this review, a committee with a wide remit and comprising 27 European railways was created. The committee was divided into five working groups each of which had a clearly defined task. The committee was chaired by Christian Heidersdorf of DB Cargo.



The contractual architecture of the customer agreement, of the contract of carriage/consignment note and the GTC-CIM

CIM Working Group 1: legal relationship between the customer and carrier

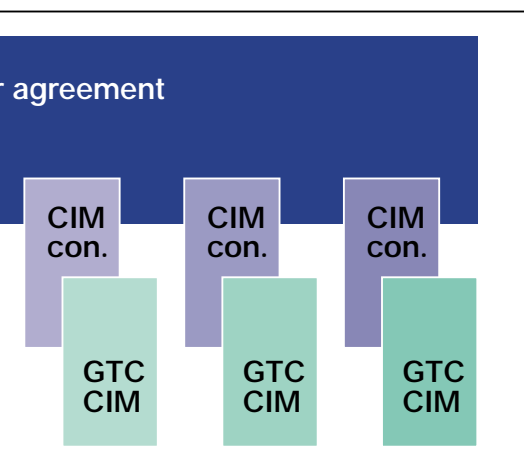
Working Group 1, chaired by Christian Heidersdorf (DB Cargo) prepared "General Conditions of Carriage for International Traffic by Rail" (GTC-CIM) as well as a specimen "Customer Agreement". The two documents carry the remark "prepared and recommended by the CIT" to reinforce the group's view that they should be accepted and applied not because of an obligation of membership but on their merits.

An individual contract of carriage (with a CIM consignment note) and a customer agreement differ in the sense that the former covers a multitude of individual contracts of carriage for a certain period of time, covering for example their price, the amounts to be carried, the transit times and the ancillary services (completion of the consignment note, customs clearance, warehousing, provision of wagons, service of private sidings etc.) The GTC-CIM will form an integral part of each individual contract of carriage. The contractual structure is shown in the box above.

The CIT is convinced that both the "General Terms and Conditions of Carriage" and the specimen "Customer Agreement" represent real value-added for all the parties involved in freight transport by rail. The legal issues are more easily comprehensible and are resolved clearly and completely. Use of these tools can only reinforce effectiveness and legal certainty.

CIM Working Group 2: New contractual structures

Chaired by José Compère (SNCB/NMBS), CIM Working Group 2 studied a number of diverse issues during 2002. It drew up the following texts to accommodate the new



ways in which railway undertakings can contract with one another:

- General Terms and Conditions applicable to the contract for the hire of a locomotive (GTC-hire),
- General Terms and Conditions applicable to the contract for traction (GTC-traction),
- General Terms and conditions applicable to the sub-contract concluded between the carrier and the substitute carrier (GTC sub-contract),
- General Terms and Conditions applicable to the contract for joint contracting concluded between a number of carriers (GTC joint contracting),
- General Terms and Conditions applicable to the contracts for services carried out on consignment, en route or on delivery (GTC-services).

The working group has not been able to limit itself just to issues linked to the law of transport; other problems, customs problems in particular, have had to be addressed. The group also took advice from practitioners in order to find solutions which were as far as possible in tune with the market.

The first four documents were approved by the CIM Committee at its meeting on 16th and 17th July 2002. The last will be available at the beginning of 2003. The General Terms and Conditions are compatible both with the 1980 CIM Uniform Rules and the future 1999 CIM Uniform Rules.

During this work it has become clearly apparent that the preparation of a legal framework for working together is one thing, implementing it in practice is quite another. Given that a sub-contracting carrier cannot be distinguished straightaway from a subsequent one by its outward appearance, it is essential that the parties clarify their status during the execution of a movement.

The distinction is crucially important, particularly for the issue of liability.

CIM Working Group 3: East-West traffic

This working group has the task of standardising the legal relationships between the customer and the carrier and between carriers in East-West traffic, to take advantage of the fact that the new CIM Uniform Rules will permit carriage under the CIM even outside states which apply COTIF. This work, directed by Madame Kounka Kirkova (BDZ), is considered to be important without nevertheless becoming a priority task. The first steps will be taken in April 2003.

CIM Working Group 4: Consignment note and manuals

One of the CIT's tasks is to re-examine the present procedural instructions for the execution of the contract of carriage for freight to take account of the new COTIF's entry into force. This task has fallen to CIM Working Group 4, chaired by the Assistant Secretary of the CIT. The fundamental objective remains and will always remain international freight transport from end to end using just a single document. Increased competition between railway undertakings must now also be borne in mind. A list of the provisions which are to be retained and of those new provisions which will be necessary was drawn up in 2001. The work to draft them only really started in 2002.

It is important that the working group charged with preparing the new format for the consignment note and the new provisions for executing the contract of carriage is fully aware of the work being done by other CIT working groups on implementing the new COTIF. Amongst the work being done by these other groups is on the General Terms and Conditions of Carriage (GTC-CIM) and on other general terms and conditions for the contracts between service providers. Likewise there is a need for the group to take account of customs regulations.

The existing PIM regulations provide very detailed instructions for the execution of the contract of carriage and describe numerous special cases which only occur very rarely in practice. These special cases take up an amount of space out of all proportion to their importance and the complex way in which they are resolved makes it worse. The CIT is revising these instructions from the bottom up but nevertheless attempting to avoid dealing with special cases. Two publications produced in the form of manuals are proposed to replace the existing single publication. The first will be a manual for the CIM consignment note

which will contain the instructions for completing and processing the consignment note. It is intended both for the carriers' staff as well as for their customers. The CIM traffic manual on the other hand is intended for carriers only; it will describe the processes to be followed to execute the contract of carriage.

A data catalogue for the new CIM consignment note has been prepared. It provides a basis both for the paper consignment note and for the electronic version and contains functional definitions for each of the data items on the CIM consignment note. When approved it will be sent to the UIC with a view to its being included in the future "freight data dictionary". This dictionary will serve as a reference document for creating EDI messages.

The new format of the CIM3 consignment note will replace the existing consignment note shown in appendix 1 of the PIM. Its format follows the United Nations layout key for trade documents. What is immediately striking is that on the front of the document the boxes for entering freight charges have been removed, in future charges will only be shown on the back of the document. This approach is all the more logical because more and more traffic is being charged centrally. In addition all the other consignment note data will now be on the front of the document. This will mean that the back of the consignment note need not be printed when it is produced from an electronic source. Because of the elimination of some of the boxes, the document is somewhat clearer even allowing for the inclusion of the details required by the new CIM Uniform Rules.

The "CIM Consignment Note Manual" describes the processing of the consignment note. It is intended for customers, and provides them with details of the information required to create a consignment note and how this information is to be filled in on the document. At the same time it provides a guide for the carrier on the acceptance and processing of the consignment note. It takes account of both the paper and the electronic consignment note. The annexes contain the "General Terms and Conditions of Carriage" (GTC-CIM) (which provide the basis for the "CIM Consignment Note Manual" and govern the contractual relationship between the customer and the carrier), the format of the new consignment note and an EDI template contract.

The CIM Traffic Manual is intended just for carriers. There is a description of how a movement takes place, presented as a series of processes. Each process is described in a working document in the form of a checklist. The working documents describe the operations linked to the process, indicate the timescales for their completion and designa-

te who is to do them. In comparison with the present PIM, the new manual is much more user friendly. The annexes contain different specimen documents, amongst them being the General Terms and Conditions for contracts between carriers, traction providers and other service providers as well as for the hire of locomotives.

CIM Working Group 5: Division of the costs of loss and damage for international freight traffic (AIM)

The "Agreement concerning the International Carriage of Freight by Rail" (AIM) is one of the CIT's most important publications. It resolves a large number of issues which arise from the reciprocal relationships between railways, in particular collection of charges due on a consignment, distribution of surcharges, charging of the costs of transshipment and the adjustment of loads and the procedure for refunds.

In particular however, the AIM provides rules for sharing out the compensation paid in the case of loss or damage to goods or exceeding the permitted transit time. The agreement is based on the principle of not investigating which railway was responsible but instead dividing the compensation due to the customer between the railways in proportion to the tariff kilometres of each railway. The background to this approach is an evaluation of the costs and benefits of investigating responsibility, the notion of reciprocity and to a certain extent inter-railway cohesion.

Nevertheless the liberalisation associated with the separation of infrastructure from transport, the open access to the network, the new contractual structures and the abolition of the obligation to carry makes a thoroughgoing review of the principles of the AIM necessary. As an immediate step,

a working group chaired by José Compère produced an amendment to the AIM to cover the case of subcontracting. The new texts show clearly that the rules for sharing compensation have no effect on the relationship between the principal carrier and the sub-contracting carrier but only affect the subsequent carriers.

Other work, directed by Rainer Freiser (DB) focuses on the revision of the AIM. The work starts from the principle that railway undertakings follow market oriented policies and that under those conditions, competition between them is desirable. In these circumstances it is not appropriate that there should be derogation from the CIM in order to share compensation if it is clear that one of the successive carriers in a chain is clearly accountable for the loss or damage. These considerations must clearly take account of the statistical information that the railways have available.

If possible, the work on the AIM must be finished between now and the end of 2003.

Vehicle law

The new vehicle law provides the basic structure which is crucial to liberalisation. The CIT has made its contribution by active participation in the various working groups set up by the UIC (in particular the "Wagon Status" working group of the Priority Line Standardisation.) This group is working on amending the present rules for RIV hire charges, for the charging of empty return and for liability. Its objective is to try to eliminate any discrimination between privately owned and railway owned wagons. In this spirit it was decided that empty return should be billed irrespective of whether wagons were railway owned or privately owned. In addition the rates for RIV hire charges for 2003, set using the normal process,

will only have the status of recommendations. From 2004, railway undertakings will be able to set hire charges at whatever level they please.

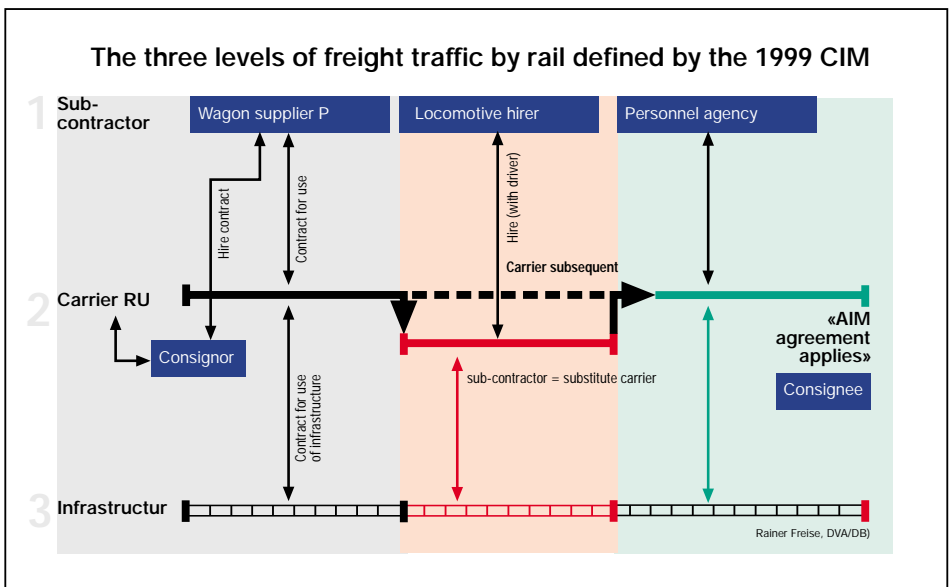
In so far as liability for loss and damage to wagons is concerned, the existing principles have been re-adopted. By contrast it was not possible to find a consensus on the issue of loss and damage caused by wagons. Under these conditions the only possible solution is to resolve the issue of liability by bi or multi-lateral agreements. The absence of a single harmonised solution risks jeopardising international rail movements, so this situation is hardly satisfactory.

The UIC/CIT Wagon Law Group has continued its work. It should be remembered that when the new COTIF comes into force, it will allow a wagon to be moved either under a contract of carriage when the wagon itself is considered as traffic or on the basis of a contract for use when the wagon is considered as a means of transport. In the first case, the CIM Uniform Rules apply, and in the second, the CUV Uniform Rules and the contracts for use. This liberalisation together with the contractual freedom which comes with it, will have significant consequences.

UIC leaflet 433 (Standard General Conditions (SGC) for the introduction into service and operation of privately owned wagons) will thus lose its mandatory status. It will not be possible to resolve commercial issues in a standard way. On the other hand it is desirable that technical standards are specified to simplify the exchange of vehicles.

UIC leaflet 992 (Apportionment between railway undertakings (RU) of compensation resulting from the use or running of privately owned wagons) will likewise become optional. Nevertheless nothing will stop those parties which so choose from referring to it and agreeing that it should apply. The legal constraints are slight, so issues of liability are mainly commercial. From the legal viewpoint, the important issue is to exclude any discrimination based on the ownership the wagon.

The liberalisation of a market which was previously subject to a set of mandatory rules, confers a new freedom on the various players in the market and hence contractual freedom. In consequence, earlier obligations which were entered into in an environment of multilateral regulation must be re-analysed to consider their legitimacy. It will be necessary to reduce the level of detail and indeed in some cases cancel the agreements entirely. It is clear that in a liberalised market, agreements and concerted practices "to apply technical improvements or ...achieve technical co-operation" (Article 3 of Regulation 1017/68) do not pose



problems. So far as wagons are concerned this principally concerns technical standards, operations and the exchange of vehicles. Nevertheless agreements on commercial issues such as fixing conditions of carriage and setting prices are not covered.

It would seem that transport undertakings face enormous changes, where vehicle law is concerned transport undertakings cannot yet entirely evaluate the implications of these changes.

Use of infrastructure

The 1999 COTIF also governs the use of infrastructure. Accordingly a UIC/CIT working group chaired by the CIT Secretariat has prepared "General Terms and Conditions for Use of Infrastructure". Representatives of railway undertakings and infrastructure managers worked closely together to revise the draft originally produced in 2001. The working group put the final touch to the document in Spring 2002.

The UIC Legal Group approved the finished product at its meeting in June in Oslo. The railway industry now possesses a tool based on the 1999 COTIF and compatible with European legislation.

For the parties to a contract, general terms and conditions are of great benefit. They not only release the parties to concentrate on the main aspects of the contract, (description of the services to be provided, fees, length of the contract) but also provide template conditions for all the other, no less important, points. The GTC-I go up to the point of defining liability, that does not of course prevent the parties to the contract from providing for an alternative solution should they decide that the circumstances justify it.

CIT members have of course been consulted on the GTC-Infrastructure. In addition the CIT Secretariat has contacted the European Rail Infrastructure Managers (EIM) and Railnet Europe (RNE). The situation is clear: there is no duplication of effort with RNE, the RNE's work is concerned with the legal relationship between infrastructure managers and not between infrastructure managers and carriers. Both the EIM and Railnet gave the GTC-I a positive reception.

The development of the GTC-I will be continued in 2003 to take account of the opinions and comments expressed. They will be submitted to the European Commission's DG TREN at the beginning of 2003.

In passing it should be mentioned that this document is not only available in French

and German but also in English. It can be ordered from the CIT Secretariat (info@cit-rail.org).

Training

Training 2002: Training on-site

Apart from its work on the transposition of the 1999 COTIF, the CIT Secretariat devoted a lot of effort to training in 2002. To understand and to know how to use the documents prepared by the various working groups it is essential to have a sound knowledge of COTIF as a basic text.

The CIT Secretariat offers members training on-site in the form of a crash course of about four hours. The course consists of a rapid summary of COTIF Appendices A to E followed by a succinct explanation of the corresponding CIT publications. The emphasis has been on the Uniform Rules concerning the Contract for International Carriage of Goods by Rail (CIM Uniform Rules - Appendix B), the Uniform Rules concerning the Contracts of Use of Vehicles in International Rail Traffic (CUV - Appendix D) and the Uniform Rules concerning the Con-

tract of Use of Infrastructure in International Rail Traffic (CUI - Appendix E).

The course, which was held five times in 2002, has kept the CIT Secretariat busy throughout the year. Much of the work fell to our legal advisor, Frau Katja Marin, who travelled all over Europe from Copenhagen in January 2002 to Sopron in October 2002. The courses have stimulated an active interest amongst the participants, essentially senior managers. The questions asked demonstrated the uncertainty which clouds the future in a number of areas but also proved that the extended scope of COTIF 1999 is considered as an opportunity to be seized. Issues of particular interest were the new contractual structures (such as sub-contracting) and vehicle law.

Likewise in 2004, training will be one of the key areas for the Secretariat. This time the principal objective for the courses planned will be the presentation and explanation of the CIT documentation, which by then will be ready. Practitioners, i.e. the staff who actually implement and use CIT documentation (e.g. sales staff, claims staff) will be the target audience.

The new consignment note will be easier for customers to use

International Cooperation

The CIT has worked very closely with the UIC and the CER during the past year. In the UIC Legal Group the completion of the General Terms and Conditions for Use of Infrastructure took precedence over the CER's problems with customs issues and the passengers' charter. Infrastructure managers created their own organisation (EIM). The working relationship between the CIT and customer representatives developed very satisfactorily.

The International Union of Railways (UIC)

Cooperation with the UIC continued to be problem free. The Freight and Passenger Commissions and their subordinate groups were provided with all the support they needed on legal questions. The CIT has kept them regularly informed on the transposition of the new COTIF and the changes it requires in the commercial, technical and operational spheres.

Cooperation with the UIC headquarters and the new Director of Legal Affairs, Jean-Pierre Lehman, has been extremely effective. An important point in the discussions during the past year has been the changing role of the CIT in its relationship with the UIC.

The CIT has also taken regular part in meetings of the UIC Legal Group. On the agenda have been the Passengers' Charter, UIC leaflet 471-1 OR (Regulations covering the operating of lines crossing borders and the use of locomotives and multiple trains in international traffic). In the meeting of 20 and 21st June in Oslo, Frau Marin from the CIT Secretariat presented the "General Terms and Conditions for Use of Infrastructure" which were subsequently approved.

Community of European Railways (CER)

During the past year, co-operation with the CER has mainly been focused on customs issues. Readers will remember that the "rail simplified common/community transit system" (RSP) allows customs formalities to be moved away from frontiers and eliminates the need for guarantees. For customs authorities, the liberalisation of the railway industry and the total or partial privatisation of the national railways, the separation between the provision of transport and the management of infrastructure, the arrival of new railway undertakings and open access have totally changed the situation. Even road haulage interests have questioned the RSP claiming that it benefited railways to the detriment of other modes of transport. DG TAXUD of the European Commission is currently preparing a paper intended to bring together all the customs regulations

which are currently spread amongst a number of documents and to harmonise and codify them. It is essential for the railways that the present regime is safeguarded. With this in mind the CIT has made itself available to help the CER consider the legal questions, in particular those concerning the consignment note.

Johannes Ludewig, formerly head of DB, has been elected as the new Executive Director of the CER. The CIT is very pleased with the co-operative atmosphere.

European Rail Infrastructure Managers (EIM)

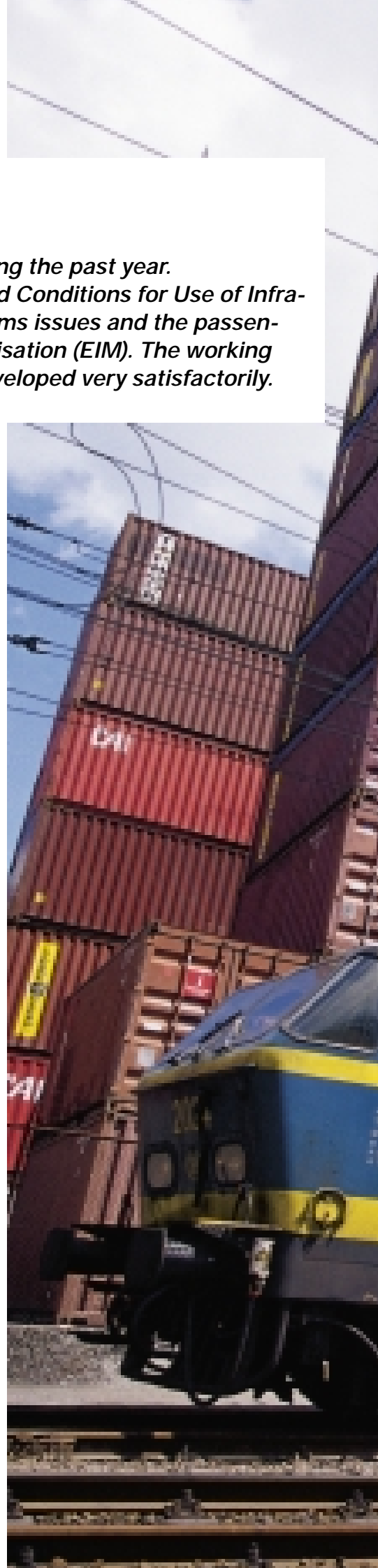
The European Rail Infrastructure Managers body (EIM) was founded in December 2001. The EIM is a non-profit making body under Belgian law and has its headquarters in Brussels. It represents the following infrastructure managers: Banverket (BV – Sweden), Banestyrelsen (BS – Denmark), Dutch Infrastructure Manager (DIM – Netherlands), Jernbaneverket (JBV – Norway), Network Rail (NR – Great Britain), Ratahallintokeskus (RHK – Finland), Rede Ferroviária Nacional (REFER – Portugal) et Réseau Ferré de France (RFF). The General Secretary of the organisation is James Evans, former Manager of Eurokombi and Director of the Railway Services Division of Eurotunnel.

The CIT and the EIM rapidly made their first contacts. On the 20th November 2002 the Secretary to the CIT introduced the CIT and the General Terms and Conditions for Use of Infrastructure to the EIM. Likewise the General Secretary of the EIM sits on the CIT "Revision of the Statutes" Working Group.

Customer organisations

The CIT endeavours to involve customer groups in its work.

The drafts of the GTC-CIM, the new format for the CIM consignment note and the manual to go with it were presented to the representatives of the most important customer groups on 28th August 2002. It was possible to accommodate the majority of





their proposals for changes. The revised documents will be submitted to the CIM Committee in March 2003.

In the same way, the GTC-CIV were presented to national consumers organisations in July 2002. Following this, the CIV Committee was able to accept numerous suggestions for changes at its meeting in September 2002.

The CIT welcomes the success of this consultation. It has proved itself to be valuable and more use will be made of it in the future.

VDV (Verband Deutscher Verkehrsunternehmen [Association of German Transport Providers])

The VDV is an organisation representing German regional public transport providers and freight operators. Rail freight operators play a preponderant role. The association has more than 500 members, composed of transport providers and organisations that represent them. DB is also a member of VDV.

Valuable contacts were made with the VDV during 2002. The "VDV-Akademie" organised a seminar on the topic "International freight traffic: an opportunity for rail" in Berlin on 10th and 11th April 2002. At the seminar, the Secretary to the CIT made a presentation on the subject of "The main aspects of new Uniform Rules concerning the Contract of International Carriage of Goods by Rail (CIM)".

International cooperation to eliminate frontiers for rail traffic.

The EU discovers COTIF

The EU will accede to COTIF and will play a pivotal role after the candidate countries have joined the Community. Furthermore the EU does not rule out imposing its own criteria for the rights and obligations of passengers, although rail carriers have already drafted their own charter to cover the issue. This charter provides for a liability regime for delays which is more extensive than that of the CIV Uniform Rules.

Impassionate consideration of developments leads inexorably to the conclusion that the European Commission is using international rail transport law more and more to achieve its European transport policy objectives. The imminent accession of the EU to OTIF and the proposed Regulation on the rights and obligations of passengers must be seen as a further step in this direction.

EU majority in OTIF

It is well known that the new COTIF permits "the accession of regional economic integration organisations" (COTIF Art 38) The EU has already made known its desire to make use of this opportunity. This means that in future the 15 Member States of OTIF which are also Member States of the EU will be represented by the EU. After the candidates for 2004 join, that number will reach 25 states. With a total of 41 Member States of OTIF, Brussels will have a permanent majority.

Rail passengers' charter

The rail passengers' charter constitutes a voluntary engagement on the part of the European rail transport undertakings to improve the quality standards of their transport services. The railways regard the quality and attractiveness of their services as being of supreme importance. The charter demonstrates the efforts being taken to make improvements and corresponds with EU recommendations, for example in the White Paper COM (2001) 370.

The railway undertakings which have signed the charter have undertaken to make improvements in the following areas: information to passengers, variety of sales channels, use of languages spoken along the routes in question, rapid processing of complaints and claims, assistance to disabled passengers, user friendly information systems in stations, cleanliness of premises and rolling stock, continuous consultation of customers, etc.

The recognition of the need for compensation in the case of a significant delay is par-

ticularly noteworthy. The future CIV Uniform Rules provide that when a passenger cannot continue his journey the same day, and in this case only, is the undertaking responsible for the consequent costs of accommodation.

The CIT has likewise taken part in the work of the CER and the UIC. Both the Assembly of Directors General of the CER and the Passenger Commission of the UIC have approved the final text, which totals 18 points.

Implementation of the charter still requires the railways to take certain practical steps in the operating area. The CIT has already done some preliminary work on the option provided in the new AIV to pay compensation even where delays do not necessitate continuing the journey the following day (compensation paid on a commercial basis).

EU consultation on the rights and obligations of international passengers

In autumn 2002, DG TREN of the European Commission submitted a paper which dealt with the rights and obligations of international passengers to railway organisations and to consumer representatives. DG TREN organised a hearing in November at which a representative of the CIT Secretariat also took part. The intention of DG TREN appears to be to use the result of the consultations to draw up an EU Regulation dealing with the subject.

On principle, the CIT, the UIC and the CER believe that the planned EU Regulation represents a dangerous and confusing duplication of effort with the charter produced by the railway undertakings. The CIT shares the views of the CER which may be summarised as follows:

- The objective of improving passengers' rights is uncontested.
- The charter could be implemented immediately whereas a legislative procedure would require at least a year to a year and a half.





- A charter is flexible and can be easily modified to suit developing circumstances.
- The use of a charter respects the principle of subsidiarity.
- There is a significant risk that the Council will not support a Regulation for this purpose.
- A charter would include domestic as well as international movements.

The charter must be put into place as quickly as possible after the CER is able to agree with the European Commission that work on the proposed new Regulation should be suspended. Tangible results must be visible in the short term.

CIT Centenary

The high point of 2002, the celebration of the centenary of the founding of the CIT, was the time to take leave of the past and turn determinedly towards the future.

The centenary celebrations in Luzern

On 30 May 2002, the hotel Schweizerhof in Luzern received more than 250 guests from all over Europe to celebrate the centenary of the CIT in style. The climax of this event was Benedikt Weibel's address. Dr Weibel is Chairman of the CIT and Chairman of the Board of Management of SBB. His address traced the chequered history of the CIT from its foundation in 1902 right up to the present day. Some excerpts from his speech are reproduced below.

Revision of COTIF

The signature of COTIF in 1999 marked the completion of the most significant change of the present age. In the years leading up to it, the domestic and international railway world had been fundamentally changed, particularly as a consequence of EU Directive 91/440/EEC. The separation of infrastructure management and traffic movement and the open access required by transport policy also needed to be transposed into transport law. About 90 days of meetings and a great deal of hard work were necessary to prepare the convention for signature.

Standards are necessary

Economic deregulation unfortunately leads to a greater need for regulation rather than a lesser need. Beside the infrastructure managers, further players such as the sub-contracting carrier, the traction provider, the hirer of traction, the suppliers of locomotives with drivers are appearing. The ominous and much feared authorised applicant is already on the horizon. An urgent issue arises: how can these new players play their part in the system?

Demands are being made of the railways and the CIT. Liberalisation marches inexorably forward. As a minimum, common contractual standards will be needed in the short term in order to prevent chaos in transport law. This is for the following reasons:

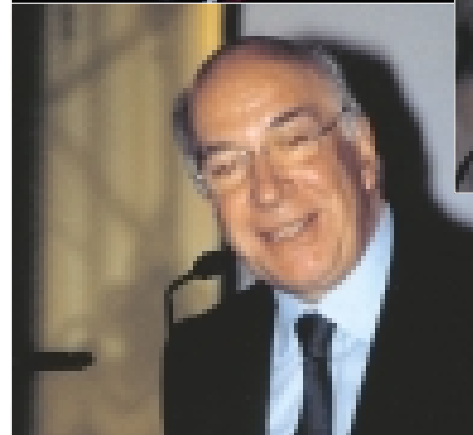
- Standardisation means comparability. Comparability is a prerequisite for transparency in competition. Competition must be centred on the quality and price of the transport service, and not the «small print» which we know from insurance policies or general conditions of contract.
- Standardisation means legal certainty. Legal certainty however presupposes basic legal conditions which must be carefully drawn up in good time. They constitute a critical mass which can then develop into a set of clear legal principles.
- And finally - the most important: standardisation means rationalisation and rationalisation in turn means a reduction in cost.

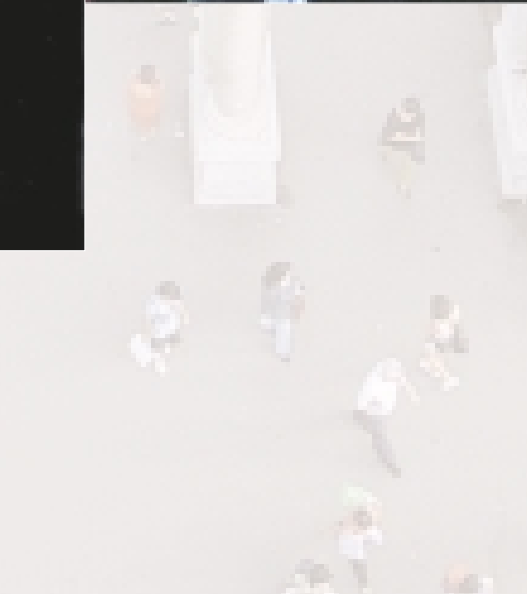
The railways of Europe have very different strategies, liberalisation takes place at different speeds and ways of doing business vary considerably. To bring everything in line demands expertise in the subject, diplomatic skill and resources focussed on carrying it through. The art of standardisation is to determine that lowest common denominator which is acceptable both to railway undertakings and their customers and to national and international competition authorities.

Many spheres of interest

Today, problems in transport law often cannot be resolved in isolation but must frequently also take EU legislation into account. That is why the CIT, the International Union of Railways (UIC) and the Community of European Railways (CER) must re-clarify their respective areas of competence for legal issues. This re-clarification must take into account that not just the 15 EU States but 41 States, from the Atlantic right through to the Gulf and from the North Sea right through to the Mediterranean apply COTIF.

A further interesting development is to be noted. The EU would like to use the opportunity provided by the new COTIF to accede to COTIF as a regional economic integration organisation. In particular issues it





could then act with 15 votes and after the accession of the Candidate States with as many as 25 votes. The EU can then extend its influence eastwards using COTIF law. This should be extremely useful particularly for the participants in the projects for pan-European and Eurasian corridors. The COTIF treaty itself underpins the technical appendices which provide for interoperability. They validate technical standards, regulate the acceptance of vehicles and equipment and apply to all contracting states.

Changes for the CIT

The CIT is a rather sprightly, but nevertheless middle-aged lady. She has served the railways loyally for 100 years. She has survived a number of storms and it is now a question of a health farm with a complete face-lift. However the tasks of the future call for a more robust, more open and more flexible organisation. In addition, in a liberalised environment, a single railway cannot be entrusted with the management of the CIT any longer. Although the SBB always distinguishes strictly between its own and CIT activities, the possibility of a conflict of interest can never be completely excluded. For the same reason, management in individual countries cannot be left to individual railway undertakings as was previously the case. Understandably "new entrants" neither want to be, nor can be represented by the "old national railways", on the contrary, their relationship is partly competitive.

CIT Centenary: Symposium "Legal interoperability in a liberalised environment"

At the symposium which took place in the context of the centenary celebrations, both the papers presented and the debates which followed generated a great deal of interest. Over 200 participants attended the lectures and the debates which were led by independent chairmen.

Topical aspects of the theme "legal interoperability in a liberalised environment" were covered by three panels.

Speakers at the CIT's Centenary celebrations: Michel Aymeric (Chairman of the OTIF Administrative Committee), Etienne Schoupe (Chairman of the UIC), Giancarlo Cimoli (Chairman of the CER) and Ursula Stämmer-Horst (City Councillor, Luzern). Benedikt Weibel, Chairman of the CIT

In panel 1, Eric Desfougères, Maître de conférences en droit des transports, Université de Haute Alsace [Senior lecturer in transport law, University of Upper Alsace] presented the topic of:

Deregulation and legal certainty

The withdrawal of the obligation to carry as Monsieur Desfougères told us, leads to railway undertakings having a freedom of choice. In future they will not only be able to decide whether to take part in a movement but also how they take part (as a carrier, traction provider, service provider, or hirer of a locomotive with a driver). This freedom of choice does not imply the disappearance of all the legal rules. On the contrary it requires the creation of legal rules which admittedly form part of a contract freely entered into but which are themselves legally flawless and compatible with the binding principles of the various legal frameworks involved. That is what we have chosen to call legal interoperability.

For those railway undertakings within the European Union, restructuring comprises separation of the accounts of the infrastructure management and railway undertaking activities. This imposed restructuring of course applies equally to countries which are candidates to join the European Union (Mrs Kirkova, BDZ). Monsieur Ben Fadhl (Directeur général des transports terrestres, [Director General of Land Transport] Tunis) explained that although this restructuring has not extended outside the European continent, increasingly states are withdrawing from the day to day management of railway undertakings and that some countries are already thinking in terms of liberalisation.

The emergence of new undertakings outside the ambit of the state and not (yet) members of the international railway organisations as Herr Janssens (BASF) showed, forces the "traditional" or "historic" railways to adopt new approaches in the way they interface in practice.

The topic of the second panel was:

COTIF – New international railway law

Michel Burgmann (Federal Ministry of Transport, Bonn) introduced the new areas which COTIF will cover:

- Making standards and technical stipulations mandatory;
- Fixing the rules for bringing railway equipment used for international traffic into service;
- And possibly to fulfil the role of competent authority for technical approval.

It is logical to presume that in a market economy the authority with the task of carrying

technical rules into law should be neutral. It is likewise disturbing to see a multitude of authorities which are able to lay claim to the same tasks appearing on the scene. That is what could happen with the text of COTIF 1999, the contents of EU Directives and perhaps in the future any decisions which OSShD might take. That situation, if it happens, would have the effect of setting a confusion of different regulations in stone. Herr Isliker (Director General of OCTI) said that one of the solutions to this problem could consist of all the authorities working together to prepare the standard rules for the technical aspects of traffic covered by COTIF jointly. He emphasised that a technical standard can only be effective if all the parties concerned (states, manufacturers and above all, users) are involved in its preparation. User undertakings, represented by international organisations (UIC, CER) must definitely participate in the work of the various technical committees (Mr Lundström, CER).

Rainer Freise of the Deutsche Verkehrs-Assekuranz-Vermittlungs-GmbH [German Transport Insurance Procurement] addressed the third panel on the topic of:

New liability and insurance problems

The liberalisation of international rail traffic has given birth to new legal relationships which necessarily lead to new liabilities whether it be relationships between carriers and infrastructure managers or relationships between carriers themselves arising from the new contractual interfaces (sub-contracting and other vehicle hire). The undertakings must face up to these liabilities by covering themselves appropriately against their consequences. As Dr Freise (DVA) showed, this variety of contracts which leads to diverse liabilities cannot be satisfied in a market economy by the traditional principle of joint liability linked to a state guarantee. It is necessary to innovate, to identify the risks appropriately and ensure they can be financed at least cost to ensure the long-term future and profitability of rail transport.



Memories of the centenary celebrations: 250 guests from all over Europe, magnificent spring weather, an interesting symposium and a festive atmosphere.



An overview of the CIT's work-in-progress at the end of 2002

With only a few exceptions, all the work is proceeding as planned. It has to be acknowledged however that the time needed to do the work was sometimes under-estimated: both the members of the Executive Committee and the Secretariat had to accept an exceptional volume of work. One thing is certain however; the various different documents are all of high quality, even if regular updating and review will be necessary.

General Terms and Conditions of Carriage for Passengers (GTC-CIV)

Drafts approved by the CIV Committee, but still needing to be submitted to the European Commission.

General Terms and Conditions (GTC): hire, traction, sub-contracting, joint contracting

The GTC-hire, the GTC-sub-contracting and the GTC-joint contracting have been approved by the Committee but still need to be submitted to the European Commission.

The GTC-traction remains to be prepared and to be submitted to the European Commission.

Template contracts which the various GTC may require have still to be prepared.

International Passenger Manual

Replacement for the passenger part of the current PIV; the drafts are to be reviewed again by the CIV Working Group and submitted to the CIV Committee for approval in April 2003.

Compendium of Specimens of International Transport Documents

Reworking of the current MDI, the drafts are to be reviewed again by the CIV Working Group and submitted to the CIV Committee for approval in December 2003.

International Luggage Manual

Replacement for the luggage part of the current PIV; the draft is to be submitted to the CIV Committee in April 2003.

Agreement concerning the Notification of Traffic Restrictions (ARV)

Reworking of the current ARV, the draft is to be reviewed again by the CIV Working Group and submitted to the CIV Committee for approval in April.

Agreement concerning the payment of compensation in the case of delay (AIV)

Replacement of the current AIV, the draft is to be reviewed again by the CIV Working Group and submitted to the CIV Committee for approval in April 2003.

General Terms and Conditions for the carriage of freight traffic (GTC-CIM) and Customer Agreement

The drafts of the GTC-CIM and the Customer Agreement have been approved by the CIM Committee. The draft GTC-CIM has yet to be submitted to the European Commission.

General Terms and Conditions (GTC): hire, traction, sub-contracting, joint contracting, ancillary services

The GTC-hire, the GTC-sub-contracting and the GTC-joint contracting have been approved by the CIM Committee but still need to be submitted to the European Commission.

The GTC-ancillary services still needs to be approved by the CIM Committee and submitted to the European Commission.

Template contracts which the various GTC may require have still to be prepared.

Template contract for "CIM/SMGS" traffic

Preparation of a template contract intended to take advantage of the extension of the scope of the CIM Uniform Rules. The outline has already been prepared. The working group charged with the task will start the work proper in 2003.

Consignment note and CIM Consignment Note Manual

A new format for the CIM consignment note and a first draft of the CIM Consignment Note Manual have been prepared. The CIM Committee have approved them. The manual has yet to be finished. The two documents will then be submitted to the European Commission.

*Looking back from the "CIT locomotive":
The work is running to time.*

CIM Traffic Manual



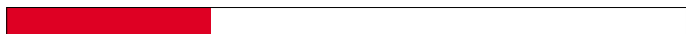
The new manual will replace the existing instructions for international freight traffic (PIM). It is in the process of being prepared and is to be submitted to the CIM Committee in March 2003 for approval.

Agreement concerning the Notification of Traffic Restrictions (ARM)



Preparation of a new system to take account of the removal of the obligation to carry and of the separation between transport and infrastructure. The CIM Committee will be invited to approve the outline draft in March 2003.

Agreement concerning the sharing of compensation paid (AIM)



Preparation of a new agreement for the sharing of compensation in international rail traffic. The initial work has been done.

CUI Uniform Rules: General Terms and Conditions for Use of Infrastructure (GTC-I)

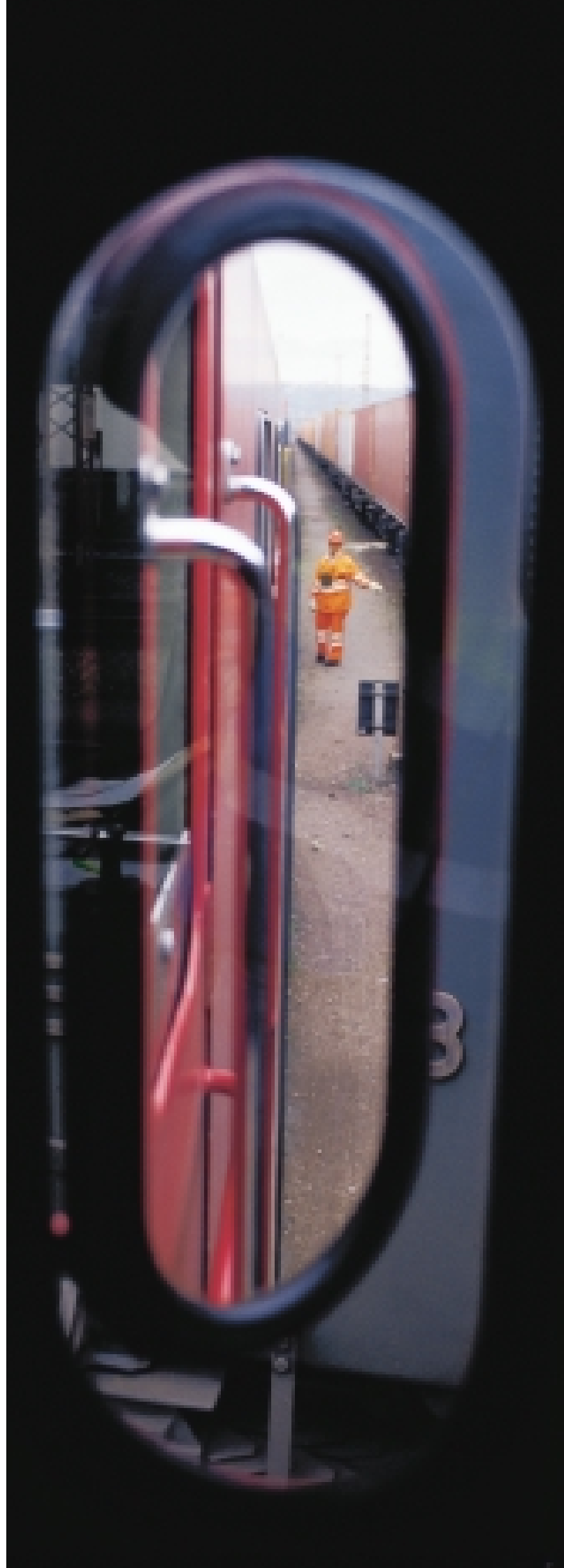


The draft of the GTC-I has been approved by the UIC Legal Group. It will now be submitted to the European Commission.

Use of vehicles



The intermediate report has been accepted. The final report is expected before the end of March 2003.



Permanent bodies and members

The General Assembly of the CIT meets once a year; it is the supreme body and its role is to take decisions on issues linked to the statutes. Operational management of the CIT is the task of the Executive Committee; it met four times. The CIT Secretariat looks after day to day issues, during the course of the year it moved to new offices situated in the "Egghölzli" centre in Bern.

General Assembly

The annual meeting of the General Assembly took place on 30 May 2002 during the centenary celebrations. Almost 70 delegates took part - a record in the history of the CIT.

The Annual Report 2001, the accounts for 2001, the report of the Audit Committee, the additional amount added to the 2002 budget and the budget for 2003 were all approved. Messrs. Heidersdorf (DB) and Louprien (SNCF) were re-elected to the Executive Committee for a period of four years (2003 to 2006).

In addition the General Assembly set up a working group to consider the "New organisation for the CIT". Members of the group are Mme Barath (GySEV), Messrs. Heidersdorf (DB), Compère (SNCF), Louprien (SNCF), Gersinske (VDV) and Evans (EIM). The Secretary to the CIT chairs the group.

The General Assembly took note of the progress made in transposing the new COTIF and approved the new texts of the DCU and PIM which provide a framework for subcontracting carriage under the present CIM Uniform Rules.

Executive Committee

Last year the Executive Committee met four times. Its work was mainly focussed on the transposition of the new COTIF, the new

direction for the CIT, training issues and preparation for the General Assembly.

In addition to their role within the Executive Committee, members have chaired working groups and committees for the transposition of the new COTIF or have taken part in those groups. In addition they have represented the CIT in other organisations or in international meetings. All the members of the Executive Committee deserve to be recognised and thanked for the commitment which they have demonstrated, in addition of course to their work within their own organisations.

Secretariat

Work on the new COTIF once again tested the skills of the Secretariat. It organised the numerous meetings of working groups and committees, prepared the working documents that were needed, wrote the minutes of the meetings and followed up the decisions which were made.

In addition the Secretariat continued to manage the existing documentation, to represent the interests of members in international organisations and to provide advice to members on the application of international transport law.

The other event which must be mentioned was the move of the secretariat to new premises. This was dictated by two factors: the SBB were no longer able to make offi-

CIT Executive Committee

Stefan Bajcs
José Compère
Joanne Fawcett
Christian Heidersdorf
Martin Killmeyer
Kounka Kirkova
Thomas Leimgruber
Jean-Charles Louprien

ZSSK, Head of Division
SNCF/NMBS, Principal Legal Advisor, Head of Division
Network Rail, Deputy Director European Affairs
DB Cargo, Head of the Legal Service
ÖBB, Freight traffic, Team Manager, transport law
BDZ, Head of Division
Secretary to the CIT
SNCF, Legal Department, Head of the
Transport Department
FS Trenitalia, Passenger Division, responsible for the
International Traffic Unit
SJ Greencargo, Head, Regulatory Affairs

Enrico Trapazzo

Assistant Secretary to the CIT

Gunnar Wickman
Secretariat:
Henri Trolliet





ce space available and the forthcoming organisational separation of the CIT from the SBB. The Secretariat took up its new accommodation in the "Egghölzli" Conference Centre close to the headquarters of the Universal Postal Union (UPU). An advantage of the new site is the existence within the same building of meeting rooms equipped with interpretation systems suitable for CIT meetings.

Communications

www.cit-rail.org

Computers have been part of daily life for some years and the use of internet search engines is quite normal. For an organisation active in international issues, a presence on the internet with its own website is therefore essential.

Just to be present on the internet is not always enough. The old CIT web site, set up in 1999 has not met modern technical standards for some time and is not user-friendly. Nevertheless its success cannot be doubted: as many as 350 users spend more than three minutes on the site every day. Amongst the busiest pages, CIT-Infos is the most popular item, followed by the circular letters and the list of members. Despite this success, it was time to update the site and the decision to create a new site which is simple to use, clear, attractive and informative was obvious.

The new site which has been on line since January 2003 contains a number of changes. It has four different levels of access, general information is completely accessible to everyone, members of the General Assembly have access to publications and similar services by using a password. The third and fourth levels likewise protected by password contain information specifically intended for the Executive Committee and the Secretariat itself.

In particular the general information has been made more comprehensive. It now contains a detailed presentation of the CIT's activities and of some publications. A new aspect is the on-line consignment note, by clicking on a box, the details of how it should be completed are displayed.

Development of the new site will continue through 2003. We will not reveal any more about the features which will be added to it. We recommend a visit to www.cit-rail.org to allow you to see for yourself.

*The CIT's new office
at Weltpoststrasse 20 in Bern*

Members of the CIT

The Albanian railways (HSH) re-joined the CIT with effect from 15 May 2002.

On 1st January 2002, the former Bulgarian State Railway (BDZ) was divided into two organisations, the state infrastructure body (SRIC) and the Bulgarian State Railway plc (BDZ plc). BDZ will remain the managing undertaking for Bulgaria.

Reorganisation of the NSB's freight business has led to the creation of Cargo Net. Cargo Net has its headquarters in Oslo and will take on the role of managing undertaking for Norway.

Two independent organisations have been created from the Slovak Republic Railways (ZSR) with effect from 1st January 2002. These two organisations are the railway company itself (ZSSK plc) which will act as a carrier and the Railways of the Slovak Republic (ZSR) which will manage the infrastructure. ZSSK will assume the role of managing undertaking for Slovakia.

In addition Swiss Rail Cargo Köln GmbH (SRC Köln) was accepted as a member of the CIT on 10th December 2002. SRC Köln is the result of close collaboration between its parent organisations, Swiss Federal Railways (SBB Cargo), Häfen und Güterverkehr Köln (HGK) [Cologne Port and Freight Transport] and Hupac SA. SRC Köln operates a freight business between Cologne and Basel (and on to Italy). Its headquarters are in Cologne.

The new CIT

The liberalisation of the railway industry also means that the CIT itself must re-examine its role. The main part of the review is concerned with considering extending its role to all the legal issues arising from COTIF and considering new categories of membership.

In the context of the liberalisation of the railways, the CIT must also subject itself to a fundamental re-examination of its role, its organisation and its resources. It is no longer conceivable that a railway with a competitive relationship with other member railways should be at the head of the CIT. The same analysis applies at a national level with the system of sub-management, hitherto taken on by the "state railways". There should no longer be a filter between the central functions and the members. A summary of how the Executive Committee views the situation is given below:

1. Liberalisation involves a fundamental transformation of the legal organisation of rail transport passing from a controlled regime to one with more contractual freedom, new legal relationships, new transport models.

2. Competition law, tax law and customs law are all increasing their impact and starting to impinge on the law of transport.

3. Legal problems at international level in technical areas (involving standards), in marketing (competition, intellectual property, information technology) and in finance (finance and tax law) are not being dealt with as well as they could be. The same is true of some relationships with the community such as state aid, supply to the public sector, service contracts between the state and undertakings, etc.

4. The various legal areas are often difficult to delimit precisely and the co-ordination between railway organisations (and even within them), suffers accordingly.

5. Resources are inadequate, railway organisations can therefore neither deal with legal issues professionally nor coherently.

Based on this analysis of the issues, the Chairman presented the 2002 General Assembly with the following proposals for a way forward for the CIT:

- The objective of the CIT must remain the consideration of all the legal issues linked to COTIF. It might be possible in the longer term to envisage an extension of the objectives to include other international legal questions.
- Membership of the CIT should be extended to other parties such as infrastructure managers and wagon fleet operators etc.
- The system of Managing Undertaking and Sub Managing Undertaking should be abolished.
- The Secretariat staff should be «internationalised».
- Permanent CIV, CIM, CUV and CUI Committees should be created.
- The financial structure should be re-examined.
- The introduction of English as a working language should be examined.
- New agreements on collaboration should be concluded with the UIC and CER.

The General Assembly has not yet been able to discuss these issues in any depth, but did set up a working group mandated to prepare more specific proposals based on the principles above for the 2003 General Assembly. The objective is to take final decisions and approve new statutes at the 2004 General Assembly.

The Executive Committee decided in June 2003 however to accelerate the work and to submit a paper to the 2003 General Assembly to serve as the basis for a decision. Taking part in the work were the Secretary, who was the chairman of the working group, the Director of Legal Affairs of the UIC, the Secretary General of the EIM, a representative of the VDV (Verband Deutscher Verkehrsunternehmen) and representatives of several member undertakings. Particular thanks are due to Walter Moser, Assistant General Secretary of SBB and Head of International Relations, who presided over the work whilst the Secretary to the CIT was absent through illness.



In a liberalised environment the machinery of the CIT requires thorough re-examination and a total renewal of the international "legal mechanism".

Amendments

The publications listed below were amended, revised or re-issued during the course of the past year.

Liste of amendments 2002

	Date	Amendment	Re-issue
Statutes	—	—	—
List of Members of the General Assembly	2002-11-01	—	X
List of Members of the CIT	2002-11-01	—	X
AIV	2002-10-01	1	—
ARV	2002-11-01	12	—
MDI	2002-07-01	1	—
PIV	2002-07-01	1	—
AIM	2002-11-01	2	—
ARM	2002-11-01	13	—
CIM	2002-10-01	9	—
LIF	2002-07-01	15	—
PIM	2002-10-01	18	—
RSM	2002-07-01	7	—
PIEx	2002-10-01	10	—
TIEx	—	—	—

Abbreviations

AEIF	European Association for Railway Interoperability
AIEP/IVA	International Association of Private-Sidings Users
AIM	Agreement concerning the International Carriage of Freight by Rail
AIV	Agreement concerning the International Carriage of Passengers and Luggage by Rail
APTU	Uniform Rules concerning the Validation of Technical Standards and the Adoption of Uniform Technical Prescriptions applicable to Railway Equipment intended to be used in International Traffic
ARM	Agreement concerning the Notification of Traffic Restrictions for International Freight Traffic by Rail
ARV	Agreement concerning the Notification of Traffic Restrictions for International Passenger and Luggage Traffic by Rail
ATMF	Uniform Rules concerning the Technical Admission of Railway Equipment used in International Traffic
CER	Community of European Railways
CIM	Uniform Rules concerning the Contract for International Carriage of Goods by Rail
CIT	International Rail Transport Committee
CIT-MMD	CIT Multi-Modal document
CIV	Uniform Rules concerning the Contract for International Carriage of Passengers and Luggage by Rail
COTIF	Convention concerning International Carriage by Rail
CRTD	Convention on Civil Liability for Damage Caused during Carriage of Dangerous Goods by Road, Rail and Inland Navigation Vessels
CUI	Uniform Rules concerning the Contract of Use of Infrastructure in International Rail Traffic
CUV	Uniform Rules concerning the Contracts of Use of Vehicles in International Rail Traffic
DCU	Standard supplementary provisions
FIATA	International Federation of Freight Forwarders Associations
FTE	Forum Train Europe
GCC	General Conditions of Carriage
GIB	Guide International Bagages [International Luggage Manual]
GIV	Guide pour le transport international des voyageurs [International Passenger Manual]
ICC	International Chamber of Commerce
IDIT	Institut du Droit International des Transports [Institute of International Transport Law]
IM	Infrastructure Manager
IPAAB	International Passenger and Baggage Accounts Auditing Body
IVT	International Association of Tariff Specialists
LIF	General List of Frontier Points
MDI	Compendium of Specimens of International Transport Documents
MTO	Multimodal Transport Operator
OSShD	Organisation for the Co-operation of Railways
OTIF	Intergovernmental Organisation for International Carriage by Rail
PIEx	International Express Parcels Procedural Instructions
PIM	International Freight Procedural Instructions
PIV	International Passenger Procedural Instructions
RCF	Règlementation Comptable et Financière [Accountancy and Financial Regulations]
RID	Regulations concerning the International Carriage of Dangerous Goods by Rail
RTU	Rail transport undertaking
RSM	Compendium of Special Regulations for International Freight Traffic by Rail
SMGS	Agreement concerning International Freight Traffic by Rail (of the OSShD)
SMPS	Agreement concerning International Passenger Traffic by Rail (of the OSShD)
STC	Standard Terms and Conditions
TCV	Common international tariff for the carriage of passengers and luggage
TIEx	Uniform Rules concerning the Contract of International Carriage of Parcels by Rail
UIC	International Union of Railways
UIP	International Union of Private Wagons
UIRR	International Union of combined Road-Rail transport companies
UNECE	United Nations Economic Commission for Europe
UNIDROIT	International Institute for the Unification of Private Law.
UNMIK	United Nations Interim Administration Mission in Kosovo

Annual accounts and balance sheet 2002

INCOME		CHF
A. Members contributions		2'470'617.61
B. Publications		75'077.40
1. Sales to members		74'617.40
2. Sales to third parties		460.00
C. Training courses		
D. Other income		61'753.31
1. Interest received		5.20
2. Other		61'748.11
3. Changes to stock levels of publications		
E. Extraordinary income		80'759.13
TOTAL INCOME		2'688'207.45
EXPENSES		CHF
F. Costs of publications		82'208.50
G. Costs of Secretariat staff		1'101'164.95
1. Salaries		1'055'097.05
2. Travel and subsistence		39'940.85
3. Continuous professional development		6'127.05
H. Costs of services		400'064.65
1. Post and carriage		20'332.70
2. Telephone, fax and e-mail costs		8'510.10
3. Office equipment and supplies		296'258.15
4. Photocopies		7'846.30
5. Office rent, heating, cleaning and lighting		67'117.40
6. Computer system		
I. CIT meetings		180'904.57
1. Interpreters fees		135'751.72
2. Meals and refreshments at meetings etc.		32'031.00
3. Meeting room hire		13'121.85
4. Other		
J. Public and members relations		99'039.20
1. CIT-Infos		36'682.00
2. CIT Guide		4'719.40
3. Annual Report		46'907.75
4. Other		10'730.05
K. Other costs		545'325.58
1. Other fees		215'842.21
2. Travel and subsistence, projet Chairmen, CIT Executive Committee		54'202.13
3. CIT training		0.00
4. Costs of representation		2'877.75
5. Reallocation of membership fees in arrears		0.00
6. 2002 VAT		123'800.00
7. CIT centenary		117'943.75
8. Interest paid		2.50
9. Other		30'657.24
L. Extra ordinary expenses		279'500.00
1. VAT for previous years		279'500.00
TOTAL EXPENSES		2'688'207.45

Balance sheet at 31 December 2002

		CHF
		31.12.2002
ASSETS		
Current assets		1'735'621.18
Liquid assets		1'054'849.89
Cash		90.90
Current account at bank		0.00
Current account at Post Office		8'781.75
Current account with SBB		1'045'977.24
Debtors arising from sales and services		665'133.74
Members		522'736.34
Provisions for losses from sales and services		0.00
Third parties		16'576.50
SBB		125'820.90
Other debtors		15'636.55
Members		289.70
Third parties		0.95
SBB		15'345.90
Payments in advance		0.00
Payments in advance		0.00
Publication not invoiced		0.00
Stocks		1.00
Publications		1.00
Projects		
Jubilee 2002 project		
Fixed assets		1.00
Furniture/IT equipment		1.00
Furniture/IT equipment		1.00
TOTAL ASSETS		1'735'622.18
LIABILITIES		31.12.2002
External funds		1'735'622.18
Current liabilities		1'703'622.18
Creditors arising from purchases and services		1'331'955.92
Members		11'859.82
Third parties		67'809.45
SBB		1'252'286.65
Other creditors		371'666.26
Members		0.00
Third parties		169'320.77
SBB		202'345.49
Items received in advance		32'000.00
Provisions for unbilled items		10'000.00
Items received in advance		22'000.00
Capital and reserves		0.00
Profit written to the balance sheet		0.00
From profit & loss account		0.00
TOTAL LIABILITIES		1'735'622.18



Building bridges to allow legal interoperability for European rail traffic

