



2017

ANNUAL REPORT

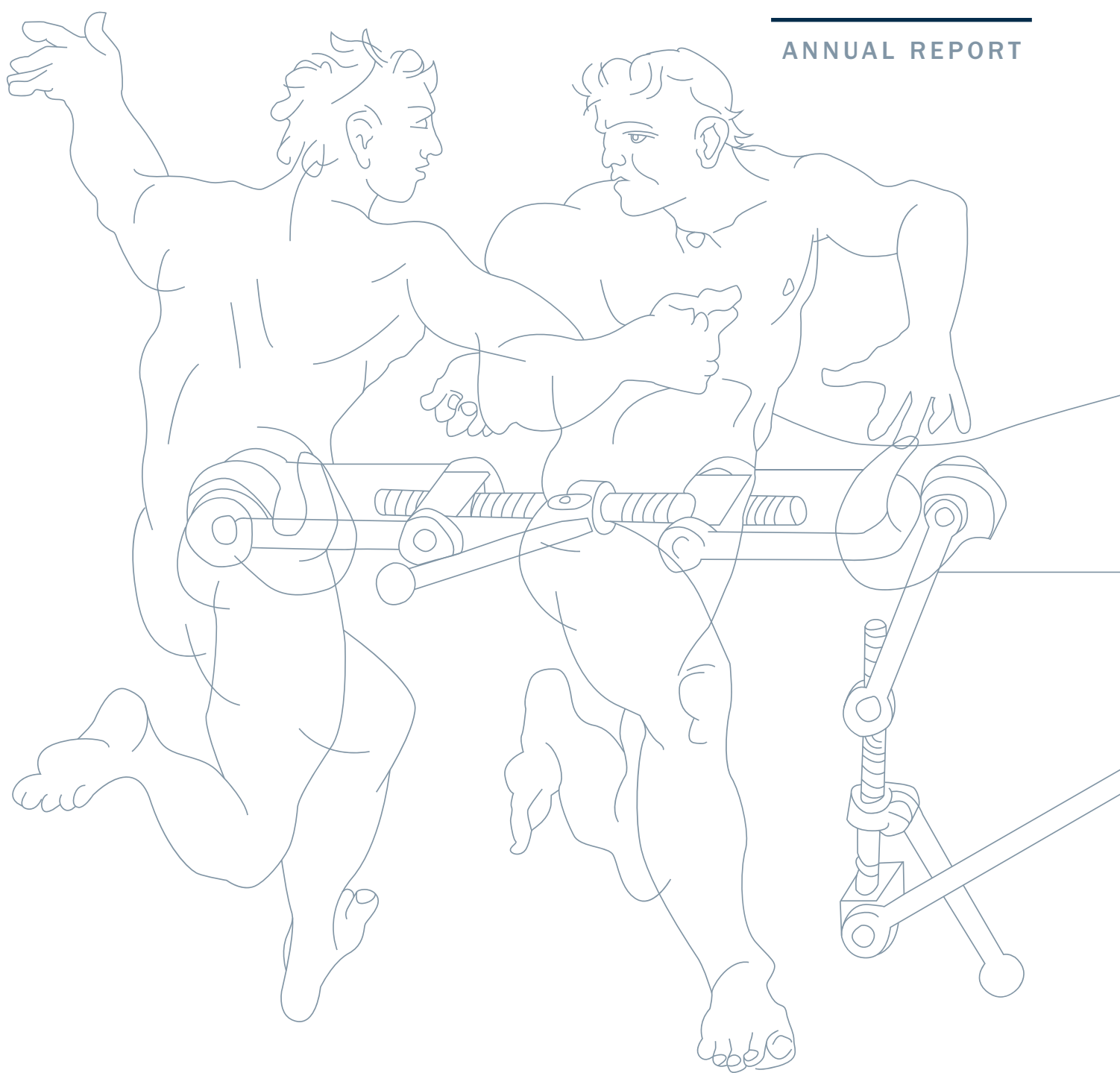


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OTIF

Organisation intergouvernementale pour les transports internationaux ferroviaires
Zwischenstaatliche Organisation für den internationalen Eisenbahnverkehr
Intergovernmental Organisation for International Carriage by Rail

INTRODUCTION



Mirjana JOVANOVIĆ
Chair of Administrative
Committee



François DAVENNE
OTIF Secretary General

The 2016-2017 Work Programme set the Organisation some very ambitious objectives. Thanks to the active support of our Member States and the commitment of OTIF's teams, it was possible to achieve many of the developments envisaged. Unusually, the intensive collaboration in 2017 led to the Revision Committee being postponed from the end of the year, as initially planned, to February 2018.

This was a successful gamble, as the additional time available helped deliver the right balance. This document therefore sets out the decisions the Revision Committee took in 2018 that will have a pivotal impact on how the Organisation develops. The new Appendix H will enable work to start on the effective integration of international railways into the network, particularly the preparation of infrastructure guidelines. Similarly, the new working group of legal experts will lead us to deal with cross-cutting issues, such as digitalisation and access conditions for the international railway network.

In 2017, not only was the reorganisation completed; it also became part of the general mindset. Simplified and enhanced procedures led to productivity gains and less time being spent on administrative matters.

OTIF can therefore become the forum for international rail transport law that is vital if the railways are to rediscover their central position in international transport. In addition to all the features that make rail transport a clean mode of transport in step with the aims of the Paris Agreement on climate change, it also remains one of the most comfortable and popular ways to travel. It also enables goods to be carried without all the everyday frustrations that road transport entails.

To achieve this, one challenge still needs to be dealt with: the implementation of OTIF's regulations must be followed up and assessed. Much progress has been made, but we must look increasingly to our Member States. We must learn from them, find out what their expectations and problems are and what they need from OTIF, whether in our own areas of activity or in those of our main partners.

Only by doing this can the added value of an organisation such as ours become obvious to everybody.

Mirjana Jovanović
Chair of Administrative Committee

François Davenne
OTIF Secretary General



LIST OF ABBREVIATIONS

AC

Administrative Committee

ADN

European Agreement concerning the International Carriage of Dangerous Goods by Inland Waterways

ADR

European Agreement concerning the International Carriage of Dangerous Goods by Road

APTU

Uniform Rules concerning the Validation of Technical Standards and the Adoption of Uniform Technical Prescriptions applicable to Railway Material intended to be used in International Traffic (Appendix F to COTIF)

ATCE

Administrative Tribunal of the Council of Europe

ATMF

Uniform Rules concerning the Technical Admission of Railway Material used in International Traffic (Appendix G to COTIF)

CCTT

Coordinating Council on Trans-Siberian Transportation

CEFIC

European Chemical Industry Council

CEN

European Committee for Standardisation

CIM

Uniform Rules Concerning the Contract of International Carriage of Goods by Rail (Appendix B to COTIF)

CIT

International Rail Transport Committee

CIV

Uniform Rules concerning the Contract of International Carriage of Passengers by Rail (Appendix A to COTIF)

COMCEC

Standing Committee for Economic and Commercial Cooperation of the Organization of the Islamic Cooperation

COTIF

Convention concerning International Carriage by Rail

CTE

Committee of Technical Experts

CUI

Uniform Rules concerning the Contract of Use of Infrastructure in International Rail Traffic (Appendix E to COTIF)

CUV Uniform Rules concerning Contracts of Use of Vehicles in International Rail Traffic (Appendix D to COTIF)	NVR National Vehicle Register
DG Directorate General	OECD Organisation for Economic Co-operation and Development
ECO Economic Cooperation Organization	OSJD Organisation for Co-operation between Railways
ECM Entity in charge of maintenance	OTIF Intergovernmental Organisation for International Carriage by Rail
EEA European Economic Area	RID Regulation concerning the International Carriage of Dangerous Goods by Rail (Appendix C to COTIF)
ERA European Union Agency for Railways	RISC Railway Interoperability and Safety Committee
EST Uniform Rules concerning the safe operation of trains in international traffic	SMGS Agreement concerning International Freight Traffic by Rail (OSJD)
ETCR European Training Centre for Railways	TAF Telematics Applications for Freight
EU European Union	TSI Technical Specification for Interoperability
EVR European Vehicle Register	UIC International Union of Railways
GCC Gulf Cooperation Council	UN United Nations
GCU General Contract of Use of Wagons	UNECE United Nations Economic Commission for Europe
GEN-A General provisions-Essential Requirements	UNESCAP United Nations Economic and Social Commission for Asia and the Pacific
GEN-B General provisions-Subsystems	UNIDROIT International Institute for the Unification of Private Law
GEN-C General provisions-Technical Files	UPU Universal Postal Union
GHS Globally Harmonized System of Classification and Labelling of Chemicals	UTP Uniform Technical Prescription
GS General Secretariat	UR Uniform Rules
JCGE Joint Coordinating Group of Experts	WAG Freight Wagons
LOC&PAS Locomotives and Passenger Rolling Stock	WCO World Customs Organization
MoU Memorandum of Understanding	WG TECH Committee of Technical Experts Working Group
NOI Subsystem Rolling Stock - Noise	
NRA Chinese National Railway Administration	

STRATEGIC OBJECTIVES

Unified railway law to connect Europe, Asia and Africa

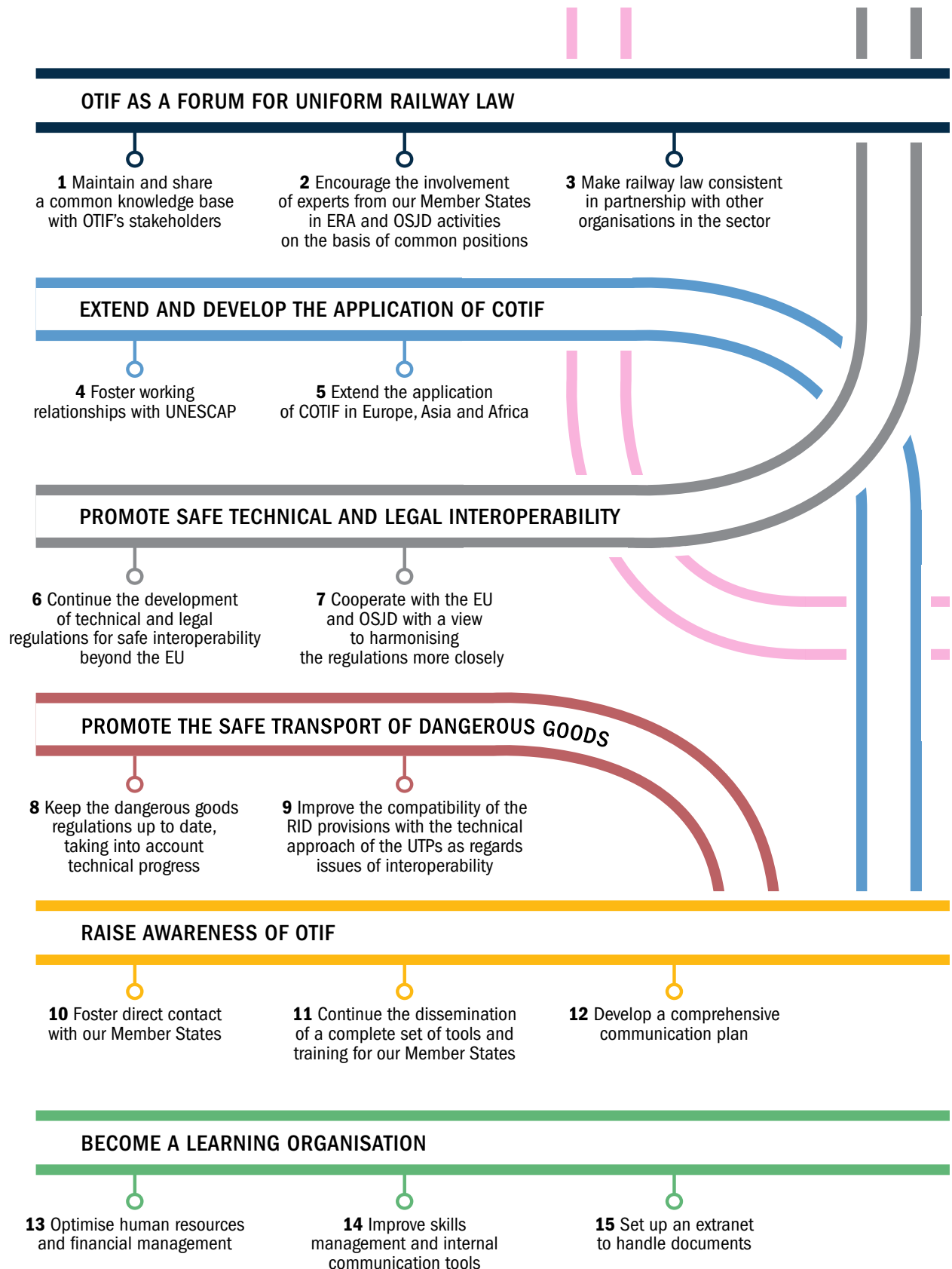


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1

OTIF – A FORUM FOR THE DEVELOPMENT OF GLOBAL RAILWAY LAW

There is now increasing interest in developing the railways. It is time to set up regional networks and develop new land routes on a global scale, such as the Silk Roads project. On these new routes, rail transport must become a real backbone for mobility. This means:

- developing consistent international regulations
- thinking about all the interfaces with other modes and other regulations (customs, electronic data exchange, etc.).

As a result of its flexibility and the modern character of its legal rules, COTIF can become the common software for this railway globalisation.



François DAVENNE
OTIF Secretary General

OTIF AT THE HEART OF HARMONISING RAILWAY REGULATIONS

2017 was marked by the preparation of the 26th Revision Committee, which took place on 27 and 28 February 2018. The Revision Committee accepted or adopted all the proposals submitted by the Secretariat, so we thought it important to detail the results in this Annual Report. This success was only possible thanks to intensive collaboration between all the Secretariat's teams in 2017.

The four main achievements detailed here will have a pivotal effect on the Organisation's activities, as they will help complete the regulatory framework of COTIF.



Aleksandr KUZMENKO
Head of Legal
Department

REVISION OF THE CUI

Based on the conclusions of the Secretary General's working group (four sessions: 10 December 2014, 8 July 2015, 24 November 2015 and 31 May 2016), the Secretariat prepared a proposal partially to modify the CUI UR. This proposal was accepted by the Revision Committee. The 13th General Assembly will have to take the final decision on modifying the CUI UR, the main objective of which is to clarify the scope of application. The latter has been interpreted in various ways, thus impairing correct application of the CUI UR and the safety of actors.

Taking into account the fact that extending the scope of the CUI UR to national traffic would not have been acceptable to most of the Member States, the CUI UR will only apply to international railway traffic, which now has a clear, operational definition. The Secretariat is sure that contractual solutions based on the revised CUI UR will help the sector manage the international train paths more effectively. There can be no real international railway service without a fluid and uniform mechanism for allocating train paths.

OBJECTIVE 3

Make railway law consistent in
partnership with other organisations in
the sector

IMPROVING THE PROCEDURE FOR REVISING COTIF

The current procedure for the revision of COTIF by the General Assembly has a number of disadvantages:

- a) Important amendments may be blocked, as they relate to amendments that have already been adopted, but that have yet to enter into force.
- b) The regulations risk becoming progressively unsuitable, thus no longer meeting the requirements of the market in terms of speed and adaptability.
- c) The parallel development of national and regional law (particularly the EU, but also the EEA) may lead to differences compared with the rules of COTIF. As a result, a Member State might be constrained to make a declaration not to apply certain COTIF appendices.

For all these reasons, the simplification of the procedure for revising COTIF was considered. In 2016, the Secretariat of OTIF prepared a study entitled “Feasibility of amending the procedure for revising COTIF”.

In 2017, following a call for tenders, Mrs Catherine Brölmann, a professor at the University of Amsterdam, was entrusted with the task of preparing a legal opinion entitled “Legal opinion on the procedure for revising COTIF and the possibilities for modifying it”. It includes a legal analysis of the current legal framework, the difficulties and disadvantages of the COTIF revision procedure, and of international law and practice on the adoption of treaty amendments in the context of international organisations.

On 3 May 2017 the working group to amend the procedure for revising COTIF was held. The deliberations were based on the recommendations and proposals made by Mrs Brölmann. The discussions helped clarify that international public law is flexible and enabled a number of solutions to be envisaged to speed up the entry into force of amendments to COTIF adopted by the General Assembly.

In addition, in order to take account of national procedures, which govern the conduct of each state in relation to treaty-making, the Secretariat sent out a questionnaire, with particular focus on the availability and possibility of applying a simplified procedure (i.e. different from the conclusion of a new treaty or accession to COTIF) for the approval of any or certain amendments to COTIF and the time needed for national procedures.

Based on the results of the working group and replies to the questionnaire, the Secretariat prepared and submitted a proposal to the Revision Committee to amend Article 34 of COTIF, which the Revision Committee approved. The final decision on Article 34 will be taken by the 13th General Assembly. According to these proposals, the date of entry into force of amendments to the appendices adopted by the General Assembly will be fixed in advance.

INTEROPERABILITY AND ACCESS TO THE NETWORK

The Revision Committee approved the principle of a new Appendix H setting out uniform rules concerning the safe operation of trains in international traffic. This new appendix is part of the broader concept of interoperability beyond the European Union, which has the following three aims:

- To facilitate the creation of Eurasian rail corridors and regional substructures that will form the backbone of an effective international transport network

Guidelines on treaty acts

In November 2017, after consulting the OTIF Member States, the Secretary General of OTIF, as the Depositary of COTIF, published guidelines on treaty acts under COTIF. The purpose of these guidelines is to describe the requirements concerning representation for the performance of treaty acts under COTIF. In order to assist states and regional economic integration organisations, model instruments are also provided.

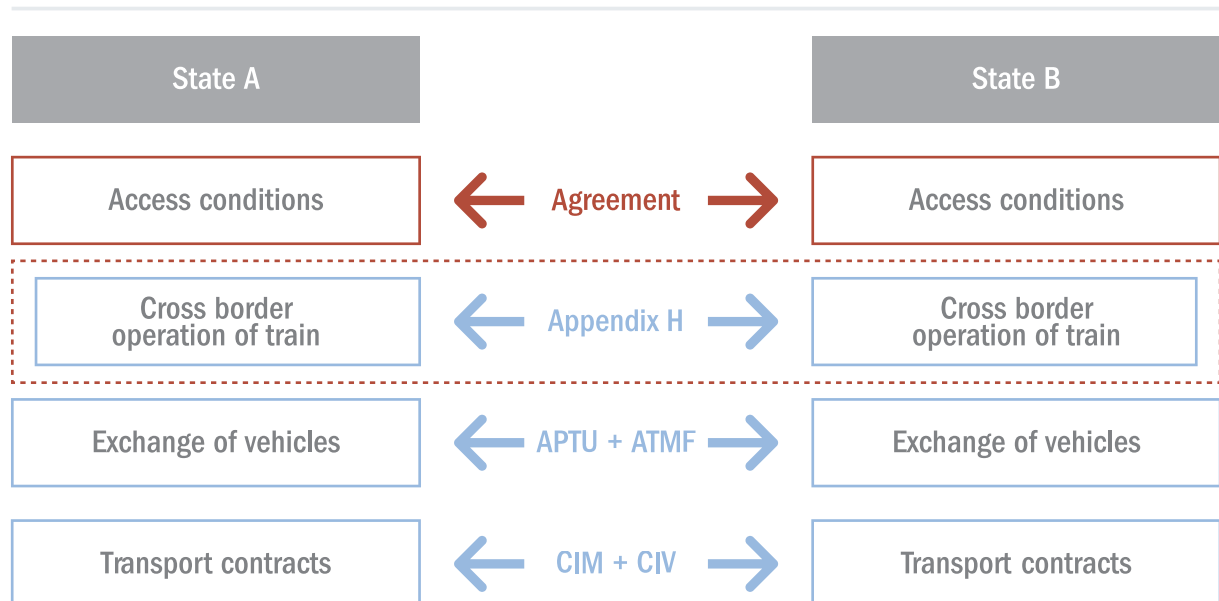
- To harmonise technical developments in the construction of railway material under a single legal framework in order to facilitate investments and allow economies of scale
- To promote a shared, modern vision of rail transport.

OTIF has set itself the objective of filling the gaps that still exist in the regulations in order to provide all the tools necessary for trains to operate internationally. This process must be completed by a non-binding framework for international railway network access, which will be arranged along the following lines:

- Define access conditions (allocation of capacity, infrastructure fees, etc.) and delimit access (base infrastructure, with or without service installations, entire network or certain lines, etc.)
- Define the conditions for railway undertakings, infrastructure managers and their mutual relations (licence, public liability insurance, safety certificate, contract of use, etc.)
- Define an appropriate legal form for the instrument.

The Revision Committee accepted this roadmap and starting in 2018, the Secretariat will work on developing it in order to come up with a full model, as represented by figure 1.

Figure 1: Complete regulations for international rail transport.



SETTING UP A WORKING GROUP OF LEGAL EXPERTS

The Revision Committee noted setting up of a permanent group to deal with legal issues. This is an important development which, starting in 2018, will make it possible to deal on a regular basis with cross-cutting legal questions that arise for the Organisation on key issues, such as the interface with customs regulations and the digitalisation of transport documents.

In its recent study on the role of international organisations in international regulatory cooperation¹, the Organisation for Economic Co-operation and Development (OECD) correctly pointed out that only a small number of international organisations systematically follow-up implementation of their soft or hard law instruments. However, this activity is crucial, as it provides information on the usage of instruments and thus helps assess the influence an international organisation has, and ultimately its repercussions and the relevance of its instruments and whether it is necessary to update them.

The working group will be required to carry out preparatory work, with a consultative role for legal matters. Its task will be to assist the existing organs. The working group's activities will be limited to the legal sphere and will concern transport law and international public law, particularly all the general legal areas that are of relevance to international rail traffic. It will not deal with specialised "technical" issues, such as the carriage of dangerous goods or interoperability and safety, which are handled by specific committees and working groups.

The working group will have no particular authority in terms of COTIF, although the Organisation's competent organs may accept its interpretations and adopt the measures it proposes.

MODERNISE AND IMPROVE CONTRACTS OF CARRIAGE

COTIF's legal appendices provide a harmonised framework for the various contracts that are necessary for carrying out transport by rail. This framework is recognised by professionals across the geographical area it covers. These appendices should therefore be developed very cautiously, as they act as a support for thousands of contracts every day that govern the whole range of liability issues.

THE CIM UR

The Secretariat examined developments on the electronic consignment note and submitted a report to the Revision Committee, which takes account of:

- feedback from the sector, particularly from CIT, on the digitalisation of transport documents, and
- developments in the customs regulations, particularly within the EU.

In order effectively to accompany the implications of relevant developments for the CIM UR and to prepare their revision under the best conditions, work on the digitalisation of international transport, including the interfaces between customs and transport regulations, should be continued.

¹ OECD, *International Regulatory Co-operation: The Role of International Organisations in Fostering Better Rules of Globalisation*, OECD Publications, Paris, 2016. <http://dx.doi.org/10.1787/9789264244047-en>

UNECE: TOWARDS UNIFIED RAILWAY LAW

The signature on 26 February 2013 by 37 UNECE countries of the joint declaration on the promotion of rail transport between Europe and Asia breathed new life into the UNECE project on “unified Euro-Asian railway law”.

Rather than creating law overarching the two legal regimes of CIM and SMGS, or creating autonomous law, the OTIF Secretariat supported the establishment of an interface regime between the CIM UR and SMGS, limited to high-level provisions that could be put in place rapidly in the areas in which these two sets of regulations are applied, which would meet stakeholders' expectations.

In 2016, the UNECE Inland Transport Committee adopted Resolution No. 263, which encourages railway undertakings and international railway organisations to test the draft “appropriate legal provisions” to unify railway law between Europe and Asia, whenever possible, in practice. These legal provisions are considered as an interface law between CIM and SMGS.

In 2017, the UNECE Group of Experts towards Unified Railway Law held two official meetings on 22-24 May and 1-3 November. The work carried out was aimed at:

- analysing the results of a “virtual” pilot test on the Russian Federation-Belarus-Poland-Germany corridor
- examining the list of documents that should accompany the new legal regime. In particular, it was noted and agreed that the common CIM/SMGS consignment note could be used as a basis for the consignment note of the new legal regime, with certain adaptations
- reviewing and improving the three language versions of the draft “appropriate legal provisions”.

In 2018 the 80th Inland Transport Committee approved the extension of the mandate of the Group of Experts for two more years. One of the tasks is to draft a document (or system of documents) on Unified Railway Law which could be adopted as a legally binding instrument.

The OTIF Secretariat took an active part in this project and contributed all its expertise.”



Luxembourg Protocol: an international registry of securities

This Protocol was adopted at the diplomatic conference held in Luxembourg in February 2007. It sets up a new legal regime for the recognition and enforcement of securities, particularly those of creditors and lessors when these securities are in railway rolling stock. A registry will be set up for this as well as a supervisory authority for the registry.

Despite the two new signatories to the Protocol in 2017, France (March) and Sweden (June), the Luxembourg Protocol has not yet entered into force, as the two conditions below (see Article XXIII of the Protocol) have not been met:

- Deposit of the fourth instrument of ratification, acceptance, approval or accession. At this stage, Luxembourg has ratified the Protocol and the EU recently approved it;
- The Secretariat (OTIF) has to deposit (with the Depositary - UN-IDROIT) a certificate confirming that the International Registry is fully operational.

In view of this rate of progress, the Secretariat of OTIF has continued to promote the Protocol by referring to this subject during high-level meetings. With the prospect of the 13th General Assembly, the Secretariat has intensified discussions, mainly with the Preparatory Committee, to define the Organisation's tasks, particularly in its future capacity as the secretariat of the International Registry's Supervisory Authority.

I DEVELOPING COOPERATION

REPRESENTING OTIF'S INTERESTS AT EU LEVEL

The technical provisions of COTIF, particularly Appendices F (APTU) and G (ATMF), as well as the draft new Appendix H, take over many concepts and principles from EU law. Unlike EU law, COTIF has no objective in terms of opening the railway market. This means that meeting COTIF provisions will not give automatic access to the EU market (or any other market) and products approved according to EU law have no automatic right to be marketed in non-EU states that apply the relevant COTIF provisions.

Nevertheless, the COTIF provisions have largely been harmonised with EU railway law so that railway vehicles are mutually accepted in international traffic by all EU and non-EU OTIF Member States that apply APTU and ATMF. In order to facilitate this harmonisation and ensure continued compatibility between EU law and the COTIF technical provisions, effective coordination between the EU and OTIF is required. Since 2013 the EU and OTIF have been working together for this purpose in the scope of the Administrative Arrangements agreed between the EU Agency for Railways, the European Commission's DG Mobility and Transport and the OTIF Secretariat.

In this context the OTIF Secretariat took part in several meetings organised by the EU Agency for Railways or the European Commission. In particular, it followed and provided input to developments on the TSI LOC&PAS, the TSI WAG, the European Vehicle Register, the NOISE TSI and ECM certification.

OSJD

Cooperation with the Organisation for the Cooperation of Railways (OSJD) is based on the common position adopted on 12 February 2003. Regular contacts at management level in the two organisations ensure that strategic questions of joint interest, as well as any differences of opinion, can be discussed openly and in good time. Genuine partnership has been achieved, which is manifested by the participation of experts from OTIF in OSJD working groups.

On 14 November 2017, the annual meeting between the management of the OSJD Committee and OTIF was held in Berne. On this occasion, all the issues that contribute to improving the efficiency and competitiveness of international railway transport, as well as the further development of Eurasian railway traffic, were discussed. The parties exchanged views about possible new areas of cooperation and consequently discussed bringing the Common Position up to date. The discussions identified the following three subjects which should be worked on jointly by experts from OTIF and OSJD:

- digitalisation of transport documents
- harmonisation of dangerous goods regulations
- cooperation on technical interoperability in order to improve the exchange of electronic messages in freight transport.

OBJECTIVE 2

Encourage the involvement of experts from our Member States in ERA and OSJD activities on the basis of common positions.

Meetings in China

On 19, 20 and 21 September 2017, the Secretary General of OTIF was in Beijing, China. On 19 September 2017, he had talks with the Director of the Chinese National Railway Administration (NRA), Mr Yudong Yang. He then took part in the 26th plenary session of the Coordinating Council on Transsiberian Transportation (CCTT).

CCTT placed the focus of the plenary session on the efficiency, competitiveness and development of rail freight between Asia and Europe. The Secretary General encountered an audience that was very interested in the advantages of the legal framework of COTIF. He welcomed the invitation from CCTT and the continually evolving working relationship.

In connection with another working relationship that is being cemented following the memorandum of understanding (MoU) signed on 12 July 2016, the Secretary General of OTIF attended a meeting at NRA. The aim of the meeting was to explore avenues for cooperation between NRA and OTIF in the short and medium term: how to consolidate the relationship formalised in the MoU and to find out which issues are particularly relevant to NRA at the moment in terms of developing Eurasian rail transport.

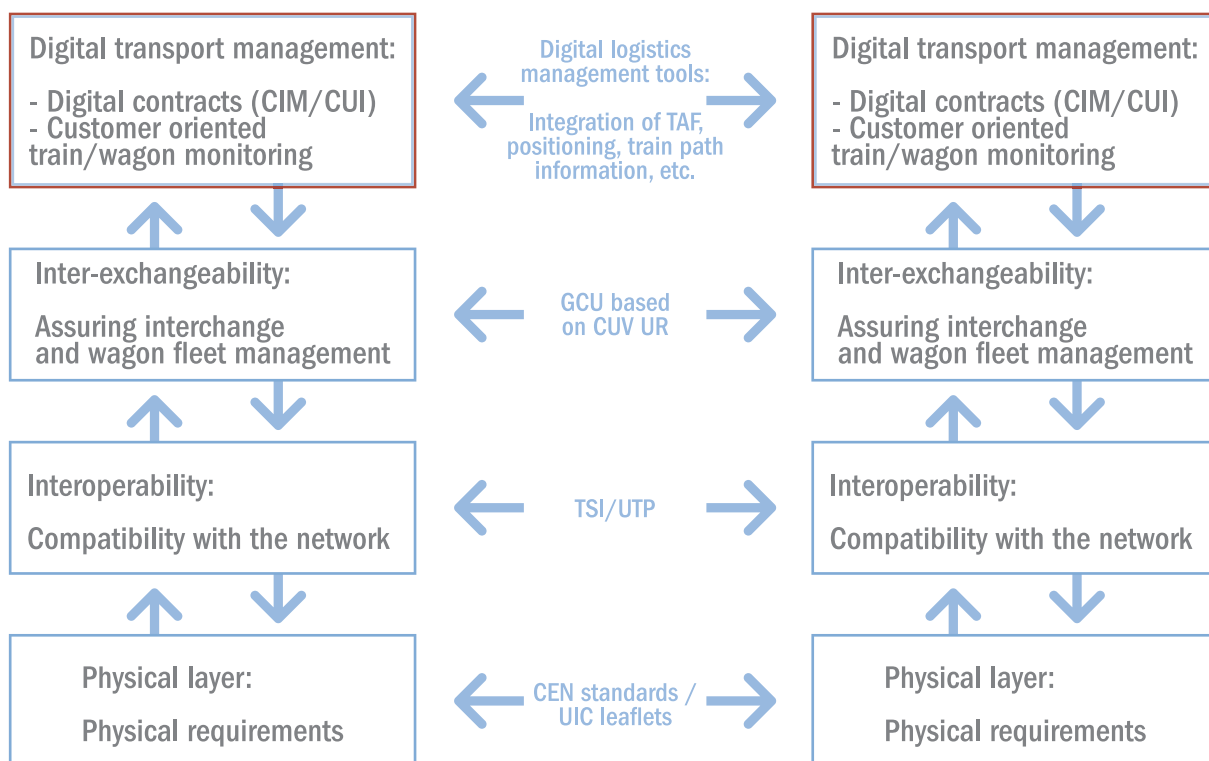
UIC

The OTIF Secretariat and the UIC have long established cooperation, which was enhanced by the signing of a Memorandum of Understanding on 7 December 2017.

The MoU will foster and improve current UIC and OTIF cooperation, which is intended to improve and promote international carriage by rail. This cooperation is of particular importance as the UIC maintains close collaborative links with the entire world's rail sector stakeholders, specifically other railway organisations, public authorities, manufacturers and other non-railway stakeholders whose work can have a positive impact on the development of rail transport. In particular, we will work closely together to achieve an effective digital model for rail freight.

OBJECTIVE 1

Maintain and share a common knowledge base with OTIF's stakeholders



ECO

The OTIF Secretariat and ECO are continuing productive cooperation framed by an MoU signed in 2009. Cooperation with ECO is particularly important, as it promotes the application of harmonised railway provisions based on existing multilateral agreements.

In April 2017, the OTIF Secretariat participated in the 13th meeting of the Heads of ECO Railway Authorities. OTIF used the opportunity to inform ECO Member States about the benefits of applying COTIF and about current developments within OTIF.

WCO

On 10 July 2017, WCO and the OTIF Secretariat signed an MoU which establishes a framework for dialogue and close cooperation in areas of joint interest, particularly with regard to the removal of obstacles to border crossing for international traffic.

This cooperation demonstrates the importance the OTIF Secretariat accords to an interdisciplinary approach to railway regulations. In October 2017, the OTIF Secretariat participated in a panel on cooperation between customs and railways at the WCO Permanent Technical Committee.

CIT

The partnership with CIT is of particular importance for the following reasons:

- It is important to be able to rely on railway undertakings' operational expertise to resolve practical cases and to substantiate the legal concept of texts with a sound appreciation of the constraints in the sector
- Although CIT's task is to defend its members' interests, it occupies a privileged position with regard to the CIM/CIV Uniform Rules, as it prepares supporting documents, such as the CIM consignment note and tickets for CIV passengers, which are recognised throughout Europe and beyond.

In 2017, the OTIF Secretariat participated as an observer in the CIT meeting dealing with issues of freight transport, passenger transport, multimodality and use of the railway infrastructure.

Training programme

Between April 2015 and April 2017 five trainees from three states participated in the programme over a total of fourteen months. Three trainees came from Turkey, one from Montenegro and one from Serbia. The average duration of the training was three months.

In-house training has proven to be a very good way of establishing contacts with Member State officials and sharing knowledge about COTIF and its application in the states concerned. Overall, the Secretariat considers the programme to have been successful.

In order to take account of feedback on experience and align it with the Organisation's work programme, it was decided at the end of 2017 to modify the programme.

- It will be open to states which are not yet a member of OTIF, but which are in the process of deciding whether to become a member.
- The duration of training should be two or three months (instead of two to six months).
- The programme should be open to representatives of international organisations with which OTIF has signed a cooperation agreement, such as the Gulf Cooperation Council.
- Financial compensation for the cost of living and reimbursement of travel expenses should be limited to representatives from Member States.
- The programme should be extended beyond the technical department to include the other operational departments of OTIF, i.e. RID and the legal department.

Details of the programme, including information on how to register, are available on the Organisation's website under: About OTIF > Job opportunities.

EXTENDING THE GEOGRAPHICAL REACH OF OTIF

At present, 42 states uniformly apply the seven appendices to COTIF 1999 and we are working actively in the context of two key partnership agreements, one with China and the other with GCC.

OTIF's central position at the crossroads of Europe, Asia and Africa enables it to pursue a dynamic policy of partnership.

In 2014, the General Secretariat of the Gulf Cooperation Council (GS-GCC) signed an MoU with OTIF with the objective of "benefiting from the exchange of information and know-how to adopt and apply these OTIF uniform systems of law, adaptable to their needs and national requirements, during the implementation phases of the GCC railway project, i.e., detailed engineering design, construction, and operations and maintenance, as soon as the railway network inter-connecting them has been put into operation".

The GS-GCC had already started considering accession to COTIF at the concept stage. The guidelines for its railway project therefore include a recommendation along these lines for the GCC Member States.

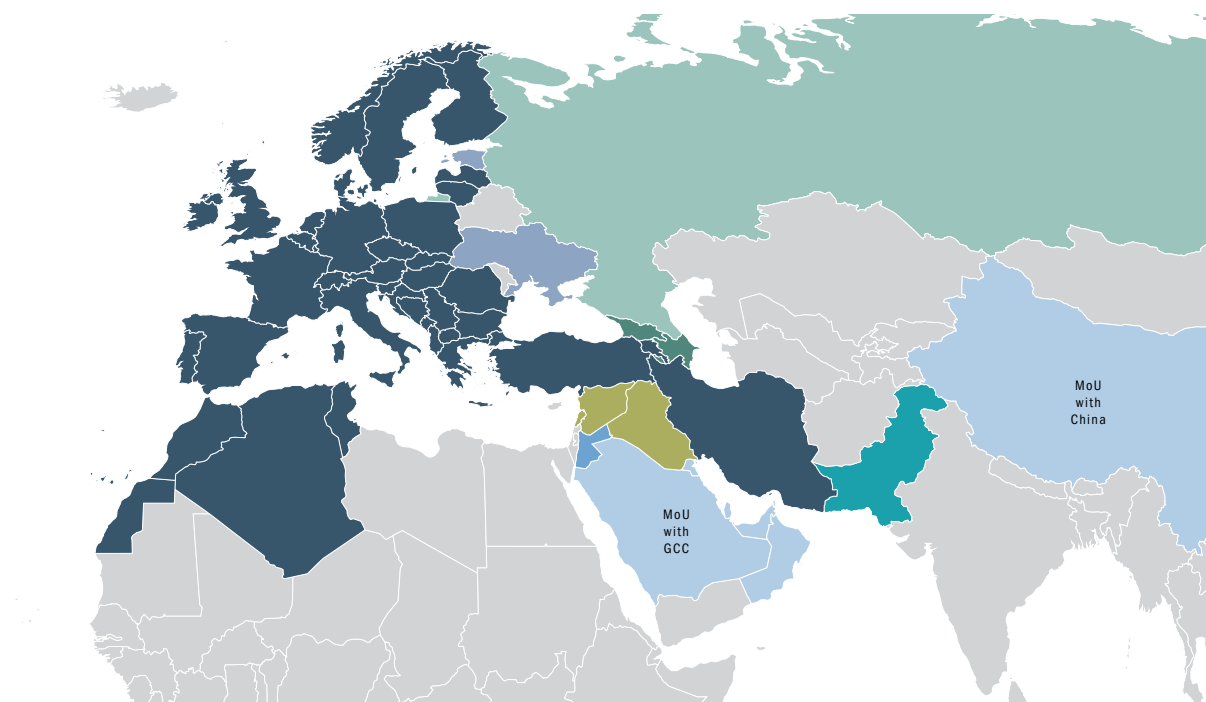
In May 2017, the OTIF Secretariat participated in and contributed to the Expert Working Group of the GCC rail project. In June the GS-GCC participated in the 10th session of the Committee of Technical Experts.

Cooperation with Africa is also a priority. OTIF is initiating cooperation with the EUMedRail programme being sponsored by ERA and the European Commission. The aim of the programme is to develop synergies to encourage states around the Mediterranean to accede to COTIF. The Secretary General took part in a preliminary seminar in Brussels in October 2017. The Secretary General was also invited to the Standing Committee for Economic and Commercial Cooperation (COMCEC) of the Islamic Cooperation Organisation, which was a good opportunity to foster contacts with African and Middle Eastern countries. As there are on-going projects to create international networks in Africa (see example below), interest in the unified railway law that OTIF provides is increasing.

Scope of COTIF and its Appendices

OBJECTIVE 5 Extend the application of COTIF in Europe, Asia and Africa

- All COTIF Appendices on whole network
- All COTIF Appendices on part of the network
- CIV, CIM, RID on part of the network
- CIM whole network
- CIM part of the network
- Suspended Membership
- Associate Member



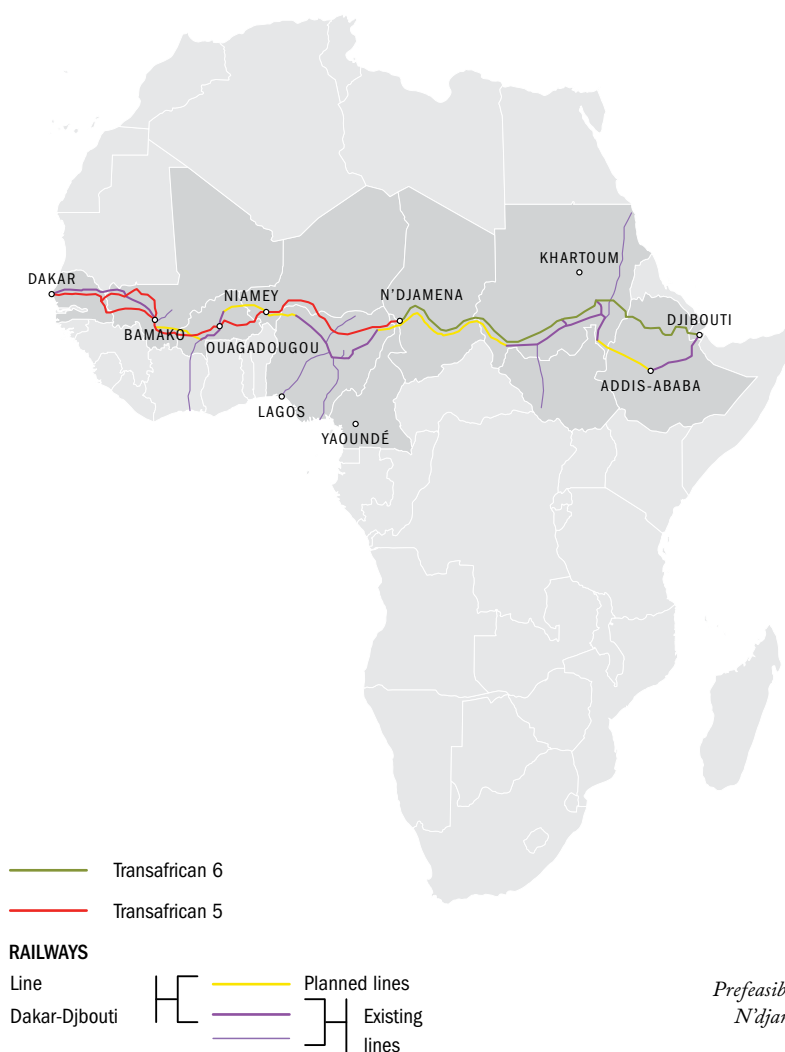
In 2017, cooperation with UNESCAP was further enhanced. The OTIF Secretariat participated in the UNESCAP expert group meeting on the “harmonization of the rules and regulations for facilitation of international railway transport”, which was held in Bangkok, Thailand, on 4 and 5 September 2017.

The OTIF Secretariat contributed to the UNESCAP work on developing the railways in the region by reporting on the solutions COTIF can provide for problems that currently exist in Asia and the Pacific in terms of technical and legal interoperability. More generally, it was demonstrated that COTIF is a suitable legal framework for facilitating international rail transport for Asia and the Pacific and between Asia and Europe.

In 2017, the OTIF Secretariat continued its cooperation with the UPU and related stakeholders on the implementation of a project to move postal package consignments by rail in container trains. OTIF is lending its full support to this initiative, in which it has been a stakeholder since the very beginning of the project.

In May and November 2017, two meetings of the working group responsible for preparing guidelines to establish an international postal service by rail were held.

Pre-feasibility study on the missing links between Dakar and N'Djamena and N'Djamena and Djibouti.



OBJECTIVE 4

Develop working relationships with the UN's Economic and Social Commission for Asia and the Pacific (UNESCAP)

Training initiatives

The College of Europe in Bruges

On 5 July 2017, for the fifth consecutive year, the Secretariat presented COTIF and OTIF at the two week summer course co-organised by the European Training Centre for Railways (ETCR), the College of Europe and the European Union Agency for Railways in Bruges, Belgium. This was the 55th time the course has been held, the objective of which is to give managers and future managers the opportunity to study European transport legislation and discover the latest developments concerning the rail sector. The Secretariat's contributions covered the scope of COTIF, how it interacts with EU railway law and its importance in terms of international railway traffic within the EU borders and beyond.

PREPERATION OF POST-RAIL PROJECT

International carriage of postal consignments by rail

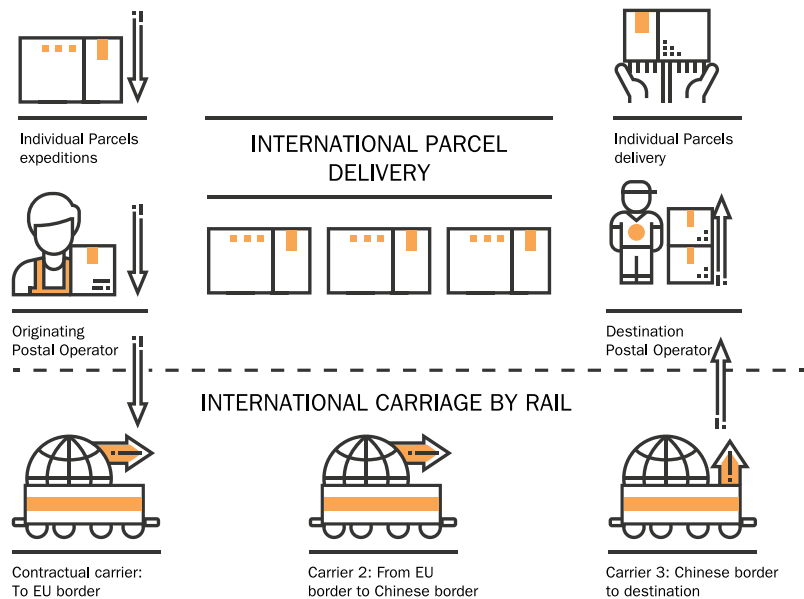
In March 2016, the International Rail Transport Committee (CIT), the Universal Postal Union (UPU) and the Coordinating Council on Transsiberian Transportation (CCTT) signed a memorandum of understanding (MoU). The aim of this MoU is to explore the feasibility of implementing a project to move postal package consignments. OTIF fully supports this initiative, in which it has been a stakeholder since 2016. Together with the UPU, OTIF prepared a memorandum of understanding, which was finalised in 2017 and signed on 24 January 2018.

The trials carried out between China and Europe have shown that the difficulties to be resolved result from the complexity of the interfaces between:

- commercial law governing on-line sales
- UPU's own postal law
- the railway law of OTIF and OSJD
- customs law.

In 2016, OTIF proposed a solution to clarify the issues to be resolved in order to organise these movements by modelling the various regulations and their interfaces. This has been integrated into the UPU's draft guidelines.

For postal regulations, international carriage by rail must therefore be considered as a "black box" linking the postal operator at the point of departure and the postal operator at the destination, as shown in the figure below. In order for such a system to function, there must be no intermediate reloading between the country of consignment and the destination country. This is the prevailing situation in air transport, where, as long as a container containing postal consignments is in the air transport network, it remains sealed and is exchanged between the various transport hubs. OTIF and UPU are working together to reproduce this system of operations for the rail transport project.



UPDATE

WHAT HAS BEEN DONE:

May 2017: Working Group to amend the procedure for revising COTIF

October 2017: Working documents for the 26th Revision Committee

China participates in CTE

Participation in reviewing the project of the GCC railways in May 2017

7 -10 November: Annual meeting of the OSJD Commission for Transport Policy

WHAT HAS CHANGED

MoU with WCO signed on 10 July 2017

Negotiation and signing of MoU with UPU

27 February – 1 March: 26th Revision Committee

NEW DATES:

Seminar for Mediterranean states jointly organised with EUMedRail and the Republic of Serbia

Technical seminar in Ankara

2

COMMITTEE OF TECHNICAL EXPERTS: IMPROVE INTEROPERABILITY AND SAFETY

The efficiency of any mode of international transport relies greatly on the possibility vehicles have of crossing borders. Most states have developed their railways mainly according to their national needs, coordinating internationally through UIC only when really necessary. This has led to railway networks where changing train compositions at border crossing stations is the rule and seamless cross-border operation of complete trains is the exception. Although railway transport has been internationalised for more than a century, railway operations are still mainly national.

There is now momentum for change, as illustrated by big international railway projects, such as the Chinese led “One Belt One Road” initiative, the EU single European railway area and the GCC railway project. For each of these projects, technical harmonisation is a prerequisite for success. 2017 was a year during which significant new steps were taken to help railway operations become truly international.



Bas LEERMAKERS
Head of Technical
Interoperability Department

ENSURE THAT THE PROVISIONS OF COTIF ARE COMPATIBLE WITH THOSE OF THE EU

10th SESSION OF THE COMMITTEE OF TECHNICAL EXPERTS

In 2017, the Committee of Technical Experts convened for its 10th session. Since the first session in 2006, a comprehensive set of technical provisions has been established in COTIF, permitting the admission of railway vehicles in international traffic.

OBJECTIVE 3

Make railway law consistent in partnership with other organisations in the sector

The two major milestones of the Committee of Technical Experts in 2017 were the adoption of provisions covering the telematic applications for freight traffic (UTP TAF) and the development of a draft new Appendix H to COTIF. In addition, minor modifications to the UTPs GEN-A, -B and -C were adopted and proposals to modify the APTU UR and AMTF UR were discussed and submitted to the Revision Committee for adoption. All adopted and modified UTPs entered into force on 1 December 2017. All current and previous versions of all UTPs are available on the OTIF website.

UTP TAF

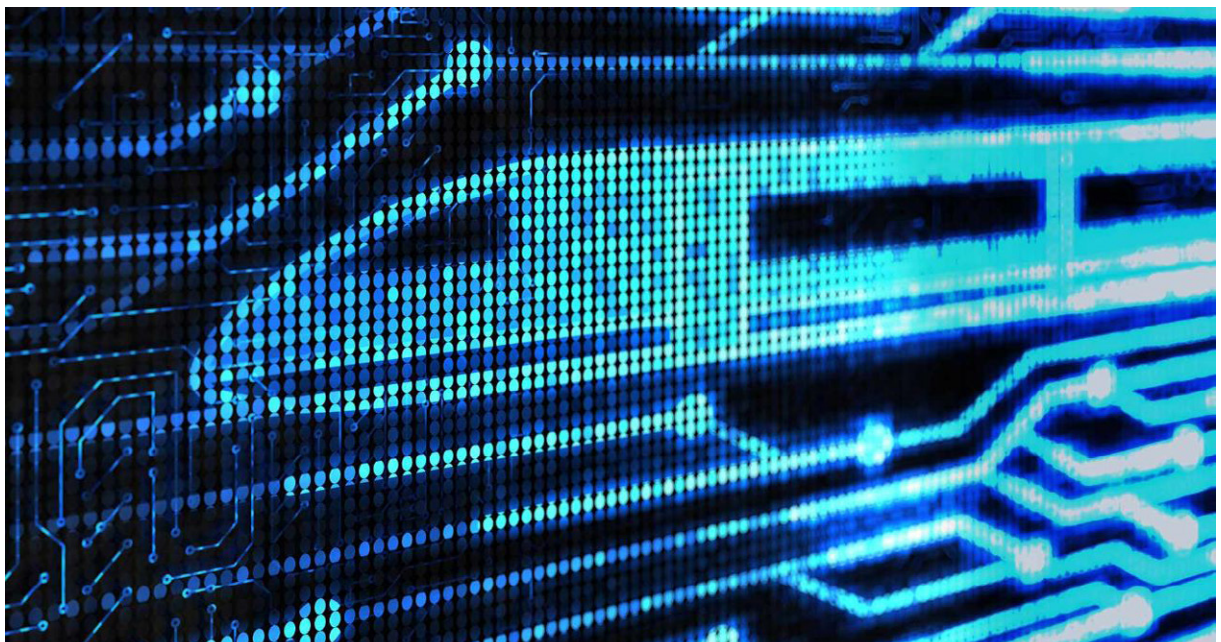
Following a study presented to the Committee of Technical Experts in 2015 and further discussion in 2016, it was decided that the UTP TAF should be developed.

The UTP TAF sets out requirements for the international exchange of information for international freight services. It lays down requirements concerning:

- the communication process between railway undertakings and infrastructure managers
- databases intended to be used to track trains and wagon movements
- information to be delivered to freight customers.

After it was adopted in June 2017, the UTP TAF entered into force on 1 December 2017, although there is no deadline to complete implementation. Nevertheless, Contracting States are required to ensure that if IT investments and developments in the scope of the UTP TAF are made, they are done in compliance with the UTP.

By implementing the UTP TAF, the exchange of information between the different actors in international rail freight traffic will be harmonised, thus leading to better planning, train running information and exchange of information with freight customers. It is now up to the Contracting States and the railway companies to reap the benefits of digitalisation by implementing the UTP TAF.



MODIFICATIONS TO UTP GEN-A, GEN-B AND GEN-C

The Committee of Technical Experts adopted modifications to:

- UTP GEN-A, which defines the essential requirements for the rail system
- UTP GEN-B, which lists and describes the subsystems which constitute the rail system
- UTP GEN-C, which lays down requirements concerning the technical file referred to in ATMF.

All three UTPs have been amended to ensure continued equivalence between the provisions of COTIF and the provisions applicable in the EU, taking into account the changes brought about by the adoption of the 4th Railway Package in the European Union. In addition to purely editorial modifications, the essential requirements were made clearer in terms of passenger information and safety of passengers when boarding and alighting trains. The required content of the technical file was clarified.

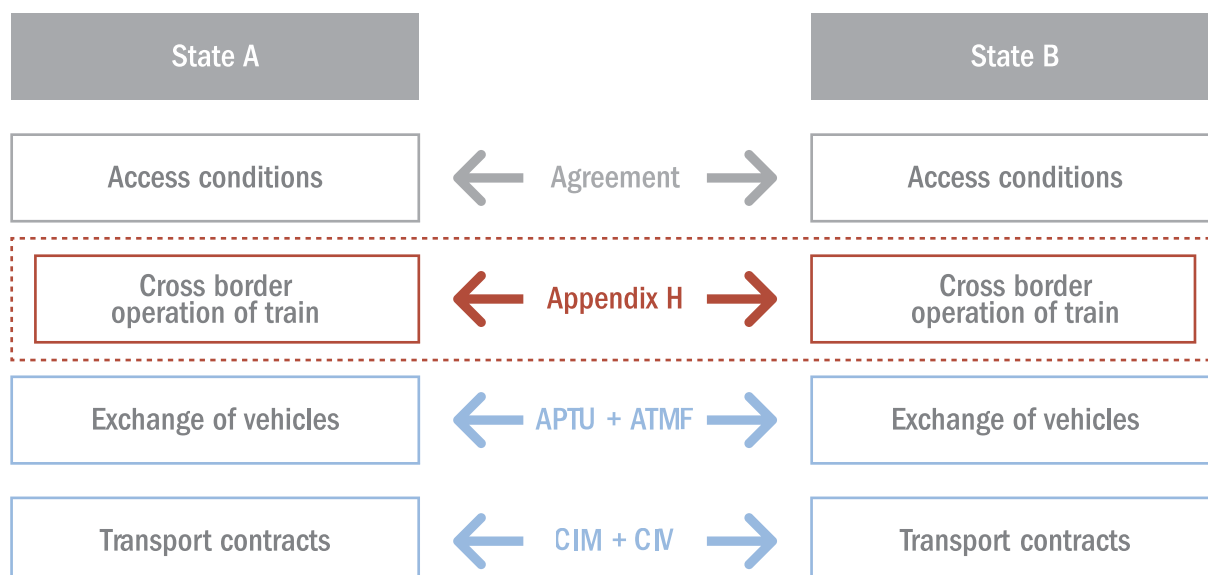
I INTEROPERABILITY BEYOND THE EU

A NEW APPENDIX H

At the General Assembly of 2015, the Secretary General launched the idea of establishing a legal basis in COTIF to support interoperability beyond the EU. Interoperability in this context means the safe and uninterrupted movement of trains. In practical terms, interoperability means that a railway undertaking would be able to run a complete train from its point of departure in one state to the destination in another state without technical or operational reasons to stop at the border(s). Interoperability has the potential to make railways much more efficient, but requires additional harmonisation, such as operational rules, safety responsibilities and the licensing of railway undertakings.

OBJECTIVE 6

Continue the development of technical regulations for safe interoperability beyond the EU



The Committee of Technical Experts developed a draft new Appendix H to COTIF concerning the safe operation of trains in international traffic (EST UR), which was submitted to the Revision Committee for consideration and is intended to be submitted to the General Assembly for adoption in 2018.

The concept of the draft new Appendix is that state authorities can issue safety certificates for railway undertakings based on harmonised criteria, as proof that the railway undertakings are able to operate trains safely in the state concerned. To this end:

- Each state establishes a safety certification authority and a supervision authority, which may be incorporated into the same organisation.
- Railway undertakings wishing to operate in a state have to obtain a safety certificate from that state.
- Safety certification authorities will mutually recognise results of the parts of conformity assessments which are based on harmonised provisions, but not the safety certificates (unless states mutually agree otherwise).
- Infrastructure managers and railway undertakings are responsible for the safe operation of trains and must have a safety management system for this purpose.
- Supervision of whether railway undertakings correctly apply their safety management systems is harmonised. Supervision of infrastructure managers remains subject to national law.
- Detailed provisions will be developed by the Committee of Technical Experts in the form of annexes. These should be taken over from EU provisions.

The content of the new Appendix H was approved by the Revision Committee on 28 February 2018. If adopted by the General Assembly in 2018, it will create a basis in international law for the further development of harmonised safety and operational provisions. It would have the potential to contribute greatly to making railways a truly international mode of transport.



THE 4th RAILWAY PACKAGE

It is important for international traffic that the provisions applicable in the EU and COTIF are harmonised. With the adoption of the 4th railway package, the EU changed several provisions and informed the Committee of Technical Experts and its standing working group (WG TECH) about these changes. On the basis of an analysis by the European Commission, the Secretariat and the WG TECH prepared modifications to APTU and ATMF to ensure continued harmonisation with EU law.

The modifications are necessary in order to harmonise some terminology with the new EU provisions and to take into account some procedural changes in the EU, in particular the fact that the EU Agency for Railways would be competent to issue vehicle authorisations. The basic concepts of APTU and ATMF are not the subject of the proposed changes.

The Committee of Technical Experts discussed and fully endorsed the proposals for the modification of both APTU and ATMF, including the justification for the proposals. The Revision Committee approved these changes on 28 February 2018.

ACCOMPANY IMPLEMENTATION OF THE REGULATIONS

DEVELOPMENTS RELATING TO VEHICLE REGISTERS

Since June 2016, ERA has developed the technical and functional specifications for a European Vehicle Register (EVR), which take account of all the findings of the “Rationalisation of Vehicle Related Registers” project. The EVR will replace the National Vehicle Registers (NVR) of the EU Member States. In order to draft the provisions, ERA set up a working party on EVR. This work was relevant to OTIF because it is important that the future EVR and the non-EU NVRs remain connected. The OTIF Secretariat therefore took part in the working parties and advised ERA to ensure continued compatibility between the vehicle registers in the EU and those of non-EU states. The EVR provisions are expected to be adopted at EU level in 2018.

OBJECTIVE 6

Continue the development of technical regulations for safe interoperability beyond the EU



DEVELOPMENT OF THE CERTIFICATION SCHEME FOR ENTITIES IN CHARGE OF MAINTENANCE

In 2017, ERA set up a working party to revise the certification scheme for entities in charge of maintenance – the ECM Regulation. The working party examined the feasibility of extending the scope of ECM certification, which currently applies to freight wagon ECMs only, to include the ECMs of all vehicles. Since this activity would affect equivalence with ATMF Annex A, the OTIF Secretariat followed this work closely and made several proposals. Equivalence between COTIF and EU law concerning freight wagon ECMs should be maintained in order to facilitate EU freight wagons operating outside the EU and vice versa.

NOISE EMISSION REQUIREMENTS FOR EXISTING FREIGHT WAGONS

ERA set up a task force to examine whether the NOI TSI could be applied to existing wagons, with a view to making the fleet of old wagons quieter. As the NOI TSI has its equivalent in COTIF, the OTIF Secretariat followed this work closely and submitted contributions. The proposal on the table at the end of 2017 foresees that states should declare parts of the railway network as “silent” routes, where only wagons complying with NOI TSI can be operated. The OTIF Secretariat provided active input to the development of this proposal. The proposals are expected to be submitted for adoption in 2018.

DEVELOPMENT OF THE TSI FOR FREIGHT WAGONS AND THE TSI FOR LOCOMOTIVES AND PASSENGER ROLLING STOCK

Following the new EU Interoperability Directive 797/2016, ERA set up a working group in 2017 to deal with the revision of the TSI WAG and TSI LOC&PAS in terms of upgrading and renewing railway vehicles and compatibility with other subsystems. After the kick-off meeting in September, two subgroups were agreed, namely:

- Subgroup 1), which will propose amendments to the TSI to cover exhaustively all the compatibility parameters between rolling stock and the routes they will be operated on. These parameters should be checked by railway undertakings before operating on a route
- Subgroup 2), which will propose amendments to the TSI to define which modifications to an existing vehicle should be considered as an upgrade or renewal.

It is planned that these two subgroups will continue their work until February 2019.

As a result, two recommendations for revising the two TSIs will be proposed. Equivalent modifications should then also be taken over in the corresponding UTPs.

WORKSHOPS CONCERNING VEHICLE

AUTHORISATION IN THE EU

The 4th railway package brought about new requirements for vehicle authorisation in the EU. In particular, the fact that the EU Agency for Railways will become an authority for vehicle authorisations requires the alignment of procedures, which were previously regulated at national level in each EU state.

In these workshops practical arrangements in the form of guidelines for the vehicle authorisation process are worked out. The content of the guidelines describes what the parties involved in the process have to do in the event that the EU Agency for Railways authorises the vehicles, which will be the case for all EU vehicle authorisations in international traffic in the EU from 16 June 2019.

PROVISIONAL CALENDAR

2018	2019
6 and 7 February: WG TECH 34 (Belgrade)	February: WG TECH 37
27 February – 1 March: 26 th Revision Committee (Berne) to decide on amendments to APTU and ATMF and to consider the new Appendix H	June: 12 th CTE (Berne)
12 and 13 June: 11 th CTE (Berne) to decide on a strategy for the development of infrastructure provisions	September: WG TECH 38
11 and 12 September: WG TECH 35 (Berne)	November: WG TECH 39
25 – 27 September: 13 th General Assembly to decide on the creation of a new Appendix H to COTIF	
27 and 28 November: WG TECH 36 (Berne)	

3

RID COMMITTEE OF EXPERTS AND RID/ADR/ADN JOINT MEETING – THE SAFE CARRIAGE OF DANGEROUS GOODS

The main focus of the RID department's work was the biennial revision of the dangerous goods regulations. However, the RID/ADR/ADN Joint Meeting in March 2018 still has to take various decisions before the RID Committee of Experts finally adopts all the amendments at its meeting in May 2018.

NEW DEVELOPMENTS IN THE RID/ ADR/ADN JOINT MEETING AND RID COMMITTEE OF EXPERTS

JOINT MEETING

The RID/ADR/ADN Joint Meeting develops harmonised European dangerous goods provisions for carriage by rail, road and inland waterways. The RID department of OTIF provides the Secretariat for the Joint Meeting, together with the Secretariat of the UNECE Transport Division. In 2017, the Joint Meeting held a one-week and a two-week session.

Work in connection with harmonising RID, ADR and ADN with the 20th revised edition of the UN Recommendations on the Transport of Dangerous Goods was the main focus. In addition, most of the unresolved issues from the previous biennium were concluded. The



Jochen CONRAD
Head of Dangerous Goods
Department

OBJECTIVE 8

Keep the dangerous goods regulations
up to date, taking into account technical
progress

aim of harmonisation with the UN Recommendations on the Transport of Dangerous Goods is to simplify intermodal dangerous goods transport in European land transport. Among the numerous amendments that result from this, the topics below should be highlighted. They do not provide an exhaustive overview of the RID department's activities in connection with the Joint Meeting, but summarise the most important technological developments that have the biggest impact on the regulations. This makes clear the extent to which the provisions have a direct link to dynamic technological developments in the sector.

Articles containing dangerous goods

RID/ADR/ADN contains individual entries for particular articles containing dangerous goods. In addition to these individual entries, RID/ADR/ADN has also so far included a single collective entry for dangerous goods contained in articles (UN 3363 Dangerous goods in machinery or dangerous goods in apparatus). The articles covered by this generic entry are exempt from the dangerous goods provisions in European land transport. However, given that in most cases it was difficult to classify the articles in the entry corresponding to the dangerous substance contained, and as it was not always possible to pack them in accordance with the packing instruction prescribed for the substance, this generic entry was used for very different dangerous substances in various quantities. UN number 3363 therefore became a catch-all entry for articles that were difficult to classify.

The Joint Meeting decided to include twelve new UN numbers in RID/ADR for articles containing dangerous substances of the individual classes of dangerous goods. As a result, UN Number 3363, which was previously exempt from the provisions, is now subject to the provisions of RID/ADR, but may only be used for articles which only contain dangerous substances within the thresholds for limited quantities. However, only basic packaging requirements apply to this UN number; the other provisions of RID/ADR do not have to be applied.

The general exemption for the carriage of machinery or equipment not specified in RID and which happen to contain dangerous goods in their internal or operational equipment has also been deleted. A four year transitional period has been allowed, particularly in order to avoid unforeseen problems, as it is not possible at the moment to estimate the number and type of articles affected by the deletion of the exemption.

New classification criteria for Class 8

The Joint Meeting took over the new classification provisions for corrosive substances of Class 8 from the UN Model Regulations, which results in the closest possible alignment with the text of the Globally Harmonized System of Classification and Labelling of Chemicals (GHS).

In particular, the new classification provisions contain more appropriate methods for assigning mixtures to packing groups. In the past, this had always caused difficulties for the industry.

Packing instructions for damaged or defective lithium batteries

For the carriage of damaged or defective lithium batteries which, under normal conditions of carriage, are liable to present a hazard (produce a flame or a dangerous evolution of heat or a dangerous emission of toxic vapours, etc.), the competent authority previously had to define the conditions of carriage. Owing to rapid developments in electromobility and the growing need to carry batteries damaged

in accidents, standardised packing instructions were developed on the basis of the conditions of carriage previously defined by the competent authorities, in order to restrict individual competent authority approvals to fewer types of transport.

Alternative methods for periodic inspections

Over-moulded cylinders have a coated welded steel inner cylinder with an over-moulded protective case made from cellular plastic, which is non removable and bonded to the outer surface of the steel cylinder wall. They are designed for the carriage of liquefied gas (e.g. butane or propane). Around 4 million such cylinders, which have been in production since 1997, are currently in circulation, particularly in Belgium and France.

Over-moulded cylinders have an electronic identification tag by means of which the properties of the cylinder recorded in a database can be made available. This database can be used to ascertain which cylinders belong to a production batch. The design life of protected over-moulded cylinders is currently set at 30 years. However, this design life can be extended every five years, provided the tests carried out during the periodic inspection show that the polyurethane on the inner receptacles is still adhesive.

Example of an over-moulded cylinder



Owing to the special design of these cylinders, the pressure tests and visual inspections of the pressure receptacle prescribed in RID in the context of the periodic inspection are not suitable, as minor leaks cannot be seen and the inner receptacle cannot be visually inspected for permanent volumetric expansion because of the non-removable overmoulding. No inspection of the external condition of the pressure receptacle can be carried out either, as the outer surface of the steel cylinder is not visible.

As other non-destructive tests are not suitable either, such as ultrasonic examination, acoustic emission examination and radiography examination, alternative test methods have been developed. These are based on regular sampling and a destructive test. After three years in service, burst tests, tests to check the adhesion of the polyurethane material to the steel cylinder, peeling tests and corrosion tests are carried out on these samples and are repeated every five years. If the result of the tests performed is negative, it must be checked whether the whole batch of over-moulded cylinders is concerned - which can be identified by means of the electronic tag on the pressure receptacle tested - and if so, the entire batch must be separated out.

In future, RID/ADR will contain general provisions on alternative tests, but the details of these alternative methods will be set out in a special provision. Before any other alternative methods can be allowed in future, they must first be approved by the Joint Meeting.

RID COMMITTEE OF EXPERTS AND RID COMMITTEE OF EXPERTS' STANDING WORKING GROUP

The RID Committee of Experts is one of the most important organs of OTIF, as the provisions for the international carriage of dangerous goods by rail are continuously amended, which leads every two years to a completely new edition of RID. As the provisions of RID must also be applied to domestic transport in the EU Member States in accordance with EU Directive 2008/68 on the inland transport of dangerous goods, amendments to RID automatically lead to changes in national law. In this respect, OTIF plays a leading role.

The technical discussion takes place in the RID Committee of Experts' standing working group, which meets once a year. As a rule, the RID Committee of Experts only meets every two years in order to adopt the decisions prepared by the standing working group.

In 2017, the RID Committee of Experts' standing working group held a one-week meeting in Utrecht (Netherlands). The results of this working group still have to be approved at the meeting of the RID Committee of Experts in May 2018.

This meeting focused on adopting the amendments adopted by the RID/ADR/ADN Joint Meeting in 2016 and 2017. The following subjects were also discussed:

Check-lists for the filling and emptying of liquefied gas tank-wagons

In the past, cross-references to check-lists for the filling and emptying of tank-wagons for the carriage of liquids, developed by the Chemical Industry Council (CEFIC), were included under the obligations for fillers and unloaders. At past meetings of the standing working group, it had already been acknowledged that it would be necessary to develop similar check-lists for the filling and emptying of gas tank-wagons as well.

An informal working group has now prepared these check-lists. In contrast to the check-lists for the filling and emptying of tank-wagons for the carriage of liquids, the new check-lists for gas tank-wagons cover virtually all the filler's and unloader's obligations. The points to be checked were described in four separate check-lists for top filling, top discharge, bottom filling and bottom discharge.

The standing working group adopted the check-lists for the filling and emptying of tank-wagons for the carriage of gases with some amendments. It agreed to refer to these check-lists under the obligations of the filler and of the unloader and to make the check-lists available on OTIF's website.

The standing working group also decided in future to complete the check-lists for the filling and emptying of tank-wagons for liquids in order to include almost all the filler's and unloader's obligations, as in the new check-lists for gas tank-wagons. This work will start at the end of February 2018.

Continued use of old gas tank-wagons

In the 2015 edition of RID, the transitional provisions for the continued use of tank-wagons for pressurised gases built before

1 October 1978, which do not satisfy the provisions in terms of their wall thickness and items of equipment, were time-limited. Before October 1978, the construction requirements for tank-wagons were not internationally harmonised; tank-wagons were built and approved in accordance with national regulations. Using a stepped approach, the approximately 5000 pressurised gas tank-wagons still in service should be successively phased out, depending on their age, by the end of 2029.

In Austria, checks targeted were carried out in 2015 and 2016 on gas tank-wagons which, in the context of these transitional provisions, may still be used. Serious defects were found on more than 10 % of the gas tank-wagons that were checked.

The standing working group noted the defects detected concerning the operation of the closing devices, maintenance and the affixing of operating instructions. It noted that these infringements of the regulations should not occur if the safety obligations of participants (particularly fillers, operators and ECMs) in RID Chapter 1.4 were complied with. The standing working group was of the view that checks on gas tank-wagons should be increased in all Member States.

The competent authorities should inform the national railway safety authorities of the results of these checks. If need be, the latter should take appropriate measures with those responsible in each case for the entities in charge of maintenance (ECM), keepers and fillers. Dialogue between all the authorities and market players, including beyond national borders, was considered essential, as in addition to the considerable impairment of safety, these serious defects could have economic consequences for the carriage of dangerous goods by rail.

It was agreed that the measures taken at national level and by the international associations would be presented at the next session of the standing working group in order that a decision could be taken on how to proceed.

Extra-large tank-containers

The standing working group was provided with information about the extra-large tank-containers developed by BASF and the Belgian tank-container manufacturer van Hool. These tank-containers have a capacity of up to 73,500 litres and a payload of up to 66 tonnes. The load capacity is therefore equivalent to two conventional tank-containers or one bogie tank-wagon.



Owing to their high masses, these tank-containers are not suitable for combined rail/road traffic. However, the tank-containers can be moved at the plant premises on automated guided container transport vehicles.



The new tank-containers are carried on new carrying wagons, of which around 150 are planned with crash-buffers and devices to protect against the overriding of buffers.

According to information from BASF, extra-large tank-containers with substances for which crash-buffers or devices to protect against the overriding of buffers are prescribed when they are carried in tank-wagons are only carried on carrying wagons that are also fitted with crash-buffers and devices to protect against the overriding of buffers, even though this is not currently required under RID.

The standing working group agreed that the innovation presented had the potential to improve the competitiveness of the railways. The meeting also thought it was necessary to make the equipment prescribed for tank-wagons for the carriage of dangerous goods mandatory for the carrying wagons used for these new extra-large tank-containers as well. As there was a great deal of market interest in this new technology, a secure legal basis for all actors should be established as soon as possible, thus ensuring a level of safety equivalent to that of tank-wagons.

The standing working group agreed to hold a detailed technical discussion at the working group on tank and vehicle technology. In addition to comparing the provisions currently applicable to tank-containers and tank-wagons, this working group should also, if necessary, formulate questions on the construction of such tank-containers, which should then be submitted to the RID/ADR/ADN Joint Meeting's tank working group.

HARMONISATION OF OTIF'S RID AND OSJD'S SMGS ANNEX 2

The work begun in 2012 on removing almost all the differences between RID and the dangerous goods regulations that apply in Eastern Europe and Asia (SMGS Annex 2) was continued in 2017.

The RID department took part in all the OSJD working groups and meetings of experts that dealt with harmonisation, firstly to eliminate the differences that exist between the two sets of regulations and secondly to explain the background to various new decisions that have been taken for RID.

The October 2016 meeting of the OSJD Commission for Transport Law in the area of requirements for the carriage of dangerous goods was unable to achieve the required unanimity to carry over the 2017 amendments to RID into SMGS Annex 2. As a result, the possibility of the delayed entry into force of these amendments on 1 January 2018 became a key issue in 2017. For Russia and other states, the main obstacle to adopting the 2017 amendments was the unacceptable references to EN standards and EU directives.

The RID department worked together with the RID Contracting States that also apply SMGS Annex 2 in order to submit several compromise proposals to various OSJD bodies, the aim of which was to find a way out of this unwanted situation. It was again not possible to achieve a successful outcome at the meetings of the OSJD Commission for Transport Law in the area of requirements for the carriage of dangerous goods. As the harmonisation of RID and SMGS Annex 2 is of substantial significance for the unhindered carriage of dangerous goods by rail between the two legal regimes, the RID department, in coordination with OSJD, will in future continue its efforts to find both short and long term solutions to this situation.

RUSSIAN EDITION OF RID

Despite the difficulties in carrying over the 2017 amendments, the translation work was continued and a consolidated Russian version of the 2017 edition of RID was published on OTIF's website.

RID/ATMF WORKING GROUP

In 2017, the RID/ATMF working group organised jointly with the European Commission held its last session. The aim of this working group was to investigate how consistency between the dangerous goods regulations and the safety and interoperability provisions can be improved. The working group was attended by experts in the transport of dangerous goods and experts in general railway law.

The working group came to the conclusion that better coordination between the dangerous goods legislation and general railway legislation is necessary. In principle, RID should only include the protective aims of vehicle-related requirements, whereas the technical specifications should be formulated in TSIs/UTPs. In order to carry out this work, it was suggested that a Joint Coordinating Group of Experts (JCGE) be set up in which experts in the transport of dangerous goods, experts in railway technology and representatives of the relevant branches of industry should be represented.

For this new coordination group, the working group first prepared a draft list of subjects which includes the vehicle requirements that already exist in RID. Subsequently, a list was made of further questions that arose during the working group's discussions.

The JCGE meetings will be arranged alternately by the European

OBJECTIVE 3

Make railway law consistent in partnership with other organisations in the sector

OBJECTIVE 9

Improve the compatibility of the RID provisions with the technical approach of the UTPs as regards issues of interoperability

Commission and OTIF. The recommendations prepared by the JCGE will be submitted to the RID Committee of Experts and the Railway Interoperability and Safety Committee (RISC), which will decide on what to do with the recommendations. For example, the RID Committee of Experts may decide to include protective aims in RID. The RISC Committee may for example adopt a delegated act mandating ERA to develop a TSI in conformity with the technical specifications/provisions described by the JCGE.

UPDATE

2017

8 and 9 February (Brussels): Last meeting of the working group on consistency between general railway legislation and dangerous goods law (RID/ATMF working group)

13 – 17 March (Berne): RID/ADR/ADN Joint Meeting

25 – 27 April (Geneva): Ad hoc working group on harmonising RID/ADR/ADN with the UN Recommendations on the Transport of Dangerous Goods (UN Model Regulations)

28 August – 1 September (Lübeck): Translation conference for the German-speaking states

19 – 29 September (Geneva): RID/ADR/ADN Joint Meeting

20 – 24 November (Netherlands): 8th Session of the RID Committee of Experts' standing working group

2018

30 and 31 January (Hamburg): RID Committee of Experts' working group on tank and vehicle technology

12 – 16 March (Berne): RID/ADR/ADN Joint Meeting

28 – 30 May (Berne): 9th Session of the RID Committee of Experts' standing working group

30 May (Berne): 55th session of the RID Committee of Experts

17 – 21 September (Geneva): RID/ADR/ADN Joint Meeting

19 – 23 November (Poland): 10th Session of the RID Committee of Experts' standing working group

4

THE SECRETARIAT OF OTIF: A LEARNING ORGANISATION

OPTIMISED AND RATIONALISED MANAGEMENT

IN 2017, THE HUMAN RESOURCES POLICY
ADVANCED AND STRENGTHENED ITS MODERN
APPROACH

The methods for recruiting OTIF staff have been made more precise. At its 127th session in June 2017, the Administrative Committee decided to consolidate the recruitment procedures in order to optimise recruitment decisions and ultimately to ensure that the Organisation has the best skills to achieve its objectives.

In December 2017, OTIF signed an agreement with the Council of Europe to extend the jurisdiction of the Council of Europe's Administrative Tribunal to labour disputes between the Organisation and its staff. OTIF will be applying a modern practice which is particularly adapted to smaller organisations, i.e. conciliation between the parties involved in a dispute. This important reform decided by AC 126 also gives the Organisation's staff new rights.

In addition to this modernisation, the human resources policy has been improved, partly by continuing to give a prominent role to staff training: 100% of staff received an offer of training corresponding to their requirements and 88% received language training, either as beginners or advanced students, including in Russian, bearing in mind the Organisation's development strategy set out in the 2016-2017 Work Programme. In addition, social dialogue has continued with significant developments, particularly the implementation of positive working methods with the Staff Association in the context of the project to extend the jurisdiction of the Council of Europe's Administrative Tribunal and the organisation of a seminar in September 2017 to define the 2018-2019 Work Programme.



Ghousebasha GAFFAR
Head of Administration
and Finance Department

OBJECTIVE 13
Optimise human resources and financial
management

IN 2017, THE OUTSOURCING OF THE BOOKKEEPING COMPLETED THE REFORM OF THE ORGANISATION'S FINANCIAL MANAGEMENT STARTED IN 2015

The project to outsource the accounts became a reality on 1 January 2017 thanks to the trust company Fiducum, which was taken on following a call for tenders started in 2016, the setting up of new financial and accounting tools and changes in how the Finance and Administration Department is organised. This challenge was met with success thanks to the working methods that have been tried and tested with the new accounts expert, who is only present twice a month. Effective organisation of the work, the acquisition of new skills, supervision of the accounts expert's work and adaptations to the internal financial control processes enable OTIF's finances to be dealt with robustly.

In this context, the audit of the internal financial control system set up progressively since mid 2015 was started in December 2017 in accordance with the decision of AC 123. The report by PwC, which will be available at the beginning of 2018, concluded that 100% of the 60 recommendations made to ensure the reliability of the accounts had been dealt with.

DEVELOPMENTS IN THE PROJECT TO RELOCATE OTIF IN BERNE

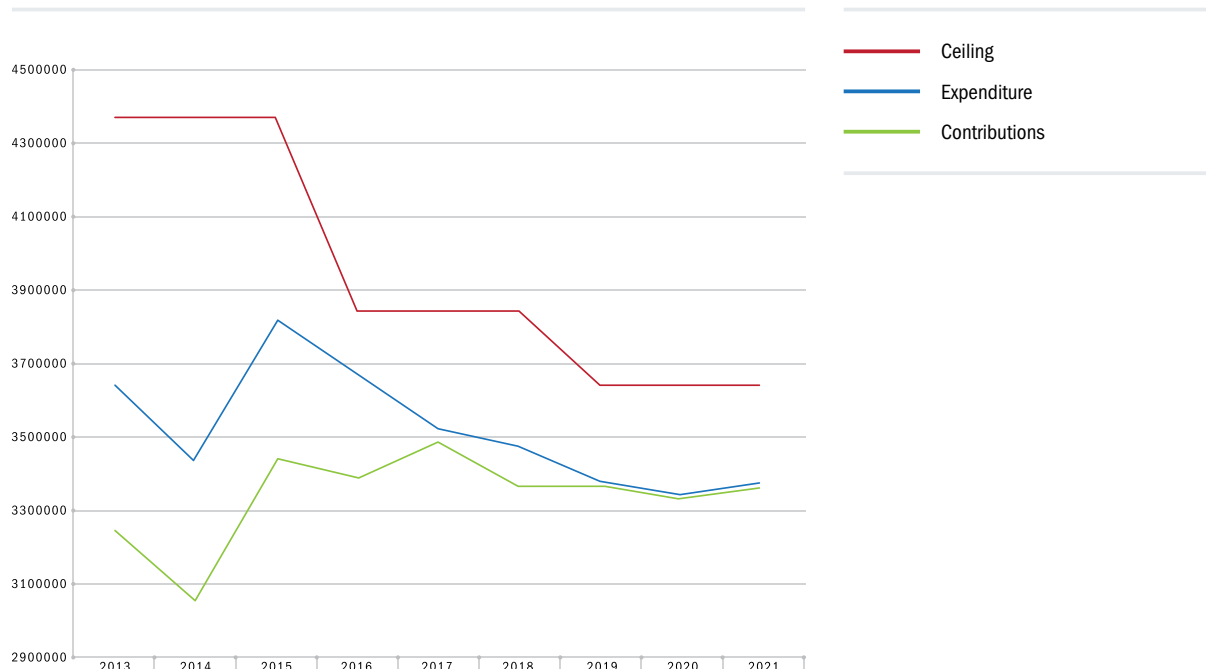
Following the UPU's decision announced in December 2017 at AC 128 not to offer OTIF a long term lease with a purchase option, it might be useful to examine a project to upgrade the Organisation's building to current standards, which would have the same objectives as the initial project, i.e. to increase the Organisation's visibility and promote synergies within the Secretariat.



OTIF IN FIGURES IN 2017

Controlling expenditure and stabilising the Member States' contributions are ongoing objectives. The Organisation's expenditure is still less than the ceiling set by the 12th General Assembly (3.85 million CHF for the period 2016 to 2018 and 3.65 million CHF for the period 2019 to 2021). With regard to the Member States' contributions, they have stabilised at between 3.4 and 3.5 million CHF.

How the budget develops from 2013 – 2021 (in CHF)



The Organisation's financial situation is still very satisfactory, with working capital of 6.6 million CHF, which would cover two years. The working capital requirement remains under control at 241,000 CHF.

Assets = Posts	2017	Liabilities = Resources
Stable posts 1,417 kCHF <i>fixed assets 1,417 kCHF</i>	FR 6,577 kCHF	Secure resources 7,994 kCHF <i>Own capital 7,181 kCHF financial debts 0 kCHF regulated provisions 813 kCHF</i>
Current assets 395 kCHF	BFR - 241 kCHF	Current liabilities 154 kCHF
Cash assets 6,336 kCHF <i>cash 6,336 kCHF</i>	NET 6,336 kCHF	Cash liabilities 0 kCHF

OTIF'S PRESENCE AND VISIBILITY ARE IMPROVING

THE BULLETIN OF INTERNATIONAL CARRIAGE BY RAIL

In 2017, the Bulletin reached an even wider audience. 700 contacts now receive this publication, an increase of 19%. The distribution list for this historic communication medium of OTIF continues to lengthen slowly but surely, because since 2015, the Secretariat has only received two requests to stop subscriptions.

The identity of the Bulletin has become established in terms of both form and substance. It provides information on the Organisation's most recent institutional news and contains thoughtful and forward-looking articles.

In 2017, several copies of every edition of the Bulletin since 2010, which only exist in an electronic format, have been printed in order to create a paper archive, contribute to the Organisation's archive stock and enable specific editions to be sent out upon request.

PRESS RELEASES

Frequency and punctuality are still the principles underpinning the distribution of "OTIF NEWS" releases. In 2017, there were 19 press releases. More than a third of them were reproduced in the specialist press, mostly in Europe.

In 2017, media coverage improved, both in terms of quantity and quality. There were 50% more articles and a better understanding of the roles of the Organisation and the Convention.

RID is well known and this has been confirmed across Europe, Asia and America. The nature and scope of the regulations mean that they enjoy exceptional visibility, importance and autonomy in the press.

THE WEBSITE

Since it went on line in December 2016, there is no denying the success of OTIF's new website. More than 500 updates have been made. The working principle is to react quickly. As a result, 95% of requests for material to be put on line or updated are dealt with on the same day or within 10 hours of the request being made. The aim is to satisfy users of the site, whether in order to give access to news or to working documents.

In 2017, there were 2,025 users per month. 1160 of them consulted the English version of the website, 500 the German version and 365 the French version.

20% of users are regular visitors and 80% are new. This is an excellent result, which confirms the increased awareness of the Organisation, particularly in the search engines.

After the home page, the top three pages consulted on the three sites are: 1- "RID 2017"; 2- "Dangerous Goods"; 3- "COTIF 1999". An average of 11,127 pages were consulted each month in 2017 (repeat visits by users included).



Sarah PUJOL
Communication Officer

OBJECTIVE 12

Develop a comprehensive
communication plan

INNOVATIONS: THE LEAFLET AND GUIDELINES

As planned in the 2016-2017 Work Programme, the Organisation has produced a leaflet intended to raise awareness of OTIF and COTIF, with a general presentation emphasising its strong identity inherited from the past and looking towards the future.

COTIF includes a practical and operational aspect which enables and facilitates international transport. For the general public in particular, one of the practical tools for their international journeys is the ticket. In the form of an invitation to take an international journey, the communication department produced a leaflet presented in the form of a book of tickets which includes certain elements defined in the CIT's Manual for International Rail Tickets.

The leaflet has been designed to be light, portable and handy. It has been quite successful. This new communication medium, which is both a subject and object of rail transport, has fulfilled its task of challenging, drawing attention to and raising awareness of OTIF and COTIF.

Lastly, in close cooperation with the legal department, the communication department designed the "Guidelines on treaty acts under COTIF". An original and printed format was chosen with the aim of communicating the value of the work carried out by OTIF's legal experts. This document was sent to all OTIF's Member States.

OBJECTIVE 11

Continue the dissemination of a complete set of tools and training for our Member States

UPDATE

WHAT HAS BEEN DONE

19 press releases

New leaflet

More than 500 updates

Identification of videos and potential external service providers

June 2017: New recruitment procedure

September 2017: Management seminar on OTIF's strategy

December 2017: Agreement signed between ATCE and OTIF

December 2017: Audit of internal financial control system

Throughout 2017: Outsourcing of bookkeeping

WHAT HAS CHANGED

More press releases reproduced in the press

Facilitation of the promotion of OTIF

Google Analytic has been put in place with three measurement protocols, one for each language

Effective recruitment policy

2018-2019 Work Programme

New procedure for settling staff disputes

WHAT IS PLANNED

1st half of the year: All press releases since they started will be printed.

Update and republication of the leaflet

Ongoing: Improving the website

2nd half of the year: Production of a video (internal design, external production)

Beginning of 2018: PwC report

Published by:

OTIF - Intergovernmental
Organisation for International
Carriage by Rail

Design and layout:
Sarah Pujol,
Valerio Compagnone

Prepared by the Secretariat of
OTIF



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