



Organisation intergouvernementale  
pour les transports internationaux  
ferroviaires (OTIF)

Zwischenstaatliche Organisation  
für den internationalen  
Eisenbahnverkehr (OTIF)

Intergovernmental Organisation  
for International Carriage  
by Rail (OTIF)

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# **Annual Report**

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**2011**





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# Annual Report

## 2011

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## GENERAL PART

Following the efforts concluded in 2010 to prepare the Organisation and its Secretariat for their future tasks and to finalise developments to this end in terms of organisation, staff and finances, 2011 was a turning point in which new perspectives started to appear on the horizon.

- I. Without going into details that are covered in more depth elsewhere in this report, 2011 was important in terms of the accession procedures for new Member States and the interest in joining the Organisation shown by other States. Accession of the [46<sup>th</sup>] Member State became a reality when Armenia joined. Georgia's application for accession was submitted to the Depositary and will enter into force in 2012. There was extensive communication with Azerbaijan, which wishes to accede to the Organisation, but which must first re-examine the unilateral declarations it would wish to submit when it deposits its instrument of accession. Contacts with the Islamic Republic of Pakistan were gratifying. The Government of Pakistan has taken a decision of principle to initiate negotiations on accession with the Secretary General. The highpoints in 2011 were a workshop in Islamabad, which turned out to be very promising, and the seriousness of Pakistan's intentions, which are supported by all stakeholders in the rail sector; it is no mere speculation that if Pakistan's intentions in terms of accession are put into more concrete terms, there might also be similar interest from States such as India, Bangladesh and Afghanistan. This reveals the increasingly important geopolitical role of rail transport in terms of its unifying, trade-enhancing and environmentally friendly effects, which generally have a stabilising impact.

Developments on the Arabian Peninsula are an excellent example of the reality of such correlations. At Head of State and Head of Government level, Bahrain, Qatar, Kuwait, Oman, Saudi Arabia and the United Arab Emirates have decided to build a cross-border rail network linking these States. This network will link up with Jordan, an OTIF Member State, via Saudi Arabia. Funding of around 120 billion dollars for this major investment project has also been approved at the highest political level. As early as 2009, the Secretary General had already taken the first initiatives to inform the States involved in the project and the Gulf Cooperation Council (GCC) that in the shape of COTIF, OTIF already has available a legal instrument which is ready to use and which has been tried and tested over many decades to facilitate cross-border rail transport. This could be made available once this railway network on the Arabian Peninsula becomes operational.

In October 2011, the Secretary General took part in a related GCC Conference in Doha (Qatar) and presented the structure of COTIF and how it works, the opportunity of acceding to the Organisation and the consequences of accession. The feedback was positive and there were enquiries on specific issues. At the beginning of 2012, the national transport authority of the United Arab Emirates will host a conference where this issue will be dealt with in detail. Against the background of the unrestricted availability of the Strait of Hormuz, this railway project has of course become much more important for the States concerned. This is another indication that railway projects such as these can make a significant contribution to prosperity and hence social and political stability. On the basis of appropriate initiatives and proposals for decision from the Secretary General to the Administrative Committee and

the General Assembly, the Organisation will not neglect to play its role in support of such developments with responsibility and a sense of proportion.

- II. One of the forward-looking events for the Organisation in 2011 was certainly the accession of the European Union, which took effect on 1 July 2011. The extraordinary General Assembly led to the adoption of the text of this agreement negotiated between the Secretary General and the European Union, as the unresolved issues had already been clarified beforehand thanks to an attempt at mediation undertaken by the Swiss Confederation. In all three unresolved issues (need for a European Union reservation in accordance with Article 42 of COTIF, ensuring the authenticity of the 22 language versions of the accession agreement and interpretation of the so-called “disconnection clause” in Article 2 of the agreement), the accession agreement complies with the Secretary General’s proposals. This enabled the Organisation to maintain its position on questions of principle in international law and, in conjunction with unilateral declarations made by the EU, meant that the precedent effect the Organisation’s decisions were threatening to bring about could be avoided.

At the 3<sup>rd</sup> meeting of the Rail Facilitation Committee in October 2011, the question arose as to whether the European Union, which in certain cases exercises the voting rights of its Member States on the basis of its competences, may also exercise these voting rights if the Member States are not present and do not take part in the vote. According to the Rules of Procedure of the OTIF organs currently in force, such a course of action is not possible. The Secretary General gave the European Union a full and detailed explanation of OTIF’s arguments and announced his intention, as soon as certain preliminary issues are clarified, to propose a solution to the European Union, which could be submitted to the 11<sup>th</sup> General Assembly in September 2012 for approval if necessary.

In 2011, the work of the RID section focused on preparing the amendments to RID which will enter into force on 1 January 2013. The RID Committee of Experts was able to adopt most of the amendments at the end of the year. As a result of shortening the deadline for notification from 11 to 5 months, which came into effect when COTIF 1999 entered into force, various unresolved issues can be dealt with as late as May 2012.

- III. With regard to the internal affairs of the Organisation and its Secretariat in Berne, organisational changes and changes in terms of staff are of importance. Following a recommendation by the auditor, the Secretary General began work on developing and introducing an internal audit system (IAS). To achieve this, the head of the finance and accounts section prepared a number of flow diagrams to illustrate the structure of the steps required in the financial management process to make applications and to examine and approve them, and to document these processes. At its session in November 2011, the Administrative Committee noted and approved these elements of the internal audit system. This means that all the decision-making procedures in the Secretariat’s financial processes are mandatory and can be more easily monitored should the need arise. In order clearly to assign responsibilities in other areas of the Secretariat’s work and to be able to check that these responsibilities have been carried out correctly, the Secretary General issued new or revised internal instructions on issues surrounding signatory powers, the rules on deputising and the procedure for managing the flexitime system. These internal instructions are in force.



In a further step he reviewed the implementing provisions in accordance with Article 48 on requesting, carrying out and settling the accounts for official travel and on relocation expenses. A revised version will be brought into effect in spring 2012. The Secretary General agreed that he would inform the Administrative Committee fully of the additions to the internal audit system in connection with these issues at its meeting in May 2012.

The founding of the OTIF Secretariat's Staff Association in 2011 was important for the relationship between members of staff of the OTIF Secretariat and the Secretary General. All staff are members of the Association. Another important event was the election of a Staff Council, consisting of three people. In order to set up the Staff Association, Statutes and Rules of Procedure were drafted and finally adopted by the staff in its entirety. The Staff Council, the purpose of which is to represent the interests of members of staff with respect to the Secretary General, was elected on 14 December 2011. The first decision the Secretary General involved the Staff Association with was a set of internal instructions making the OTIF building a "smoke-free zone".

- IV. In this Annual Report on the work of the OTIF Secretariat in 2011, the Secretary General has continued the plan started in 2010 to make it shorter and more readable. The new format met with broad agreement in the Administrative Committee. The Secretary General has also modified the structure of the 2012 work programme accordingly, concentrated its content on essential points and shortened it by more than half. At its meeting in November, the Administrative Committee adopted the work programme with its easier to understand format and its focus on the Organisation's main activities, and thanked the Secretary General for his reformatting initiative.

# SPECIFIC PART

## AREAS OF ACTIVITY

### I. SCOPE OF COTIF

#### 1. Member States of OTIF

At the end of 2011, OTIF had 47 Member States (with one associate member) and one regional economic integration organisation (EU). The EU's accession to COTIF took effect on 1 July 2011.



1. Albania	AL	24. Lithuania	LT
2. Algeria	DZ	25. Luxembourg	LU
3. Armenia	AM	26. Macedonia, FYR	MK
4. Austria	AT	27. Monaco	MC
5. Belgium	BE	28. Morocco	MA
6. Bosnia and Herzegovina	BA	29. Montenegro	ME
7. Bulgaria	BG	30. Netherlands	NL
8. Croatia	HR	31. Norway	NO
9. Czech Republic	CZ	32. Poland	PL
10. Denmark	DK	33. Portugal	PT
11. Estonia	EE	34. Romania	RO
12. Finland	FI	35. Russia	RU
13. France	FR	36. Serbia	RS
14. Germany	DE	37. Slovakia	SK
15. Greece	GR	38. Slovenia	SI
16. Hungary	HU	39. Spain	ES
17. Iraq	IQ	40. Sweden	SE
18. Iran	IR	41. Switzerland	CH
19. Ireland	IE	42. Syria	SY
20. Italy	IT	43. Tunisia	TN
21. Latvia	LV	44. Turkey	TR
22. Lebanon	LB	45. Ukraine	UA
23. Liechtenstein	FL	46. United Kingdom	GB
Associate Member of OTIF		* Accession procedure underway	
47. Jordan	JO	Georgia	GE

## 2. Extending the scope

**Armenia** made an application for accession at the end of 2010, which took effect on 1 July 2011. Armenia's entire railway network of 780 km, which is operated by the South Caucasus Railway, has been subject to COTIF and all its Appendices since then.

The Secretary General received **Georgia's** application for accession on 24 October 2011. The accession will take effect on 1 May 2012 once the periods of time prescribed in Article 37 of COTIF have expired. In accordance with Article 1 § 6 of CIV/CIM, Georgia reserved the right to apply the Uniform Rules only to part of its railway infrastructure. For the Caucasus region, it is important that as soon as it is operating, the part of the Baku-Tbilisi-Kars corridor situated on Georgian territory, in other words the 244 km section between the border stations at Gabardani (before the border with Azerbaijan) and Kartsaki (before the border with Turkey), is subject to the CIM and CIV Uniform Rules. In addition, Georgia is also making the short sections from the ports of Poti and Batumi to the next goods station in each case subject to the CIM UR. Of the remaining Appendices to COTIF, Georgia will only apply Appendix C.

For a long time, **Azerbaijan** has been indicating its interest in acceding to COTIF in connection with the construction of the railway line from Baku to Kars in Turkey, via Tbilisi, and has been preparing for membership of OTIF. As this railway line should be completed at the beginning of 2013, it is anticipated that Azerbaijan might apply for accession to COTIF in 2012. The national procedure aimed at achieving accession will be concluded imminently.

Against the background of the container train test runs (organised by the Economic Cooperation Organization) on the newly opened direct Islamabad-Tehran-Istanbul ("ITI") route, contacts with **Pakistan's** Ministry of Railways were strengthened in 2011. As Turkey and Iran are already Member States of COTIF, Pakistan's accession will enable traffic on the "ITI" corridor to be performed under a single legal regime. In a brief presentation given by a high-ranking representative of Pakistan's Ministry of Railways at the (extraordinary) 10<sup>th</sup> General Assembly (Berne, 22/23.6.2011), Pakistan's interest in acceding to COTIF was clearly expressed. In a subsequent exchange of correspondence, it was confirmed that the Pakistani Government had taken a decision of principle to hold talks on accession with OTIF. A workshop on "Pakistan's accession to COTIF" held in Islamabad on 7 and 8 December 2011 was very significant. Representatives of interested Pakistani authorities and stakeholders from the rail transport sector took part in the workshop.

In 2011, the States on the **Arabian Peninsula** were also the focus of the Secretary General's attention. Among other things, he took part in the Railway and Transport Conference in Doha (Qatar) organised by the Gulf Cooperation Council (GCC) from 17 to 19 October 2011. As the GCC States do not yet have an international legal regime for rail transport, the Secretary General's purpose in attending was to convince participants that the railway law offered by COTIF should be introduced for the international railway lines that are being built in this region. Initial reactions from the **United Arab Emirates** and **Qatar** were very positive.

## II. APPLICATION OF COTIF

### 3. Status of ratifications of COTIF 1999 and application of individual Appendices

In 2011, OTIF had 41 Member States of COTIF 1999. Morocco ratified the Vilnius Protocol on 28 April 2011. Five Member States, which unfortunately have not yet ratified COTIF 1999, have remained Member States of COTIF 1980 (Iraq, Ireland, Italy, Lebanon and Sweden). The membership of two of these States (Iraq, Lebanon) has been suspended. In transport with and between these five Member States, application of the CIV and CIM Uniform Rules is suspended.

The European Union became a contracting party to COTIF on 1 July 2011 (accession in accordance with Art. 38 of COTIF).

Given this - and after the version of Appendices E (CUI), F (APTU) and G (ATMF) adapted to the law of the EU entered into force (1.12.2010) - the European Commission recommended that the EU Member States withdraw their declarations in accordance with Article 42 § 1 of COTIF relating to the non-application of Appendices E, F and G.

One Member State which limited the validity of its declaration up to the time of the EU's accession to COTIF confirmed to the Secretary General that it would again apply all the Appendices from 1 July 2011 (A). Four Member States withdrew their declarations with immediate effect in 2011 (DK, FIN, GR, LT). For two other States, the validity of their declarations was limited until the end of 2011 (PL, NL). One Member State only partially withdrew its declaration regarding the CUI with effect from 31 December 2011 (D). So at the end of 2011, the following was the position as regards application of the individual Appendices to COTIF:

- 21 Member States of OTIF applied all 7 Appendices;
- Since 1 December 2010, one Member States has applied all the Appendices apart from ATMF (application suspended in accordance with Art. 35 § 4 of COTIF);
- 18 Member States only applied Appendices A, B, C and D;
- One Member State only applied Appendix B.

### 4. Networks and lines subject to COTIF

In principle, since the entry into force of COTIF 1999 (1.7.2006), the COTIF 1999 Member States' entire railway networks are subject to the uniform law set out in the Appendices to COTIF.

Four Member States have so far made use of the possibility of restricting application of the Uniform Rules (reservation on the scope of application in accordance with Art. 1 § 6 of CIV/CIM): EST, UA, RUS (which, however, only applies CIM) and now also GE. The Secretary General keeps the **CIV/CIM list of railway lines** (Art. 24 § 2 of COTIF) for this purpose.

Following the inclusion of a new railway line, an updated version of the “Ukraine” section of the CIM list of railway lines was re-issued on 1 January 2011. Before the end of 2011, the Secretary General received information from the Ukraine concerning another railway line that has been made subject to the CIM regime. This has been taken into account in the new edition of the “Ukraine” section dated 16 January 2012.

For the purpose of supplementary carriage by sea or inland waterways, the Secretary General keeps the **CIV/CIM list of maritime and inland waterway services** (Art. 24 § 1 of COTIF). The CIV and CIM lists of maritime and inland waterways currently contain 13 sections each.

The “Russia” and “Germany” sections in the CIM list of maritime and inland waterway services were re-issued on 1 January 2011 following the inclusion of a new shipping company to replace the old one.

### **III. LAW**

#### **5. General**

Following the amendments to the Convention and to Appendices E, F and G that entered into force on 1 December 2010, and the amendment to Appendix C of the Convention that entered into force on 1 January 2011, it seemed to be the right time to provide users with new consolidated online versions of the texts, the entire Convention and its Explanatory Report. This project, which was accompanied by extensive adaptations and corrections to all the language versions, was finally concluded in November 2011.

The legal service willingly supports the other sections of the Secretariat on a regular basis and among its activities, which cover almost all the Organisation’s areas of work, the following areas deserve particular mention:

#### **6. Depositary Functions**

The Depositary’s functions were shaped by the following events: extending the scope of COTIF in the Caucasus region, the EU’s accession to COTIF and the subsequent withdrawals of the EU Member States’ declarations concerning the non-application of Appendices E, F and G.

#### **7. Interoperability of transport law – uniform railway law**

##### **7.1 CIT/OSJD Project to make CIM/SMGS legally interoperable**

From OTIF’s involvement with this project, the following points should be highlighted:

On 6/7 April 2011, a seminar organised by CIT and OSJD on “the interoperability of CIM/SMGS transport law, the CIM/SMGS single consignment note in Eurasian rail freight transport” was held in the capital of Kazakhstan, Astana. More than 120 representatives from authorities, railways and railway customers attended, particularly from the railway transit countries concerned, i.e. Russia, Kazakhstan and Mongolia.

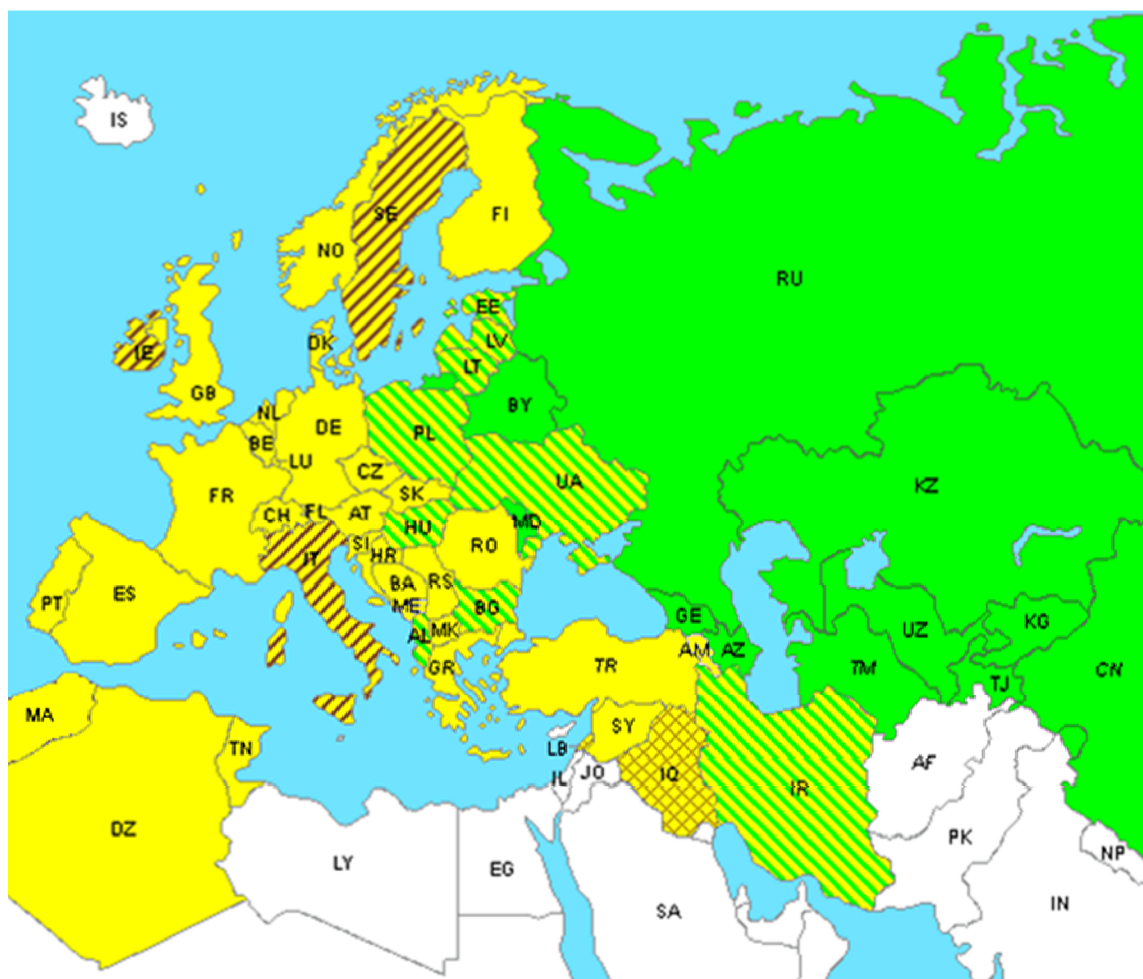
There were also representatives from China, and OTIF and the UNECE took part. At the seminar, the deputy Secretary General of OTIF had the opportunity of using a presentation on the obligations of the contracting parties to the 1982 Harmonization Convention and the new Annex 9 to the Convention to highlight the steps to be taken in connection with the facilitation of cross-border transport

In this context, the crucial point will be how and to what extent the interested Governments and railways, notably those of Russia, will bring their influence to bear within the OSJD.

A representative of OTIF participated in a meeting of the CIM/SMGS Legal Group (Paris, 26/27.4.2011) to develop the (contractual) special liability conditions of CIM/SMGS. These can be agreed by means of a note in the CIM/SMGS consignment note. Customers will therefore have an option with more favourable liability rules available to them.

On the basis of reasoned objections by the representative of OTIF, the Legal Group refrained from including provisions in the special liability conditions governing the relationship between carriers. This would have to be dealt with in a separate document, without making the rules the customer has to familiarise himself with even more burdensome than they already are.

OTIF supported the seminar on the "interoperability of transport law in Eurasian rail transport" organised by the CIT and OSJD, which took place on 30 November 2011 in Basel. The deputy head of the legal service presented a short paper on the subject of "presumption in CIM/SMGS reconsignment".



### Application of CIM and SMGS



CIM



SMGS



CIM + SMGS



CIM application suspended



OTIF membership suspended

Other SMGS States:

- Mongolia
- North Korea
- Vietnam

## **7.2 UNECE Project on “unified Euro-Asian transport law”**

In March 2011, the UNECE Inland Transport Committee approved the concept and approach reflected in the Working Party on Rail Transport’s (SC.2) position paper on the unification of rail transport law in the Euro-Asian region. It also decided to set up a Group of Experts for this purpose.

Three steps were proposed to achieve this: firstly, in the short term, an intergovernmental document on general terms and conditions for Euro-Asian rail transport contracts; secondly, in the medium term, global model regulations for international rail transport; thirdly, in the long term, a single Convention on Euro-Asian rail transport.

The Group of Experts, set up under the chairmanship of the Russian Federation and the vice-chairmanship of Turkey, met on 6 May and 7 October 2011, with the aim of preparing the intergovernmental document so that it can be opened for signature at the session of the Inland Transport Committee in 2012. This also implied that the general conditions applicable to Euro-Asian rail transport contracts (GCC EurAsia), on which such transport is currently based, should also have been finalised by the end of 2011.

It goes without saying that OTIF took a very active part in preparing the draft intergovernmental document, both orally in the meetings and in writing by sending its proposals to the UNECE Secretariat. OTIF fully supported the approach endorsed by the UNECE and the UNECE’s planned timetable.

However, it must be noted that OTIF’s concerns in terms of the delay in the work compared with the planned schedule have proved to be justified. Despite some particularly lively discussions, the experts could not agree on the direction the intergovernmental document should take. In addition, the final draft of the GCC EurAsia had not yet been prepared by the end of 2011.

At its meeting on 3 and 4 November 2011, SC.2 decided that it would need another year to achieve the short-term step described in the position paper and that the Group of Experts should therefore continue its work in 2012. It also supported its chairman’s proposal to organise an informal meeting at the beginning of 2012 to prepare a new draft intergovernmental document which would reconcile the different positions expressed in the Group of Experts in October 2011.

OTIF has used and will continue to use all its influence to ensure that this project moves forward.

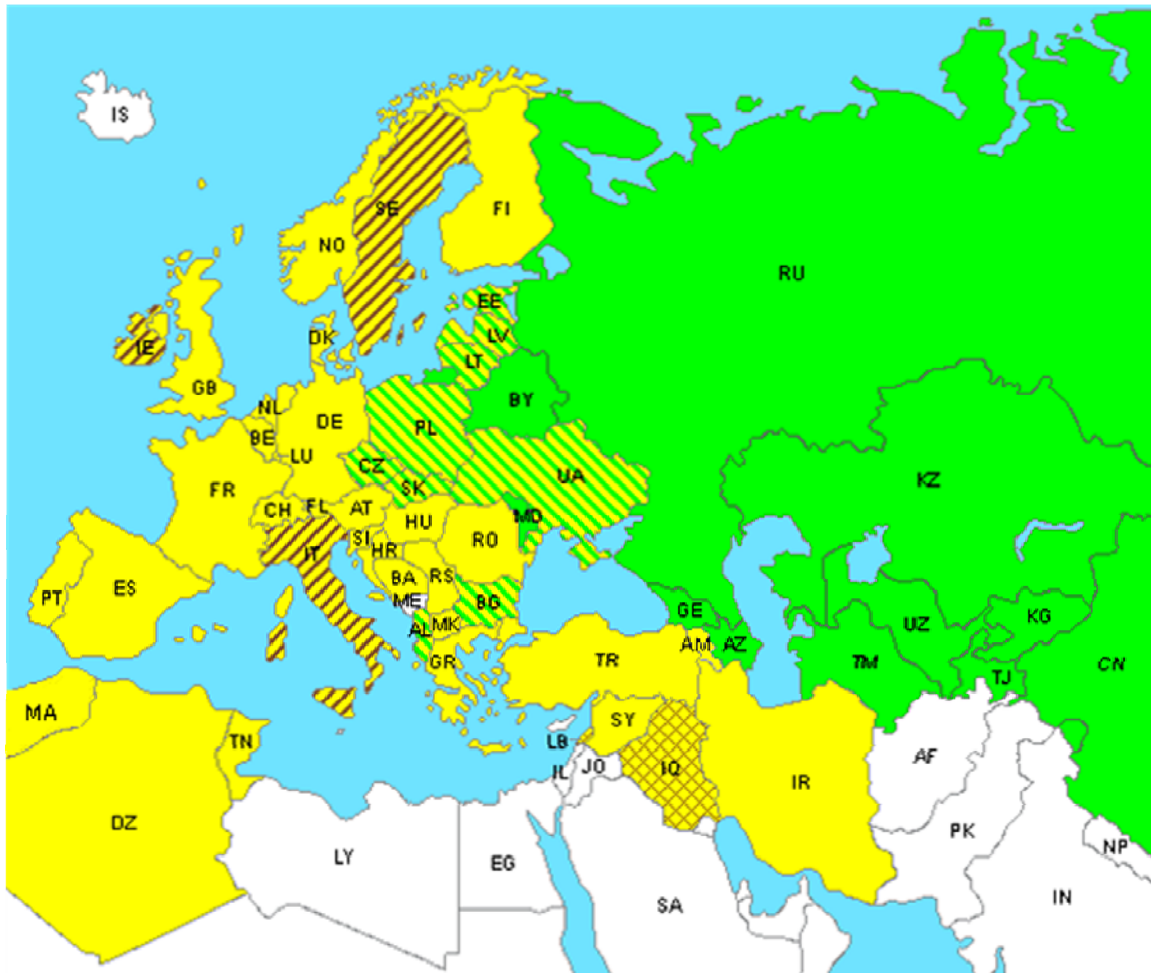
## **7.3 Harmonisation of CIV/SMPS transport law**

Against the background of new passenger services between Moscow and Nice and Moscow and Paris, CIT proposed setting up a CIV/SMPS Legal Group along the lines of the CIM/SMGS Legal Group. However, this Legal Group has not been set up, although it was agreed that OTIF, OSJD and CIT would work together to examine any legal and operational issues that might arise in connection with these passenger train routes.








To this end, two meetings of experts took place in 2011 in Warsaw (7/8.6.2011) and Berne (29.11.2011). A representative of OTIF gave two presentations comparing individual elements of the CIV and SMPS legal systems (scope, legal position of the passenger, liability, etc.).

The starting point for continuing the work will be an analysis of the legal regimes applicable to CIV/SMPS transport, including the (EC) Regulation on rail passengers' rights and obligations (1371/2007).



### Application of CIV and SMPS

	<b>CIV</b>
	<b>SMPS</b>
	<b>CIV + SMPS</b>
	<b>CIV application suspended</b>
	<b>OTIF membership suspended</b>

#### Other SMPS States:

- Mongolia
- North Korea
- Vietnam

## **8. CIM – electronic consignment note**

Use of the electronic consignment note in road transport is being promoted through the Additional Protocol to the Convention on the Contract for the International Carriage of Goods by Road (CMR) concerning the electronic consignment note, which entered into force on 15 June 2011. To promote increased use of the electronic consignment note in rail transport, it appears necessary to review the current legal basis, particularly Article 6 § 9 of CIM, and if necessary, to make amendments and additions to the CIM UR and the Explanatory Report, and to the relevant documentation produced by CIT.

The first meeting of a Group of Experts set up by CIT to look at the issue of the “CIM – Electronic Consignment Note” was held on 21 October 2011 in Sierre (CH). At the meeting, the representative of OTIF emphasised that the fullest possible “functional equivalence” of the electronic consignment note should be ensured, not just in terms of its relationship to the paper consignment note, but also with regard to how it is dealt with in the national legislation of the States concerned by the transport operations using it. Future discussions on this will therefore have to take both these aspects into account.

## **9. Register of Interests (Luxembourg Protocol)**

The chairman of the Preparatory Commission (PrepCom) had further consultations on setting up the Supervisory Authority and the International Register of Interests in Railway Rolling Stock (IRR) with the two remaining bidders in the selection process. He came to the conclusion that SITA NV should still be considered as the best bidder.

As planned, the members of the Preparatory Commission confirmed in writing the decision on awarding the contract and on starting negotiations on it with SITA NV. Subsequently, the first round of negotiations between the PrepCom team (co-chairmen, Secretariats of OTIF and UNIDROIT, Railway Working Group) and the representatives of SITA took place on 5 May 2011.

Despite extensive e-mail contact, a series of telephone conferences and two further meetings, the aim of submitting a finished draft contract to the PrepCom for approval in 2011 could not be achieved.

The 5<sup>th</sup> session of the PrepCom held in Rome on 28 and 29 November 2011 therefore reported on the considerable progress made in the negotiations, but also on all the important unresolved points. In order to resolve them, the PrepCom issued specific instructions accordingly. In the interest of getting the contract signed quickly once there was agreement on the remaining points, the PrepCom adopted an amendment to the Rules of Procedure to make it possible for the contract and the appointment of the Registrar to be approved without having to hold another meeting, for example by having a telephone conference instead. With regard to the further process after the contract has been signed, the representative of OTIF gave the PrepCom an outline of the main features of the work programme for the Supervisory Authority that has to be set up. The work programme will have to be dealt with in a dedicated working group. This work will accompany the implementation of a joint programme set out in the contract to promote the entry into force of the Luxembourg Protocol. As readers

will be aware, the Protocol can only enter into force once it has been ratified by four States and OTIF has certified that the International Register is viable.

#### **IV. DANGEROUS GOODS**

##### **10. RID/ADR/ADN Joint Meeting**

The RID/ADR/ADN Joint Meeting, which held two meetings in 2011 (one week and two weeks), develops harmonised European dangerous goods provisions for carriage by rail, road and inland waterways. The RID section of the OTIF Secretariat provides the Secretariat for the Joint Meeting, together with the Secretariat of the UNECE Transport Division.

While the spring meeting dealt with various amendments to RID/ADR/ADN, the autumn meeting focused on harmonisation with the 17<sup>th</sup> edition of the UN Recommendations on the Transport of Dangerous Goods (UN Model Regulations).

##### The most important amendments

###### *Carriage of calcium carbide in bulk*

UN 1402 calcium carbide is a water-reactive substance that is primarily used in the production of steel and acetylene. The use of calcium carbide mixtures as a desulphurisation agent is necessary for producing quality steel.

Various States had pointed out that the calcium carbide mainly used today should be assigned to packing group I, so carriage in RID/ADR tanks and carriage in bulk would be prohibited.

In order to ensure that this substance can continue to be carried in the short term, the Joint Meeting drafted requirements to enable calcium carbide of packing group I to continue to be carried safely in silo wagons/silo vehicles until the dangerous goods regulations are amended. These requirements were set out in multilateral special agreements for RID and ADR, which were signed by the States concerned.

For a medium term solution (RID/ADR 2013), the substance was assigned a tank code, bearing in mind its specific properties, thus enabling it to be carried in RID/ADR tanks.

###### *Modification of tanks whose design type approvals have expired or been withdrawn*

The deadline specified in RID/ADR 2011 for the expiry or withdrawal of design type approvals following amendments to the technical provisions can mean that tank-wagons may continue to be operated in accordance with possible transitional provisions without any alterations after the design type approval has expired or been withdrawn, but for modifications that are carried out more frequently because of changing customer requirements in the tank-wagon sector, the tank-wagon must be given a completely new approval.

It was agreed that such modifications, which have to comply with the provisions of RID/ADR applicable at the time the modifications are made, should also be possible

for tanks whose design type certificates have expired. As the tank record forms a comprehensive basis for assessing the tank and the planned modifications, it is not necessary for the authority that issued the design type approval to issue the certificate approving the modification as well. However, it must be ensured that a request for a new approval certificate that is refused is not resubmitted to another competent authority.

#### *Classification of heating oil, heavy*

Heavy heating oils are generally petroleum distillate residues or mixtures of these residues with lighter distillates, used as fuels in power stations or ship engines. They are generally viscous, with a flash-point above 60°C. Because of this high flash-point, these heating oils were not previously considered to be dangerous. However, on the basis of the criteria included in RID/ADR in 2009, they might pose a risk to the environment, as is regularly demonstrated in marine accidents.

Because of the broad range of different properties, the Joint Meeting was unable to agree to assign heavy heating oil systematically to a single UN number, as this could lead to substances being classified as dangerous, even though they do not meet the criteria in each case. As long as the petroleum industry did not request a systematic classification under a particular UN number not depending on the properties of these heating oils, they would be classified in accordance with the applicable provisions of RID/ADR/ADN, which provided four different UN numbers, depending on the properties in each case.

#### *Gas storage systems on motor vehicles*

In connection with the development and commercial launch of alternative vehicle propulsion systems, there is an increasing use of vehicles powered by flammable gases (liquefied petroleum gases, natural gas, hydrogen). In the context of maintenance and repair work, quality assurance activities for vehicles and their components and environmentally friendly disposal, used gas tanks or gas storage systems with different degrees of filling have to be carried.

As the existing provisions do not offer the possibility of carrying such gas tanks properly and in accordance with the law, a special provision was drafted to deal with the requirements for gas storage systems and the special conditions of carriage.

#### *Classification of radioactive substances as hazardous for the aquatic environment*

The Joint Meeting established that for the time being there were no data on the risk of radioactive substances for the aquatic environment, and that it was difficult to differentiate between the environmental effects resulting from the chemical hazards posed by such substances and those related to radioactivity. It therefore decided to remove radioactive substances from the scope of the provision that requires an environmental hazard test for all substances.

## Harmonisation with the 17<sup>th</sup> edition of the UN Recommendations on the Transport of Dangerous Goods

### *Fuel contained in equipment or machinery*

The exemption in RID/ADR 1.1.3.1 (b) prescribes that the carriage of unspecified machinery or equipment containing dangerous goods in their internal or operational equipment is exempted from the provisions of RID/ADR provided that measures have been taken to prevent any leakage of contents. In the past, various carriers had also used this exemption for the carriage of generators, which can sometimes contain up to 3000 litres of fuel, without applying any of the provisions of RID/ADR.

A new special provision will now be assigned to the various entries for fuels. The special provision will list the provisions that have to be observed for tanks contained in equipment or machinery. Among others, these provisions include those concerning labelling or placarding, depending on the size of the fuel container.

### *New UN numbers*

From among the many new UN numbers that have been included, three are highlighted, as they might be of particular interest to the general public:

Ultracapacitors are electrical energy storage devices which, because of their high level of reliability and long life, are increasingly being used as a replacement for batteries. They are particularly suitable for applications where rapid loading and discharge are required. In future, UN number 3499 will be used globally for these capacitors.

In various countries, chemicals under pressure contained in cylinders are available on the market. These are liquids or solids, such as adhesives, coatings or cleaning agents that are pressurised together with a gas or gas mixture in pressure receptacles, where the pressure is sufficient to propel the product. Assignment of these chemicals to one of the new UN numbers 3500 to 3505 is carried out on the basis of the properties of the liquid or solid chemical and of the propellant.

Based on the available test data, it was realised that the subsidiary hazard of toxicity should be assigned to UN 2809 mercury. As this new classification would have meant that in air transport, mercury could no longer be carried on board passenger aircraft or in the same load compartments as animals, foodstuffs or feedstuffs, a specific UN number was provided for mercury contained in manufactured articles (UN 3506), to which various exemption rules apply.

### *De minimis quantities of dangerous goods*

Small ("de minimis") quantities of dangerous goods packed in high quality packagings may pose a negligible risk during transport. At the moment, strict application of the classification criteria means, for example, that even a fraction of a gram of a flammable solid is considered as dangerous goods. In a fire during transport, in practice the packaging of the substance contains significantly more potential energy than such a small amount of the substance.

A new sub-section has now been included in Chapter 3.5 of RID/ADR/ADN with further exemptions for net quantities of substances of not more than 1 ml or 1 g per inner packaging and 100 g or 100 ml per outer packaging, although the most dangerous substances are excluded from these exemptions.

#### *Salvage pressure receptacles*

In addition to the existing provisions for salvage packagings, provisions governing salvage pressure receptacles have now been included.

Salvage pressure receptacles are necessary for the transport for safe discharge or disposal of pressure receptacles that no longer fully comply with the regulations. This may be the case after an accident or under special circumstances, such as when gas cylinders are found in establishments that have shut down and it can no longer be determined whether the cylinders were properly stored and maintained. Because adequate disposal facilities for certain gases are not necessarily in close proximity and are sometimes not in the same country, requirements for carriage in salvage packagings were required.

#### *Use of packagings made of metals other than steel or aluminium*

In all packing instructions where the use of packagings made of steel or aluminium is permitted, packagings made of other metals will in future be allowed. Titanium in particular is characterised by better mechanical properties and is also non-magnetic, which is mainly of interest in military applications.

#### *Cargo Transport Units (CTU) with means of refrigeration or conditioning*

For the transport of temperature-sensitive goods, which need not be dangerous goods themselves, dry ice is sometimes used as a coolant. However, for workers who open a container, dry ice can pose a risk similar to that posed by fumigated containers. In the past, this risk potential led to the inclusion of section 5.5.2 in RID/ADR/ADN.

As it must be assumed, especially in cases in which dry ice is used for non-hazardous goods, that the workers involved are not familiar with dangerous goods law, all the applicable rules have been combined in a new section to allow those involved to be easily trained.

## **11. RID Committee of Experts**

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 the 1500 page 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.

In 2011, the RID Committee of Experts held a week long session to deal mainly with the approval of the amendments adopted by the Joint Meeting and the RID Committee of Experts in 2010 and 2011.

*Harmonisation with the 17th edition of the UN Model Regulations*

The RID Committee of Experts approved the amendments adopted by the Joint Meeting on the basis of the 17<sup>th</sup> edition of the UN Model Regulations. Taking into account the decisions of the UNECE Working Party on the transport of dangerous goods (WP.15), it made various amendments and in particular rejected the inclusion of new rules for flexible bulk containers, as it had not been demonstrated that these containers were of use in rail transport. WP.15 had also rejected including provisions for these containers for the time being.

Flexible bulk containers are a bag-like means of containment with carrying straps enabling them to be handled mechanically. This means of containment can have a capacity of up to 15 m<sup>3</sup>.

*Placarding*

Several proposals relating to placarding and proposing to align with the provisions of ADR were submitted to the RID Committee of Experts.

For the carriage of packages containing dangerous goods in wagons, the possibility of affixing orange-coloured plates instead of placards should be approved, as is already allowed for the carriage of road vehicles in piggyback transport. Problems relating to the poor adhesion of placards in low temperatures or on damp surfaces or in terms of removing placards that are stuck on too firmly could be overcome with orange-coloured folding plates. In addition, the value of the information provided in cases where there was an accumulation of various placards on wagons containing different dangerous goods would in any case be very low.

It was also proposed to harmonise the provisions for the marking of swap bodies carried by rail in a transport chain with the simplified conditions for piggyback transport adopted for the 2011 edition of RID. For example in the case of swap bodies loaded onto trailers carried in piggyback transport, orange-coloured plates on the front and back of the swap body should be sufficient.

However, it was not possible to deal conclusively with these questions as they would lead to changes in the way things had been done for decades. Discussions on this issue will continue in the next biennium.

*Railway accident in Viareggio*

The RID Committee of Experts was informed of the interim results of the investigation into the rail accident that occurred in Viareggio on 29 June 2009. Following a broken axle on the first wagon in the train, it had derailed, causing the wagon to turn on its side 370 m further on. After a further 100 m the tank was then ruptured by part of the infrastructure (either an upright section of rail installed for measuring purposes or the wing rail of a point switch).

Once the investigations into the accident had been completed, various measures for wheelsets could be proposed at European level (traceability of axles, safe-keeping of test data, destruction of axles with an uncertain history, setting a maximum operating

life for components, maintenance based on the kilometric performance), which are already being applied on a self-commitment basis by the sector.

The RID Committee of Experts agreed to investigate whether the accident might have any repercussions for the dangerous goods regulations once the final accident report was available. This work would be carried out in the working group on tank and vehicle technology.

## **12. RID Committee of Experts' working group on tank and vehicle technology**

The aim of this RID Committee of Experts standing working group is to improve the safety of tank transport by rail, following several severe accidents.

### *Detection of derailments*

At its two-day meeting, the working group dealt with the results of the study on the avoidance and detection of derailments commissioned by the European Railway Agency (ERA) and produced by Det Norske Veritas (DNV) and prepared its comments and recommendations, which were sent to ERA so that they could be taken into account in the final version of the study.

One of the points the working group criticised was that DNV's conclusions only concern the measure whereby all freight wagons would be fitted with derailment detectors. The protective measures specific to dangerous goods, such as fitting all dangerous goods wagons with derailment detectors or fitting them to wagons for very dangerous substances determined by the RID Committee of Experts, were not part of any conclusion or recommendation, and the reason for this had not been justified. But in the cost/benefit analysis, both these measures had scored better.

Another of the working group's criticisms was that the study only mentioned false alarms in connection with derailment detectors, although these may be of significance in connection with all the other measures. In addition, with the new derailment detectors with higher trigger thresholds, no false alarms had been recorded since 2004, so the negative effects of a false alarm referred to in the study were no longer relevant.

Lastly, the working group raised the political aspect of this problem, as the general public did not understand why derailments are sometimes not noticed at all and why derailments with serious consequences continue to occur, even though derailment detection technology is available.

### *Drip leaks*

The checklists produced by the European Chemical Industry Council (CEFIC) for the filling and discharge of dangerous goods tank-wagons were submitted to the working group. These checklists describe in detail the individual steps of inspections to be carried out during the process of filling and discharge, and are hence useful in reducing the risk of drip leaks. The working group welcomed the checklists and it was decided to refer to them in RID under the obligations of the filler and loader.



### **13. Cooperation with other international organisations**

The RID section took part as an observer in both sessions of ECOSOC's Sub-Committee of Experts on the Transport of Dangerous Goods. The decisions adopted at these sessions will be reflected in the 18<sup>th</sup> revised edition of the UN Recommendations on the Transport of Dangerous Goods (UN Model Regulations) and will be included in the 2015 edition of RID in the context of harmonisation.

The RID section also attended part of the two sessions of the Working Party on the transport of dangerous goods (WP.15), the United Nations Economic Commission for Europe's (UNECE) decision-making body for amendments to the European Agreement concerning the International Carriage of Dangerous Goods by Road (ADR). The main aim of attending these sessions is to ensure that the RID/ADR/ADN regulations develop in parallel.

In addition, cooperation with the UIC Group of Experts on the transport of dangerous goods was continued in terms of preparatory meetings for the RID/ADR/ADN Joint Meeting and RID Committee of Experts.

## **V. TECHNOLOGY**

### **14. Committee of Technical Experts (CTE)**

The OTIF Secretariat convened the fourth session of the Committee of Technical Experts (CTE) on 14 and 15 September 2011. The Uniform Technical Prescriptions (UTPs) for freight wagons UTP WAG (including 32 annexes), noise emission limitations UTP NOI, assessment procedures UTP GEN-D, risk assessment procedures UTP GEN-G, and the Annexes to ATMF concerning certification of entities in charge of maintenance (ECM), Annex A, uniform formats of the technical certificates, amendments to the specifications for the National Vehicle Registers (NVR), etc. were items for adoption. In other words, all the documents (a total of around 1000 pages) containing the regulations necessary for carrying out technical admissions (approvals) of freight wagons and for the mutual recognition of certificates by all COTIF Contracting States were dealt with.

The EU had submitted a 30 page document which the Secretariat received on 30 August 2011, in which the EU set out its coordinated position on the documents, including requests for amendments; the Secretariat and the chairman had prepared a position paper on the EU document, indicating which proposals they supported or opposed and those which the Committee of Technical Experts should discuss and vote on.

Due to lack of time, discussions and decisions on the documents concerning noise limitations, certificate formats and amendments to the NVR were postponed to the fifth CTE in May 2012, with a preliminary discussion in WG TECH.

All the other documents were *unanimously* adopted together with the amendments proposed by the EU and the Secretariat.

The original English version of all documents was available, but some of the annexes to UTP freight wagon (UTP WAG) and the document on assessment procedures

(UTP GEN-D) were not available before the session in French and German. It was therefore decided that a formal vote using the written procedure would take place to adopt the French and German versions of UTP WAG and UTP GEN-D.

The documents adopted on the basis of all three language versions were notified to the Member States by 30 November 2011 and will enter into force on 1 May 2012, unless the Member States submit the number of objections stipulated in Article 35 § 4 of the Convention. The notifications can be found on the OTIF website.

## **15. Revision of the APTU and ATMF Appendices**

The amended versions of these Appendices, which are fully aligned with the corresponding EU technical regulations, entered into force on 1 December 2010.

As the reason for the EU Member States to declare that they would not apply these Appendices (COTIF Article 42) was the former incompatibility with EU law, these amendments should now enable the EU OTIF Member States (and Norway) to revoke their declarations according to Article 42 not to apply Appendices F (APTU) and G (ATMF). By the end of 2011, 5 EU Member States (A, DK, FIN, GR and PL) had already revoked their declarations.

In April 2010, the EU informed the Secretariat that all OTIF representation in ERA working parties had been suspended and OTIF soon realised that cooperation based on legal agreements concerning the joint VKM register on vehicle keeper marking had also ceased without any information or notice.

Following the agreement between OTIF and the EU on the EU's accession to the Organisation, which took effect on 1 July 2011, cooperation was partly resumed, including the joint VKM register. However, the Secretariat was still excluded from all the ERA working parties, although the Secretariat has since been invited to some open workshops.

Communication from ERA and the European Commission on what is going on in relevant areas (WPs) and in the EU regulations that are being developed is still very sparse and unreliable, which makes the work of the Secretariat difficult and not as efficient as it could be.

## **16. Consultation on the draft revised TSI freight wagon**

On 14 April 2011, the Secretariat was informed that this draft (preliminary draft version 1.0) was available for consultation. The Secretariat distributed it to the non-EU Contracting States and asked for their views, comments and proposals. On 7 July the Secretariat sent a comprehensive reply to the EU consisting of general comments and specific (technical) comments on the detailed provisions.

OTIF found the draft problematic in terms of implementing the new EU approach with a mandatory core part of the TSI containing a few functional requirements and a *voluntary* annex (Annex C) containing the known UIC leaflet requirements which have formed the basis for interoperability since 1922. These UIC requirements are relevant to 90% of wagons. For example, the core part did not contain specifications on the geometric interfaces between freight wagons, which would allow a wagon to

be built in accordance with the TSI without buffers or with a buffer height different to the UIC standard; this would be dangerous, as it might lead to derailments.

OTIF received a reply from the EU explaining that ERA had been asked to reply to the detailed comments. ERA's reply will cause some problems for OTIF when the TSI is transposed into OTIF rules. One of the problems is that the provisions of the draft TSI are based on the existence of an EU Safety Directive containing requirements on the mandatory safety certification of railway undertakings. COTIF does not contain such requirements. As at 23 February 2012, OTIF was still waiting for the Commission's reply to its general comments.

## **17. WG TECH**

WG TECH continued its work in 2011 with three meetings: two in Berne in March and May before the 4<sup>th</sup> session of CTE in September and one in Ljubljana in November.

The main items dealt with by WG TECH in 2011 were:

- UTP WAG, Rolling Stock - Freight Wagons, including 32 Annexes
- UTP GEN-D, General provisions, Assessment procedures (Modules)
- UTP NOI, Rolling Stock - Noise
- OTIF rules for certification and auditing the Entity in Charge of Maintenance
- Amendments to the National Vehicle Register document adopted at the 3<sup>rd</sup> session of CTE (February 2009)
- The problems arising from the General Assembly's decision to replace the word "ensure" with "ascertain" in ATMF Article 15 § 3
- Work programme of the CTE for 2012 and 2013.

WG TECH decided not to await the ongoing revision of the TSI WAG, which could take years, but to prepare the UTP WAG on the basis of the TSI WAG in force, although it is well known that the TSI WAG contains a considerable number of errors. Moreover, all the provisions applicable to the design of freight wagons which are in other TSIs will be included in UTP WAG, although these regulations are also being revised. Although the Secretariat had corrected some of the known and newly detected errors in the TSI WAG when taking over the texts into the UTP WAG and, on the advice of experts from stakeholder organisations and national authorities, had dealt in the text with the remaining open points (problem of full cross-acceptance), WG TECH decided to transpose the TSI into the UTP one to one, including the open points and errors – except where the errors might result in an obvious safety issue.

WG TECH continued the discussion on the wording in ATMF Article 15 § 3 and decided to amplify the Explanatory Report on Article 15 ATMF instead of changing the word "ensure" back to "ascertain" in the English version. This problem therefore remains to be resolved in 2012.

At the meeting in Ljubljana, it was decided to produce a draft proposal for regulations on derogations to be adopted at the 5<sup>th</sup> Committee of Technical Experts. ATMF Article 7a gives the CTE the competence to adopt rules on derogations. The background to this decision was a request from Serbia to include a transitional provision in UTP NOI as included in the corresponding TSI, thus giving the industry in non-EU Contracting States a similar transitional period to adapt to the new regulations.

## **18. Register, database and coding**

In accordance with the decision of the 3<sup>rd</sup> session of the CTE, the non-EU OTIF Member States were required to implement the National Vehicle Register (NVR) by 1 August 2010. Progress in implementation was reviewed in July in order to inform participants at the 4<sup>th</sup> session of CTE. Only 7 non-EU Member States (Albania, Bosnia and Herzegovina, Iran, Montenegro, Serbia, Switzerland and Turkey) had their NVR in place or at the development stage.

The NVRs will contain the data relating to the admission (approval) of a vehicle; the technical details will be included in a central type register. The specifications for the EU register of authorised (vehicle) types were issued in an EU Commission decision in October 2011.

## **19. Workshops for non-EU OTIF Member States**

In 2011, it was not possible to arrange an annual workshop in one of the non-EU OTIF Member States, owing to the lack of resources in the Technology section. These workshops are greatly appreciated by the participants. As indicated in the work programme, such workshops could only be held in future if a third technical officer were recruited to the section.

## **VI. FACILITATION OF RAIL BORDER CROSSING**

In 2011, the Rail Facilitation Committee (RFC) dealt with the options for action submitted by the OTIF Secretariat to remove obstacles to border crossing on Eurasian rail freight transport routes. These were based on the Secretariat's analysis of the initial situation, which was endorsed by the RFC, and on the Committee's three year work programme adopted in 2010.

According to the work programme, by September 2012 the General Assembly must be given an overview of all the scope for action that is possible within the framework of COTIF, within which the facilitation of border crossing can be achieved, the aim being to start putting the work into more specific terms in 2013 on the basis of a mandate in line with the order of priorities determined by the General Assembly.

Despite intense work, the RFC had to accept falling behind considerably with its work programme as a result of its inability to take decisions owing to the lack of a quorum (a third of all delegations) at its meeting in October. In order to fill in the gaps in the knowledge of all the delegations of the OTIF Member States that did not take part, and to make use of valuable time until the scope for action is submitted to the General Assembly, at the end of 2011 the Secretariat drafted supplementary explanatory informal documents to explain the "catalogue of measures" to be submitted to the General Assembly.

Owing to the strongly multidisciplinary nature of the subject matter the Committee deals with, targeted initial informal contact has been established with various other sectors and organisations, among which the World Customs Organization (WCO) is of particular note. Initial reactions have been very positive.

## **VII. INTERNATIONAL COOPERATION**

The Secretariat of OTIF maintains many contacts with numerous international organisations and associations, although of differing importance and intensity, depending on the subjects dealt with and the particular interest these subjects might have for OTIF. The following international organisations and associations are particularly concerned:

United Nations (UN)

- Sub-Committee of Experts on the Transport of Dangerous Goods (multimodal)
- United Nations Economic Commission for Europe (UNECE) – Inland Transport Committee (ITC) and its formal and informal Working Parties on Rail Transport (SC.2), Transport of Dangerous Goods – road/inland waterways (WP.15), Intermodal Transport and Logistics (WP.24), Customs Questions affecting Transport (WP.30) and Inland Transport Security
- International Maritime Organization (IMO)
- International Civil Aviation Organization (ICAO)
- United Nations Commission for International Trade Law (UNCITRAL)

World Customs Organization (WCO)

Organization for Security and Cooperation in Europe (OSCE)

International Transport Forum (ITF)

International Institute for the Unification of Private Law (UNIDROIT)

Economic Cooperation Organization (ECO)

Organization for Cooperation of Railways (OSJD)

International Rail Transport Committee (CIT)

International Union of Railways (UIC)

European Committee for Standardization (CEN)

Important events in 2011 in the context of cooperation are reported in the specialist sections.

# THE OTIF ORGANISATION

## VIII. GENERAL ORGANS OF OTIF

### 20. General Assembly

An extraordinary (10<sup>th</sup>) General Assembly was held in Berne on 22 and 23 June 2011 to approve the agreement on the European Union's accession to COTIF negotiated between the Secretary General and the European Commission (Art. 14 § 2 n) of COTIF). The representative of Switzerland was elected chairman. Through its good offices, Switzerland had contributed significantly to the successful conclusion of the negotiations on the conditions of this accession.

Following the General Assembly, which approved the accession agreement, the agreement was signed by the Secretary General of OTIF and a high-ranking representative of Hungary, which held the EU presidency at that time.

When it acceded, the EU made two unilateral written declarations. The first concerned the disconnection clause in Article 2 of the agreement and how the expression "the particular subject concerned" was to be understood. The other concerned the EU's competencies in the area of rail transport. As the accession agreement was drafted in 22 languages, the EU confirmed to the Secretary General, at his request, that all the versions in the EU languages were consistent with the original English text – the language in which the negotiations were held.

In addition, the Secretary General used the General Assembly to inform the Member States of current developments that are significant for the future of the Organisation (extending the scope, UNECE project on unified railway law), and to encourage the Member States to play a more active role in OTIF's various organs.

### 21. Administrative Committee

In 2011, the Administrative Committee met twice in Berne. Both sessions were chaired by the Czech Republic in the shape of Mr Michal Němec.

At its 115<sup>th</sup> session (11/12.5.2011), the Committee approved the 2010 Annual Report and Financial Management Report. On the basis of the approved accounts, the Committee set the definitive contributions for 2010 at SFr. 3,062,383.05.

At its 116<sup>th</sup> session (16/17.11.2011), the Committee approved the work programme for 2012/2013, the budget for 2012 and the provisional budget for 2013.

At these sessions, the Committee adopted the new version of the Rules of Procedure. It dealt with various personnel matters and adopted a number of amendments to the Staff Regulations and amendments to the Finance and Accounts Rules. Lastly, it approved making RID available free of charge on OTIF's website in "read only" format.

With regard to preparing the 11<sup>th</sup> General Assembly, the Committee discussed the call for applications for the post of Secretary General for the period from 1 January

2013 to 31 December 2015, and had initial discussions on the proposals relating to its composition for the period from 1 October 2012 to 30 September 2015.

## **22. Revision Committee**

The Revision Committee did not meet in 2011. However, following on from last year, other subjects that might need to be dealt with were pencilled in for the 25<sup>th</sup> session of the Revision Committee, which is planned for autumn 2013.

## **IX. COMMUNICATION**

### **23. Bulletin**

In the context of the Organisation's communication work and in accordance with Article 23 of COTIF, OTIF's Bulletin of International Carriage by Rail is the Secretariat's main medium for communicating official announcements and other information relevant to OTIF's work not already covered by accompanying communication methods used in respect of each of the organ's ongoing activities.

In spring 2011 the content and visual appearance of the Bulletin were given a make-over and after the new format was presented at the 115<sup>th</sup> session of the Administrative Committee in May 2011, the first electronic version replacing the former printed version was published. The next three editions were all published on time at the end of each quarter, which was a real novelty compared with previous years.

Since then, demand from the increasing number of subscribers for the Bulletin, which is now generally free of charge, has again increased. The clearest outcome of this is that the new direction and design has been accepted. At the same time, this form of publication leads to significant savings in the Organisation's budget.

### **24. Press**

On one hand, the ongoing public relations work launched in 2010 is developed through bilateral contacts with editors in the international specialised media. In 2011, these had to be stabilised and further developed at international level. On the other hand, the Organisation's activities were presented and communicated by active and direct distribution to a selected circle of journalists, as well as passive provision of the latest information on the focal points of OTIF's activities on the Organisation's website.

2011 showed some positive changes in how the Organisation is perceived by the relevant trade press. This is reflected in the way the strongly EU internal market-related view of the rail sector that used to exist is starting to be linked to geographically wider topics, as communicated by OTIF.

This now means that the Secretariat is also receiving queries from outside, which are aimed at publishing articles on rail policy subjects from the Organisation's perspective.

To improve awareness of the news on the one hand and of the press work on the other, a special section entitled "Press" was created on the Organisation's website,

although the "News" section has also been kept. This allows a clearer distinction between news that is limited to a short text and press releases which must, in principle, contain more background information and if possible, by means of additional graphical material, offer significant extra value in terms of understanding the content that is being communicated.

## 25. Internet

Throughout 2011, OTIF's website was regularly updated with 110 series of updates. By updating the website on an ongoing basis, the Secretariat aims to provide better information and to make the documents the web users need more accessible, thus giving them more reliable access to the latest data. This also helps make the work of the Member States easier. The Administrative Committee's decision to allow access to a "read only" version of RID was also followed up.

The Rules of Procedure of the Rail Facilitation Committee were made available under "**Organs**".

The main events concerning the Organisation were highlighted under "**News**", e.g.

News (5 reports published, marking current events in OTIF's area of business)

- The EU's accession to COTIF
- Luxembourg Rail Protocol – International Registry, Announcement of the successful bidder
- Legal certainty for Morocco and its neighbours
- The OTIF Bulletin enters the electronic age
- Armenia became the 47<sup>th</sup> Member State of OTIF on 1 July 2011.

The presentations given by the speakers from the Secretariat at the "**workshop**" dealing with the preparation of Pakistan's accession to COTIF, which was held in Islamabad on 7 and 8 December 2011, give an attractive and full overview of OTIF and the Convention.

Various court rulings were published under the heading "**Law**" – case law.

Activities in connection with "**Dangerous Goods**" were reflected by making available the various documents for the two sessions of the RID/ADR/ADN Joint Meeting, the 50<sup>th</sup> session of the RID Committee of Experts and the 12<sup>th</sup> session of the RID Committee of Experts' working group on tank and vehicle technology.

The following points were updated under "RID references on the OTIF website":

1.5.1.1: Temporary derogations (multilateral special agreements)

6.8.2.4.6: Recognised experts for performing tests and inspections on the tanks of tank-wagons



6.2.5: List of technical codes for pressure receptacles recognised by the competent authorities.

### **Technology**

Information on the work of the “Technology” section was kept up to date with the documents for the 4<sup>th</sup> session of the Committee of Technical Experts and the 13<sup>th</sup>, 14<sup>th</sup> and 15<sup>th</sup> sessions of the Committee of Technical Experts’ WG TECH working group. The Register of Vehicle Keeper Markings (VKM) was also updated on an on-going basis.

### **Publications**

The versions of COTIF 1999 (155 pages per language version) and the Explanatory Report (250 pages per language version), amended as at 1 January 2011, were made available online.

The new version of Appendix C – Regulation concerning the International Carriage of Dangerous Goods by Rail (RID), applicable from 1 January 2011 was published. For this the “RID” section prepared a navigable version for each language version, which makes the work of users considerably easier compared with the previous separate documents.

The summaries of Bulletin issues 3 and 4/2010 and the annual summary for 2010 were also published. Lastly, the 2010 Annual Report reflects activities in the previous year.

**Press** (9 press releases published on important activities of the Organisation)

## **X. FINANCES**

In the 2011 financial year, developments in the Organisation’s finances were completely satisfactory. There was increased willingness on the part of the Member States to pay their contributions in the form of an advance for the current financial year on time. In 2011, 73.4% were paid on time, compared with 68.18% in 2010. At the end of the 2011 financial year, eleven of the 47 Member States still owed part of their definitive contributions for 2010.

The accounts show that running costs were around SFr. 867,000.- less than in 2010 and around SFr. 20,000.- less than in the budget. These savings were due to careful budget management and the fact that there was less expenditure on the Organisation’s organs.

The accumulated value of the reserve fund at 31 December 2011 was SFr. 7,742,299.55, i.e. somewhat less than in 2010. The amount debited was used to round off the repayments to the Member States for their contributions for 2010.

Unfortunately, the situation reported last year, in which some Member States had not yet ratified the 1999 Protocol, and are therefore financially assessed in accordance with Article 11 § 1 of COTIF 1980, still prevails. Five Member States are concerned, although Iraq’s and the Lebanon’s membership is still suspended. The notional rate

per kilometre used to calculate these Member States' contributions rose to SFr. 9.223749 in 2011, and is therefore already SFr. 0.870625 higher than the rate for 2010. Thus the calculation mechanism proposed by the Secretary General and adopted by the 8<sup>th</sup> General Assembly is continuing to have an effect, which means that the States concerned do not profit financially from their position.

For more information, please refer to the 2011 Financial Management Report, which will be sent to the Member States after it has been approved by the Administrative Committee at its 117<sup>th</sup> session (23/24.5.2012).

## **XI. PERSONNEL**

In terms of the Secretariat's human resources, the engagement of interns, which began in April 2011, was an important step. In 2011, three interns worked in the OTIF Secretariat. The Secretary General set up these posts for interns with the agreement of the Administrative Committee, and the results have been very encouraging. All the interns have been very well qualified and have had knowledge and skills enabling them to make highly professional contributions to the work of several other members of staff in the Secretariat. This positive development is also endorsed by the fact that one intern has been able to take over the work of a member of staff who went on several months maternity leave at the end of 2011.

The Secretary General used internal instructions to issue personnel-related rules dealing with deputising roles, signatory powers and revision of the flexitime system. These also satisfied recommendations the auditors had made in their report of April 2011. The instructions also form one component of the so-called internal audit system (IAS) set up in detail in 2011.

The amendments to the Staff Regulations adopted by the Administrative Committee, which were also initiated by the Secretary General and which were again extensive, are covered in Chapter VIII. 21. The aim of the amendments was to modernise the existing provisions and to make them more specific and objective.

Another important event for the OTIF Secretariat in 2011 in connection with staff matters was the founding of the OTIF Staff Association, whose Statutes and Rules of Procedure entered into force on 15 November 2011. On the basis of these, the entire staff of the Secretariat elected a Staff Council on 14 December 2011. The Council consists of a chair, a deputy chair and one other member.

After a lengthy search and extensive selection interviews, in autumn 2011 the Secretary General found a successor for the head of the "Technology" section, who should already be retired. The Administrative Committee agreed to the appointment of the successor in December 2011 using the written procedure. The appointment takes effect on 1 May 2012.

In contrast, the head of the "Finance and Accounts" section appointed in April decided to resign in November 2011 after the Administrative Committee completely rejected a complaint she had lodged against the Secretary General.

The last point in the personnel area concerns the decision of the International Labour Organization's Administrative Tribunal in Geneva in connection with an appeal

submitted by a translator formerly employed in the OTIF Secretariat. The appeal was against a decision of the Secretary General which was endorsed by the Administrative Committee. The Administrative Tribunal completely rejected the appeal. The Secretary General had to conduct the case himself.

## **XII. HEADQUARTERS BUILDING**

In 2011, no major construction work was carried out on or in the OTIF Secretariat's headquarters building in Berne. However, one important development was that the building was connected to the fibre-optic cable network that was laid in the surrounding area of the city at the beginning of the year. This means that as soon as the fibre-optic network is in operation (likely to be in mid 2012), the OTIF Secretariat will be able to use the most up to date cable technology.

As an interim solution with a comparable performance, the building's internal IT and communications systems have been connected to a coaxial cable. This has increased the bandwidth by a factor of 25, which is helpful in overcoming the transmission bottleneck that has occurred.

Lastly in relation to the building, the Secretary General prepared a decision to make the building a "smoke free zone". The decision was requested by a member of staff and came into effect on 16 January 2012 after the Staff Council had been properly consulted.

