

Organisation intergouvernementale pour les transports internationaux ferroviaires (OTIF)

Zwischenstaatliche Organisation für den internationalen Eisenbahnverkehr (OTIF)

Intergovernmental Organisation for International Carriage by Rail (OTIF)

Annual Report



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Annual Report

2012

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SUMMARY

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I. INTRODUCTION

The 2012 Annual Report shows that despite a period marked by the absence of the previous Secretary General during the last four months of his term of office, the teams at OTIF carried out their various activities successfully and contributed to the Organisation's standing.

This was particularly the case with the technical section, which renewed links with the European Commission and ERA, and whose work on the UTP wagons is of great importance in the development of freight transport activities.

In addition, the section that deals with the transport of dangerous goods was able to find a way of adapting its working methods so that the representatives of the European Commission can be involved as much as possible, while giving the experts from the various Member States the opportunity to express their points of view and use their valuable experience to everybody's benefit.

At the head of the legal section during the period in which he acted as Secretary General, Mr Kafka succeeded in safeguarding the Organisation's interests and in contributing, as always, to maintaining activity in the various sections, while providing the whole Organisation with the benefit of his legal expertise.

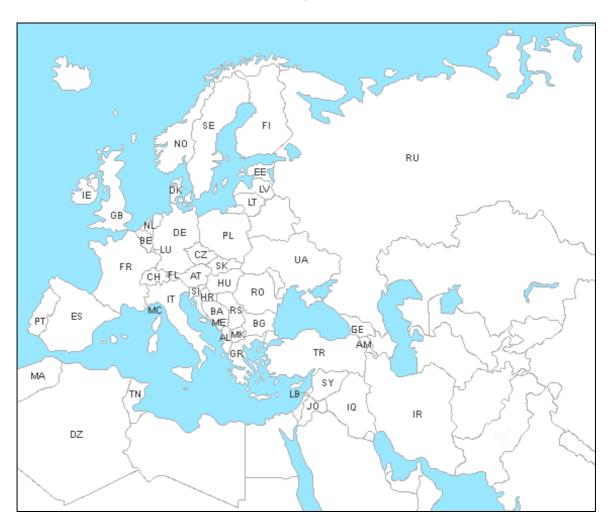
2013 was Mr Kafka's last year at OTIF. This Annual Report would not be complete without paying tribute to the very high quality of the contribution he made to the development of a uniform legal regime for international rail transport and without underlining his very great personal qualities, which played a large role in his success in this post and which those who worked with him will always remember with pleasure.

II. SCOPE OF APPLICATION OF COTIF

1. Member States of OTIF

At the end of 2012, OTIF had 48 Member States, one of which is an associate member, and one regional economic integration organisation (European Union).

Georgia's accession to COTIF took effect on 1 May 2012. In accordance with Article 1 § 6 of CIV/CIM, Georgia reserved the right to apply the Uniform Rules on only part of its territory. For the Caucasus region, it is important that the section of the Baku-Tbilisi-Kars corridor situated on Georgian territory, i.e. the 244 km section between the border stations of Gabardani (on the border with Azerbaijan) and Kartsaki (on the border with Turkey) be subject to the CIM and CIV Uniform Rules as soon as it starts operating. In addition, Georgia will apply the CIM UR to the lines between the ports of Poti and Batumi and their respective freight stations. The only other Appendix Georgia will apply is Appendix C.



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

2. Extension of the scope of application

For some time, **Azerbaijan** has been signalling its interest in acceding to COTIF in connection with the construction of the Baku-Tbilisi-Kars railway line, and is preparing to become a member of OTIF. As this railway line will be finished in 2013 or by the beginning of 2014 at the latest, it is anticipated that Azerbaijan will apply for accession to COTIF in the near future.

Turkmenistan, **Uzbekistan** and **Kazakhstan** have developed projects for linking up to the Baku-Tbilisi-Kars line. To this end, train ferries will operate on the Caspian Sea, linking Baku and Aktau (Azerbaijan and Kazakhstan) and Baku and Turkmenbashi (Azerbaijan and Turkmenistan) with railway lines as far as Navoi (Uzbekistan). In view of these developments, OTIF has described to these States the advantages that acceding to COTIF would bring.

Pakistan confirmed its intention to accede on several occasions and this intention has now become reality. The government of Pakistan took the decision of principle to initiate negotiations on acceding to COTIF. Pakistan's accession is of great importance to OTIF because in addition to the extended geographical scope of application of OTIF's legal regime, it will enable OTIF to reach a new region of the world and get other States in this region interested in OTIF. The 11th General Assembly (Geneva, 19/20 September 2012) dealt with the question of Pakistan's accession to COTIF. It actively supported the accession and instructed the Administrative Committee to seek solutions to speed up the process as much as possible.

Pakistan finally cemented this process with an application for accession dated 21 February 2013. Pakistan's accession, which is limited to the CIM Uniform Rules, should therefore take effect on 1 September 2013.

In 2012, the Secretariat also directed all its attention to the States of the Arab Peninsula (Saudi Arabia, Bahrain, United Arab Emirates, Kuwait, Oman, Qatar). The six Member States of the GCC (Gulf Cooperation Council) are interested in acceding to OTIF, which its General Secretariat confirmed in a letter to the Secretary General of OTIF. The GCC also requested a document containing information on the Organisation's tasks and objectives, the main elements of COTIF and its Appendices and the possibilities for accession and the financial consequences. The Secretary General sent this information and proposed a memorandum of understanding to the GCC, which reacted very favourably. The participation of representatives from Saudi Arabia, the United Arab Emirates, Oman and Qatar as observers at OTIF's 11th General Assembly confirmed these States' interest in accession.

In addition, the Secretariat maintains informal contacts with representatives from Moldova, Belarus, India, Bangladesh and China.

III. APPLICATION OF COTIF

1. Status of ratifications of COTIF 1999, application of the various Appendices

In 2012, OTIF had 42 Member States of COTIF 1999. Five Member States which, unfortunately, have not yet ratified COTIF 1999, remain Member States of COTIF 1980 (Iraq, Ireland, Italy, Lebanon and Sweden). The membership of two of these States is suspended (Iraq and Lebanon). The CIV and CIM Uniform Rules have been suspended in traffic with and between these five Member States.

After the entry into force of the versions of Appendices E (CUI), F (APTU) and G (ATMF) adapted to EU law (on 1 December 2010), the European Commission recommended that the EU Member States should withdraw the declarations they had made in accordance with Article 42 § 1 of COTIF concerning the non-application of Appendices E, F and G.

In 2012, six Member States withdrew their declarations on these three Appendices with immediate effect (B, BG, H, L, NL, SLO). One Member State which has again applied Appendix E since 1 January 2012 also withdrew its declaration concerning Appendices F and G with effect from 1 January 2013 (D). At the end of 2012, application of the various Appendices to COTIF was as follows:

- 28 Member States of OTIF applied all seven Appendices;
- since 1 December 2010, one Member State had applied all the Appendices except ATMF (application suspended by virtue of Art. 35 § 4 of COTIF);
- 10 Member States only applied Appendices A, B, C and D;
- one Member State only applied Appendices A, B and C;
- one Member State only applied Appendix B.

2. Networks and lines subject to COTIF

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

Up to now, four Member States have made use of the possibility of limiting the application of the CIV and CIM Uniform Rules (reservation on the scope of application in accordance with Article 1 § 6 of the CIV/CIM): Estonia, Ukraine, Russia (which only applies CIM) and most recently, Georgia. The Secretary General keeps the CIV/CIM lists of railway lines (Art. 24 § 2 of COTIF) for this purpose.

In 2012, the Ukraine informed OTIF of the deletion of the railway line from Uzhgorod to Chop from its CIV chapter and inserted the new line from Uzhgorod to Matevce (on the Ukrainian border) in its CIM chapter.

Up to now, 13 Member States have included **maritime and inland waterway services** in the corresponding CIV/CIM chapters in accordance with Article 24 § 1 of COTIF 1999. **In**

2012, following a change to the company operating the Wilhelmshaven – Helgoland route, the CIV chapter for Germany was reissued.

With regard to the CIM list, the Ukraine inserted the Illichivsk – Samsun maritime route, with the tacit agreement of Turkey. However, it turned out that the conditions necessary by virtue of Article 24 § 3 of COTIF had not been met. The Illichivsk – Samsun ferry line operated by *UPM nakliyat ve diş tic. Ltd. Şti* (*UPM Transportation and Foreign Trade Ltd.*) could not therefore be added to the Ukraine and Turkey chapters of the CIM list of maritime and inland waterway services.

Schematic maps are now available on OTIF's website under "Publications".

IV. LAW

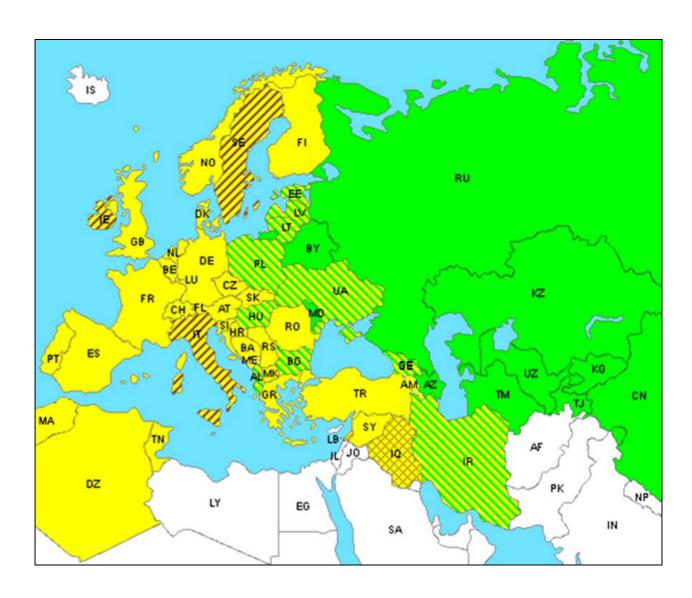
1. General

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:

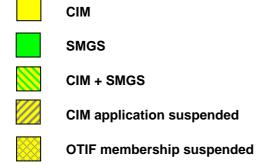
Depositary functions: The Depositary's functions were shaped by the following events: extending the scope of COTIF in the Caucasus region, withdrawal of six EU Member States' declarations concerning the non-application of Appendices E, F and G and the registering of COTIF 1999 with the UN Secretary General.

Interoperability of transport law – uniform railway law: the main project is the CIT/OSJD project to make CIM/SMGS transport legally interoperable. OTIF supports this project in the CIM/SMGS Legal Group and Steering Group. Use of the CIM/SMGS consignment note introduced in 2006 is becoming increasingly widespread, particularly for container traffic.

Up to now, only the CIT (CIM Committee) has accepted the new special CIM/SMGS liability conditions which OTIF helped prepare. As there is no unanimity within OSJD, the two organisations responsible for the project have not yet been able to agree a date of entry into force.



Application of CIM and SMGS



Other SMGS States:

- Mongolia North Korea Vietnam

2. UNECE project on "unified Euro-Asian railway law"

In March 2011, the UNECE Inland Transport Committee approved the vision and approach set out in the Working Party on Rail Transport's (SC.2) position paper on unifying railway law in the Euro-Asian region. It also decided to establish a Group of Experts on this subject.

The Group of Experts, set up under the chairmanship of the Russian Federation, met twice in 2011 and 2012, with the aim of preparing an intergovernmental document/political document (completion of phase I of the three stages envisaged) so that it could be opened for signature at the session of the Inland Transport Committee in 2013.

Finally, at its fourth session in October 2012, the Group of Experts finalised the draft joint declaration on the promotion of rail transport between Europe and Asia and the activities carried out to achieve this. This draft was then approved by the UNECE Working Party on Rail Transport in November 2012, and was subsequently opened for signature on 26 February 2013 at a ministerial meeting held on the occasion of the 75th session of the UNECE Inland Transport Committee.

This declaration, which has been signed by 37 countries, constitutes the expression of the political will of these States to implement the five point strategy described in the declaration in order to establish legal conditions for railway transport equivalent to those existing for competing modes, such as road, air, inland waterways and maritime transport.

In parallel and as a complementary direction, these States also invited interested railway enterprises, other stakeholders and international railway organisations and associations to pursue work on the development of general terms and conditions of transport for Euro-Asian rail transport (GTC EurAsia). These general terms and conditions of transport will be developed in conformity with the existing law. Following the model of the work carried out in connection with the common CIM/SMGS consignment note developed by CIT and OSJD, these general terms and conditions will seek to include common application provisions likely to cover a single contract of carriage.

It goes without saying that OTIF has taken a very active part in the UNECE project on "Unified Euro-Asian railway law" in general and in the various preparatory stages of the draft political document in particular, both orally at meetings and in writing by communicating its proposals to the UNECE Secretariat. OTIF fully supported the approach endorsed by the UNECE and used all its influence to ensure that this UNECE project moves forward.

Armenia, Azerbaijan, Belarus, Belgium, Bosnia-Herzegovina, Bulgaria, Croatia, Cyprus, Czech Republic, Estonia, Finland, France, Germany, Greece, Italy, Kazakhstan, Kyrgyzstan, Latvia, Lithuania, (FYR of) Macedonia, Malta, Moldova, Mongolia, Netherlands, Pakistan, Poland, Portugal, Romania, Russian Federation, Serbia, Spain, Sweden, Switzerland, Tajikistan, Turkey, Ukraine and Uzbekistan.

OTIF welcomes the signature of this declaration and the continuation of the work towards achieving unified railway law between Europe and Asia. As in previous years, OTIF will participate actively in this work and will contribute all its expertise with a view to strengthening cooperation in the field of rail transport between Europe and Asia and to securing a single legal regime for rail transport from the Atlantic to the Pacific.

In addition, the 11th General Assembly mandated the Rail Facilitation Committee to monitor the development of this project in the future.

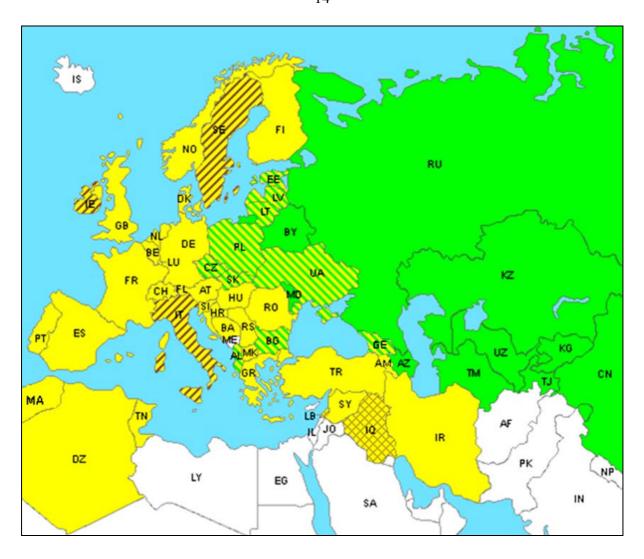
3. Harmonisation of CIV/SMPS transport law

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. This issue has since been examined informally at three meetings of experts, the first of which was held in Warsaw on 20 and 21 February 2012.

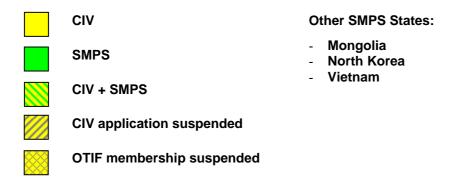
The starting point for this work is a comparative analysis of the CIV and SMPS legal regimes, including Regulation (EC) No 1371/2007 on rail passengers' rights and obligations ("PRR"). Like the representatives of the European Commission, OTIF participates actively in this process, which has not yet been concluded. A comparison of the SMPS-COTIF/CIV-PRR liability regimes, with a commentary, will first be prepared in the form of a table.

The CIV/SMPS routes are listed and the contracts concluded between railway undertakings for traffic on these routes are analysed with the aim of preparing a fact sheet for passengers and model contracts for the involvement of rail transport undertakings.

OTIF is of the view that this work is very useful to the extent that, with regard to the interaction between the PRR and CIV, and the interaction between these two sets of regulations and SMPS, a common interpretation will enable existing difficulties of interpretation or those resulting from the use of different terms to be eliminated.



Application of CIV and SMPS



4. CIM – Electronic consignment note

For road transport, the additional protocol to the Convention on the Contract for the International Carriage of Goods by Road (CMR) concerning the electronic consignment note entered into force on 15 June 2011. In order to broaden use of the electronic consignment note in international rail transport, it would seem necessary to examine the current legal basis, particularly Article 6 § 9 of CIM and, if necessary,

to amend and supplement the CIM UR and the Explanatory Report and the CIT texts concerned.

To this end, representatives of OTIF supported the work of the CIM Group of Experts – Electronic consignment note, which was set up by CIT. The main objective of this group was to adapt the provisions of CIM to this subject so that in future, the electronic consignment note has absolute priority over the paper consignment note. Over the course of three sessions (31 January, 9 May and 30 August 2012), draft articles on the form of the consignment note and numerous subsequent amendments to CIM were prepared, and Article 6 § 9 was deleted at the same time. The group also noted that for the report according to Article 42, the electronic form should be envisaged primarily, and it proposed a text accordingly. The question of the repercussions of the anticipated amendments concerning the use of electronic documents for the transport of dangerous goods will be submitted to the RID Committee of Experts. The future of the consignment note as a customs document in the EU's common transit procedure (Article 6 § 7 of CIM) depends on progress in terms of the innovations that are envisaged for EU customs (DG TAXUD).

With regard to the question of an analogous approach for CIV (electronic ticketing), it appears that in this case, the text of Article 7 § 5 of CIV poses no problems and that an addition to the Explanatory Report should suffice.

5. Registry of Interests (Luxembourg Protocol)

In 2011 negotiations started between the team nominated by the Preparatory Commission (PrepCom) in its capacity of provisional supervisory authority of the above-mentioned Protocol (double chairmanship of the Commission, secretariats of OTIF and UNIDROIT, Rail Working Group) and the representatives of SITA NV, the future registrar, on setting up and maintaining the Registry. These negotiations were vigorously pursued in 2012. Despite a great deal of contact by e-mail and a series of meetings and teleconferences, it was not possible to submit a definitive draft agreement to the PrepCom in 2012.

However, the current status of the negotiations leads us to believe that they will be concluded in 2013, which brings to the fore the question of the entry into force of the Protocol and the inauguration of a supervisory authority. That is why the representative of OTIF has developed, in anticipation, an interpretative document containing the first drafts of the statutes of the supervisory authority and the rules of procedure for its meetings, which will be submitted to the Administrative Committee and then to the General Assembly.

V. DANGEROUS GOODS

1. RID/ADR/ADN Joint Meeting

The RID/ADR/ADN Joint Meeting, which held two one-week meetings in 2012, develops harmonised European 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.

2013 Edition of RID

The final decisions on the 2013 edition of RID/ADR/ADN at the Joint Meeting in March mainly concerned the resolution of problems noted in connection with the 2013 amendments to RID/ADR/ADN. It was also possible to include a special provision on the carriage of damaged lithium batteries, which is becoming very important as a result of the increasing use of such batteries in vehicles. These might be batteries where the manufacturer has noticed defects that might affect safety or which have been damaged in an accident, for example.

2015 Edition of RID

In addition to the final decisions on the 2013 edition of RID, ADR and ADN, the RID/ADR/ADN Joint Meeting also discussed various problem areas that should be looked at and resolved in the 2015 edition. One of these problem areas is the complete revision of the RID/ADR provisions on carriage in bulk, the basis for which should be the multimodal system of the UN Model Regulations.

2. 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 2012, the RID Committee of Experts held two meetings, the first of which dealt with the final adoption of the 2013 amendments to RID.

Detection of derailments

The RID Committee of Experts' meeting in May 2012 took another decision on the detection of derailments. The first decision on this issue dates back to the 47th session of the RID Committee of Experts in 2009, where specific provisions were adopted for a provisional date of entry into force of 1 January 2013. At the request of the European Commission, the period up to the provisional implementation was to be used to carry out some studies to compile the safety measures implemented by various railway undertakings and infrastructure managers to prevent derailments or to mitigate the consequences of a derailment.

The basic message of the European Railway Agency's (ERA) conclusion on the basis of these studies was that of the short, medium and long term measures investigated, derailment detection was not the preferred solution. The most effective short term measure was considered to be the correct implementation of the safety management and maintenance system already prescribed in EU Directives, which in itself would prevent up to 26% of derailments. Among the medium term measures, four technical measures would have the potential to prevent or reduce derailments more effectively than derailment detectors. These were detectors to establish uneven weight distribution and defective wheel profiles, bearing acoustic monitoring detectors, detectors to establish the atypical dynamic behaviour of wheelsets and the introduction of roller cages made of polyamide.

Coordination among the EU Member States on the basis of ERA's conclusion had revealed that at present, the European Union did not support the mandatory introduction of derailment detectors. It should be left up to the sector to decide which measures should be introduced on a voluntary basis in the context of the safety management system.

The RID Committee of Experts again reinforced its aim of including provisions for the detection of derailments in RID, but agreed to defer the entry into force of the provisions for two years. This time should be used for further investigations, particularly on making use of telematics applications to detect derailments. For the 2013 edition of RID, it was also decided to include a provision dealing with the voluntary use of derailment detectors.

Safety obligations of participants

The RID Committee of Experts also took a number of decisions concerning the safety obligations of participants in Chapter 1.4. In order to ensure that closing devices are leakproof before and after filling, fillers and loaders would have to develop procedures for checking that the closures on the tanks of tank-wagons were working correctly. For this purpose, the European Chemical Industry Council (CEFIC) had published checklists for tank-wagons for liquids. These checklists described in detail the various steps of the inspections or tests to be carried out during filling and discharge procedures and were published on OTIF's website. The aim of this measure was to prevent drip leaks during transport that might require intervention by the emergency services or even lead to a line closure.

Those tests and inspections that the carrier had previously only had to carry out as "representative checks" when taking over dangerous goods at the point of departure would now have to be carried out systematically for all consignments.

Changing the RID Committee of Experts' working methods

As a result of the problems in the internal EU coordination of meetings of the RID Committee of Experts, it was decided that the annual sessions would be held in the form of a working group (standing working group of the RID Committee of Experts). Only the last session of a biennium (generally in May of an even numbered year) should be held as a session of the RID Committee of Experts, at which all the decisions prepared by the working group should be adopted. This approach would make it possible to have open discussions in the working group, which would not be finally binding on the European Union, but would lead to a text for amendments to RID supported by the majority.

3. RID Committee of Experts' standing working group

Harmonisation of RID and Annex 2 to SMGS

The first session of the RID Committee of Experts' standing working group was held in Riga from 12 to 15 November 2012 and dealt primarily with the further harmonisation of RID and SMGS Annex 2.

At the beginning of the millennium, a large degree of consistency between the two sets of dangerous goods regulations was achieved by aligning the structure of SMGS Annex 2 with the restructured edition of RID. This new structure means that it is now possible to transpose all subsequent amendments from RID into SMGS Annex 2 considerably more quickly, so the dates of entry into force of the versions revised every two years are now only separated by six months.

The basis for the work on further harmonisation was a synoptic table prepared by the representatives of Latvia and Poland showing the differences between the two sets of dangerous goods regulations, which the working group discussed point by point. This discussion would first be continued in an ad hoc OSJD working group, to which those OTIF Member States that were interested would be invited, and then a condensed document showing the differences would be submitted to the 2nd session of the RID Committee of Experts' standing working group (Copenhagen, 18 – 22 November 2013).

Rail accident in Kijfhoek

The representative of the Netherlands submitted a report to the standing working group on a railway accident that had occurred at a marshalling yard in Kijfhoek on 14 January 2011 in which a tank-wagon containing ethanol had been gutted by fire. Two groups of wagons, each comprised of four wagons, had rolled onto their marshalling track too fast and had collided with the wagons that were already on this track.

Firstly, the accident investigation had revealed that the information at marshalling yards with respect to the precise position of wagons containing dangerous goods was insufficient, and secondly, that crash-buffers would have limited the extent of the damage.

After a preliminary discussion, the representative of the Netherlands was asked to draft a proposal specifying the groups of products to which the special provision concerning the fitting of crash-buffers should apply. At present, this special provision only applies to very dangerous substances, for which tanks with a high calculation pressure are prescribed.

Carriage of coal in bulk

In rail transport, coal is usually carried as non-dangerous goods in open wagons. In 2011, there were a few minor incidents involving coal being carried in inland waterway transport on the Rhine in Germany, in which coal being carried in bulk selfignited. As a result, it was noted that the coal being carried met the classification criteria of Class 4.2, packing group III. Carrying coal as dangerous goods of UN number 1361 would mean that in future, for carriage by rail, sheeted wagons or movable roof wagons would have to be used instead of the open wagons used at present. At the moment though, there are not enough such wagons.

It was agreed that consideration should be given to a general exemption in RID for coal, provided certain conditions, e.g. the level of the loading temperature and limiting the duration of the transport operation were observed. This exemption would avoid having to carry out burdensome tests on each type of coal being carried, which came from all parts of the globe. Until such a provision was included in RID, the current practice of using open wagons should be legalised by concluding a multilateral special agreement.

4. 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 rail transport in tanks following several serious accidents.

One of the topics at the meeting of this working group in May 2012 was the railway accident that occurred on 29 June 2009 in Viareggio, on which the representative of Italy submitted the final report. While it had been possible to determine what had caused the accident, investigations into the question of the object that had perforated the tank were still pending. The Italian accident investigation authority had drafted 11 recommendations in all, ten of which concerned international legislation.

In the discussion on the recommendations, the working group established that only a small part of them might have an influence on the legal framework of RID, while the majority were aimed at improving general rail safety, which has to be discussed in the European Commission's RISC Committee. For the latter recommendations, it would also first have to be checked which of them were covered by already existing or forthcoming EU provisions and the extent to which these provisions had also been taken over into the uniform technical prescriptions of the technical Appendices to COTIF.

In order to hold a fundamental discussion on recommendations concerning RID, the representative of Italy was asked to analyse each of the current provisions and, where necessary, to prepare specific proposals for amendments.

5. 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 18th 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.

VI. TECHNOLOGY

The technology section performs the tasks attributed to the Organisation in Appendices F and G to the Convention. It develops, updates and improves rules, procedures, registers and technical provisions for the benefit of international traffic by rail. Decisions relating to the work of the technology section are prepared by the standing working group technology (WG TECH) and taken by the Committee of Technical Experts (CTE).

1. Commission of Technical Experts (CTE)

On 22 and 23 May 2012, the CTE held its 5th session in Bern. The following documents, including the 'freight wagon package' (UTP WAG and UTP NOI), were adopted:

- UTP WAG Annex PP. The core text and other annexes had already been adopted at the 4th session of the CTE. After it was notified, the complete UTP WAG subsequently entered into force on 1 December 2012.
- UTP NOI: ROLLING STOCK NOISE. After it was notified, this subsequently entered into force on 1 December 2012.
- Uniform format of certificates (Design Type Certificate & Certificate of Operation). After it was notified, this subsequently entered into force on 1 December 2012.
- Amendments to the specifications for the National Vehicle Registers (NVR) were initially adopted in German and English only. The French version had to be reviewed in order bring the terminology into line with the corresponding EU regulation. The French version was adopted using the written procedure, after which the document was notified in all three languages and prepared for entry into force on 1 March 2013.
- Explanatory note to ATMF, Article 15 § 3 "ensure or ascertain". This was forwarded to the Revision Committee, which has the competence to adopt it as an explanatory note on ATMF.

At its 5th session, the CTE set the following priorities for OTIF's technology section:

- 1. Transposition of the TSI WAGONS (revised) into UTP
- 2. Dealing with errors in UTPs (coordinate the work between OTIF and EU)
- 3. Derogation rules
- 4. Notification of national rules
- 5. Registers

- 6. Implementing the ECM certification rules
- 7. Updated version of Annex PP (aim: in force on 1 January 2014).

2. Standing working group technology (WG TECH)

WG TECH met three times during 2012. The 16th session in February 2012 was dedicated to the preparation of the CTE's 5th session. At its 17th session in September 2012 WG TECH set up the ad-hoc safety subgroup. The 18th session took place in Košice (Slovakia) in November 2012. WG TECH dealt with all the priorities defined by the CTE.

Developments on the revision of the UTP WAG are explained in more detail in the next section of this document. Developments on other priorities set by the CTE are listed below:

- Dealing with errors in UTPs: a process has been developed in coordination with ERA/EC. It has been agreed with WG TECH and will be presented for information to the CTE. Adoption in the CTE is not considered necessary because the process implements provisions already set out in the Convention (APTU Article 8a) and can be applied immediately.
- Derogation rules: WG TECH prepared a document ready for adoption by the CTE.
- Notification of National Technical Requirements (NTRs): according to Article 12 § 1 of the APTU, Contracting States must notify the Secretary General of those of their existing national technical requirements (rules) in force which they wish to continue to apply as mandatory. The initial date set for the Secretary General to receive such notifications was 1 March 2011. As the response to the request for notifications was poor, the CTE decided to extend this deadline to 31 October 2012, which was communicated to the Contracting States in a circular letter dated 13 September 2012. It was agreed with the EU that their NTRs would be published in their public database. There was no response to this circular letter from non-EU Contracting States. The Contracting States that have not notified any NTRs at the time of this report are: Albania, Algeria, Iran, Liechtenstein, Monaco, Syria, Tunisia, Turkey and the Ukraine.
- Registers: the VKM register and the ECM register are operational and accessible via the OTIF website. OTIF has started discussions and will pursue closer cooperation with the EU on joint registers.
- Implementing the ECM certification rules: ATMF Annex A: Certification and Auditing of Entities in Charge of Maintenance (ECM) has been in force since 1 May 2012.
- Updated version of Annex PP: this updated version was included in the draft revised UTP WAG.

3. Draft revised UTP WAG and the ad-hoc safety subgroup

After considering different scenarios, WG TECH decided to prepare a fully revised version of the UTP WAG. It subsequently decided that the revised UTP WAG should follow the same principles as the revised WAG TSI, including the technical freedom offered by the revised TSI.

This technical freedom requires the inclusion of operational parameters for the safe use of wagons. Such parameters should cover train composition and ensure that wagons are used within their conditions and limits of use as specified in the technical file. An ad-hoc safety subgroup was created to analyse these elements. Some of the conclusions reached are given below:

In order to maintain the safety level of the rail system:

- All wagons, irrespective of their design, must meet the essential requirements in their design operating state.
- It is the task of the rail transport undertaking to use each vehicle correctly, in accordance with its limits and conditions of use.
- Contracting States should supervise the activities of rail transport undertaking(s) operating in their territory.

When introducing safety management provisions into OTIF regulations, a step by step approach was considered preferable. The ad-hoc safety subgroup recommends:

- As a first step, to revise the UTP WAG to include provisions relating to train composition and the safe use of wagons.
- Secondly, to consider any necessary amendments to ATMF and its explanatory notes.²
- Thirdly, to consider the development of UTP OPE.

Consequently the draft revised WAG UTP will include safety management provisions which are necessary for the correct use of wagons. These provisions are based on the provisions in the OPE TSI which are relevant to wagons.

The draft revised UTP WAG is being prepared for a vote at the 6th session of CTE to be held on 12 and 13 June 2013.

If a type of wagon which has been legally authorised/admitted for service is not compatible with a rail transport undertaking's fleet or operational environment, it may not be possible for this rail transport undertaking to operate this type of wagon. With regard to this conclusion, the Revision Committee should review ATMF Article 17.

4. International cooperation

Relations with the European Railway Agency and the European Commission have been normalised and strengthened. Several bilateral and trilateral meetings have taken place with the aim of aligning activities. During the development of OTIF documents there has been continuous coordination between the Secretariat, the European Commission and the European Railway Agency.

In the preparation phase of the revision of UTP WAG, the technology section organised several meetings in order to exchange views with different stakeholders. A meeting was organised in Belgrade, with the participation of Serbia, Bosnia and Herzegovina, the Former Yugoslav Republic of Macedonia and Montenegro. Another meeting was held in Frankfurt, with the participation of CER and UIP. In addition, bilateral discussions were held with wagon keepers operating across EU borders.

In October 2012 the technology section was represented as an observer at the annual meeting of the OSJD Commission on Infrastructure and Rolling Stock.

5. Consultation on draft EU regulations

In 2012 the European Commission included OTIF in the consultation on the draft revised LOC&PAS TSI and the draft revised SRT TSI. The comments received from the OTIF Member States were forwarded to the European Commission.

6. Staff

During 2012 the technology section consisted of two staff members. On 1 May, a new head of section (Mr B. Leermakers) was appointed to replace Mr Raff, who retired. In the summer of 2012, a vacancy notice for a third staff member in the technology section was issued. The deadline for applications was set for the end of 2012 and a third staff member is expected to take office in 2013.

7. Status overview of activities

The tables below provide an overview of the mandated activities as set out in the Convention and indicate their respective status at the end of 2012.

APTU

Item	Related section in the Convention	Status
1	Articles 4, 6 and 8: UTP development and adoption. CTE shall prepare UTP, assisted by working groups and the SG. CTE shall decide on adoption. Adopted UTP shall be published, together with a list of UTPs in force.	Ongoing work.
2	Article 5: validation and publication of technical standards and Article 6: Adoption of UTP	Ongoing work. In practice, standards are only validated by the reference to these standards in UTPs.
3	Article 8a: correction of UTP deficiencies	Process developed in 2012, agreed in WG TECH and is scheduled to be presented for information to CTE 6
4	Article 12 § 1: publication of National Technical Requirements (NTRs) in a data bank. CSs shall inform SG. SG shall publish in the data bank.	As per the decision of CTE 5, the dead- line for notification was extended to 31.10.2012. A circular letter was sent to remind
		Contracting States of their duty to notify NTRs→ poor response from Member States.
		Data bank not established. The NTRs applied should first be clearer.
		OTIF plans to investigate this issue in more detail.
5	Article 13 § 1: classification of NTRs According to the three groups (A, B and C) set out in Annex 2 to APTU	Notification of NTRs (item 4) should first have been completed.
	CSs and regional organisations shall cooperate with CTE and the SG, under the responsibility of the CTE.	
6	Article 13 § 3: reference document, cross-referring all notified NTRs. Also referred to as 'the equivalence table'	Notification of NTRs (item 4) and their classification (item 5) should first have been completed.
	According to the 14 categories set out in Annex 1 to APTU	
	CTE shall ensure that document is drawn up. It shall be published on the web by the Organisation.	

ATMF

Item	Related section in the Convention	Status
7	Article 4 § 2: prescription of the assessment elements for the assessment of UTP provisions for a construction. CTE shall define.	Assessment modules have been adopted and UTP GEN-D entered into force on 01.10.2012.
8	Article 5 § 5: publication of national bodies which have been notified to carry out assessments, verifications and approvals.	OTIF will remind its MSs to notify these bodies.
	CSs shall ensure that the SG is informed, who shall then publish.	
9	Article 7a: guidelines and mandatory provisions for derogations.	Draft document was prepared for adoption in CTE5, however it was concluded
	CTE shall adopt.	that modifications were needed. The document has been reviewed by WG TECH and prepared for adoption in CTE6.
10	Article 10 § 11: publication of the information relating to the partial application of UTPs in case of renewal or upgrade, notified by Contracting States to the Secretary General.	No notifications received from MSs.
	CSs shall notify the SG, who shall publish on the web.	
11	Article 10b: publication of national or regional provisions for assessments and declarations which are supplementary to the provisions adopted by the CTE.	UTP GEN-D sets out assessment procedures, it has been adopted by the CTE and entered into force on 01.10.2012.
	MSs to notify the SG, who shall inform the CTE and publish.	
12	Article 12 § 1: prescription of the formats of 'design type certificate' and 'certificate of operation'.	These prescriptions have been adopted by the CTE and entered into force on 01.12.2012
13	Article 12 § 1: prescription of the formats of the declaration of UTP conformity.	Annex 1 to UTP GEN-D 'declaration of conformity'.
	CTE shall prepare and adopt.	Entry into force 01.10.2012
14	Article 12 § 1: prescription of the format of the 'assessment report' relating to the application for admission of a vehicle	UTP GEN-D stipulates requirements for declarations, the format for 'assessment report' has not been established.
	CTE shall prepare and adopt.	
15	Article 13 §§ 1 and 4: register of authorised types and design types including its functional and technical architecture.	No activity so far. OTIF is closely monitoring developments in the EU.
	CTE shall establish functional and technical architecture.	
16	Article 13 §§ 2 and 4: register with information regarding the competent authorities and bodies, and the accredited ECM auditors.	The ECM certification bodies are included in the ECM register, which is operational on the OTIF website.
	CTE shall establish functional and technical architecture.	

17	Article 13 § 3: the CTE may decide to include other data in the data bank, such as information on: declarations, inspection and maintenance of vehicles, accidents and incidents, coding of vehicles, locations, rail transport undertakings, keepers, infrastructure managers, workshops, manufacturers, ECMs, etc. CTE may decide.	With the exception of the ECM register, these possibilities were not utilised in 2012.
18	Article 14 § 2: define the sign to be applied to vehicles which establishes that the vehicle has been admitted to operation in international traffic. CTE shall lay down the sign.	This definition is included in UTP WAG annex PP. Entry into force 01.12.2012. Revised parameters will be included in the revised UTP WAG.
19	Article 15 § 2: ECM: detailed rules for the certification and auditing of ECM, for accredited/recognised auditors, their accreditation/recognition, the audits and the certificates. CTE shall adopt.	ATMF Annex A – certification and auditing of ECM. In force 01.05.2012.
20	Article 15 § 5: guidelines or regulations on the certification and auditing of maintenance workshops and the mutual recognition of the certificates and the audits.	ATMF Annex A – certification and auditing of ECM. In force 01.05.2012.
	CTE may adopt, if adopted they shall be published on the Organisation's website.	
21	Article 16 § 4: examination of causes of serious accidents and incidents and instruction to CSs to suspend certificates or declarations.	No activity in 2012.
	CTE may examine and may instruct.	
22	Article 16 § 5: preparation and adoption of further mandatory rules concerning accident investigation.	No activity in 2012.
	CTE may prepare.	
23	Article 19 § 5: the CTE may decide that safety-based provisions introduced in the UTP shall be complied with within a certain deadline regardless of any transitional provisions.	This does not require any activity, but offers a possibility which can be used if need be.
	CTE may decide	
24	Article 19 § 7: transitional provisions other than those set out in Article 19.	This does not require any activity, but offers a possibility which can be used if need be.
	CTE may adopt	need be.
25	Article 20: disputes relating to the technical admission of railway vehicles. CTE may deal with such disputes if there is no result by	This does not require any activity, but offers a possibility which can be used if need be.
	direct negotiation between the parties involved.	

VII. RAIL FACILITATION

In 2012, the Rail Facilitation Committee (RFC) met twice (23 and 24 February and 29 and 30 May 2012).

Essentially, with a view to the 11th General Assembly (Geneva, 19 and 20 September 2012), the RFC adopted a report on the direction and course of its work and measures with which the General Assembly could mandate the RFC. The RFC also decided to set up a working group to analyse the obstacles to border crossing in rail transport, taking into account similar work being done by other international organisations, and to propose solutions to remove these obstacles and examine the potential impact of these solutions.

The 11th General Assembly noted this report, the measures envisaged and the RFC's intention to set up a working group to develop the activities identified in these measures.

The General Assembly also instructed the Secretary General to liaise and maintain contact with the World Customs Organization in order to achieve, in the mutual exchange of the results of discussions, the greatest possible integration into the work of the other organisation of the aims of facilitation being pursued by both parties, and instructed the RFC to submit to it by 2015 a resolution requesting Member States that have not yet ratified the revised Kyoto Convention to make efforts to do so.

When the new Secretary General was elected, he defended the idea of changing the direction of the Rail Facilitation Committee's work towards the definition of freight corridors as a supplement to those of the European Union. This realignment will be developed during 2013.

VIII. 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. Important events in 2012 in terms of cooperation are described in the specialist sections.

IX. THE LIFE OF THE ORGANISATION

1. OTIF's general organs

a) General Assembly

The 11th General Assembly met in Geneva on 19 and 20 September 2012 under the chairmanship of Spain and dealt, among other matters, with the election of the Secretary General for the 2013 – 2015 term of office and the composition of the Administrative Committee for the period from 1 October 2012 to 30 September 2015. 44 of the 48 Member States took part in the General Assembly as well as one supranational regional organisation that has acceded to COTIF (EU).

Jordan, an associate member, was represented, as were seven States interested in accession (Afghanistan, Azerbaijan, Oman, Pakistan, Qatar, Saudi Arabia, United Arab Emirates). Representatives from two international organisations (UNECE, OSJD) and from two international associations (CIT, IVT) also took part in the General Assembly in an advisory capacity.

The General Assembly elected Mr François Davenne (France) as Secretary General. It instructed the Secretary General to prepare a draft plan, together with the Administrative Committee, for the effective use of OTIF's budget, without compromising the fulfilment of OTIF's tasks, and for the reduction of the budget in the light of unused budget funds in previous years.

For the election of the new Administrative Committee for the period from 1 October 2012 to 30 September 2015, the General Assembly adopted the proposed composition submitted by the Committee in place up to 30 September 2012, and elected the Netherlands to chair the Committee for the new period.

The Assembly noted the information on the UNECE project on "unified rail-way law" and took decisions concerning OTIF's contribution to developing the discussion and decision-making process for the creation of this unified railway law.

b) Administrative Committee

In 2012, the Administrative Committee met twice in Berne under the chairmanship of Mr Michal Němec (Czech Republic). It held its 117th session on 23 and 24 May 2012 and an extraordinary session on 20 June 2012.

At these two sessions, much of the Committee's work focused on preparations for the 11th General Assembly, particularly the election of the Secretary General for the period from 1 January 2013 to 31 December 2015. The Committee also approved the draft report on its activities in the period between 1 October 2009 and 30 September 2012 and adopted proposals for its composition for the period from 1 October 2012 to 30 September 2015. It also gave its opinion on the maximum amount that expenditure may reach in each year from 2013 to 2018.

It approved the Annual Report and the Financial Management Report. On the basis of the approved accounts, it fixed the definitive contributions for 2011 on the basis of the adopted budget and decided to use the surplus income of 355,876.64 CHF to reduce the Member States' contributions.

c) Revision Committee

The Revision Committee did not meet in 2012. However, as in the previous year, other subjects that might need to be dealt with were noted in anticipation of the 25th session of the Committee, which should be held in 2014.

2. Communication

a) Bulletin and press

The first electronic edition of the Bulletin was published in 2011. Four editions of the electronic Bulletin were published in 2012. The Bulletin will be revamped in 2013.

The press activities in 2011 did not lead to any significant results. Like the Bulletin, they will be considered in depth in connection with a new communication strategy.

b) <u>Internet</u>

Throughout 2012, OTIF's website was regularly updated with 108 series of updates. The Secretariat aims to provide better information and to make the documents the web users need more accessible, thus giving them access to the latest data.

The Administrative Committee's decision to allow free "read only" access to RID was also followed up, although the results of this have not yet been assessed.

The Administrative Committee's Rules of Procedure (applicable since 1 January 2012) and the Revision Committee's Rules of Procedure have been made available under "**Organs**", as have the new lists of arbitrators.

Various rulings were published under the "Law" section of the website. The Explanatory Report on COTIF 1999, the Dutch and Russian versions of COTIF 1999 and the updated lists concerning the "State of the signatures, ratifications, acceptances, approvals, accessions and entry into force" and the "Declarations and reservations" were also published. The CIV and CIM lists of railway lines and the CIV and CIM lists of maritime and inland waterway services were regularly updated.

Activities in connection with "**Dangerous goods**" were reflected in updated versions of various notifications, errata and communications on amendments to the Regulations concerning the International Carriage of Dangerous Goods by Rail. In addition, various technical documents of general interest were made available.

Information on the work of the "**Technology**" section was brought up to date, particularly by making documents available on the website concerning the 5th session of the Committee of Technical Experts and the 16th, 17th and 18th sessions of the Committee of Technical Experts' Working Group TECH.

The Registers of Vehicle Keeper Markings (VKM) and certification of Entities in Charge of Maintenance (ECM), as well as the Uniform Technical Prescriptions (UTP), are regularly updated for users.

With regard to more general "**Publications**", the 2011 Annual Report, which describes OTIF's activities throughout 2011, was put on the website. It is also worth noting that a Russian version of the brief description of OTIF can also be downloaded from the website.

Under the "**Press**" heading, only four press releases were published, although no assessment of their impact on the specialist press was undertaken.

3. Finances

In 2012, the Organisation's financial situation developed positively. There was increased willingness on the part of the Member States to pay their contributions on time in the form of an advance for the current financial year. While in the previous year, 11 of the 47 Member States still owed 73.4% of the contributions, the number of debtors has gone down to 6 States out of 48. At the end of 2012, 95.49% of the advances had already been credited to OTIF.

Debts from previous years have also decreased. At 31 December 2012, only 3.56% of the final contributions for 2011 were still owed by four States. The oldest debts have decreased to 96,028 CHF and only concern two States for 2009 and 2010. However, this financial situation must be seen in relative terms, as the advances had been set at the level of the 2010 contributions, i.e. 3,062,383 CHF. As indicated in the Financial Management Report, this level is linked to the fact that the Organisation's general expenditure was less in financial year 2012 because of weaker activity. Document CA 118/7, "General financial situation" submitted to the 118th session held on 20 and 21 February, provides detailed information on the situation at 31 December 2012 and on the Member States' contributions.

As was the case at the end of 2011, five Member States have still not ratified the 1999 Protocol and their contributions are therefore calculated in accordance with Article 11 § 1 of COTIF 1980. However, the notional rate per kilometre has decreased by 1.264355 CHF this year to 6.931053 CHF, because Morocco, which signed the Vilnius Protocol in 2011, is abandoning this old method of calculation. In future, the particular status of the States in terms of the calculation method will no longer be of major benefit to the States concerned.

Compared with the previous year, the status of the reserves up to 31 December 2012 has only slightly changed. In 2011, the surplus of 355,876 CHF was reimbursed to the Member States. As the budget for maintaining the building and IT equipment for 2012 was not used up, around 29,630 CHF has been added to the reserve fund in accordance with current practice, which means that the reserve fund now contains 7,771,300 CHF.

The negative outturn of 157,092 CHF results from the Auditor's recommendation to set up a provision of 179,400 CHF for future legal expenses. By following this recommendation, the Secretary General will have the financial basis to free himself from part of the ongoing legal disputes linked to the previous management.

All the evidence shows that the 2012 financial year has had a fundamental influence on the results of the annual accounts. Balance sheet losses have decreased by 119,400 CHF. As was already explained at the 118th session of the Administrative Committee on 20 and 21 February 2013, an investment strategy covering the entire share portfolio will have to be submitted to the 119th session of the Administrative Committee, whereas the Administrative Committee has for a long time been convinced that in the long term, stock market and speculative transactions should be abandoned owing to the fact that the risk for such a small organisation is too big.

For more information, please refer to the 2012 Financial Management Report, which will be sent to the Member States after it has been adopted by the Administrative Committee at its 119th session (26 and 27 June 2013).

4. Personnel

In the 2012 financial year, three members of staff left OTIF and four were recruited. In the first half of the year, Mrs Marchal and Mr Raff retired. After a long illness, Mrs Gaillard passed away in 2012. Mr Leermakers replaced Mr Raff in the technical section immediately. At the end of August 2012, after working for three months on a temporary basis, Mr Burri was appointed to the accounts section. in September, Mr Smiljanić was recruited to carry out administrative tasks and to manage the website. Mrs Meyer joined the Organisation in November as head of safety, assistant accountant and building manager.

5. Headquarters building

2012 was again characterised by reduced investment in the building, which will at some point raise the problem of a major investment for the purpose of renovation. No provision has so far been made for this.