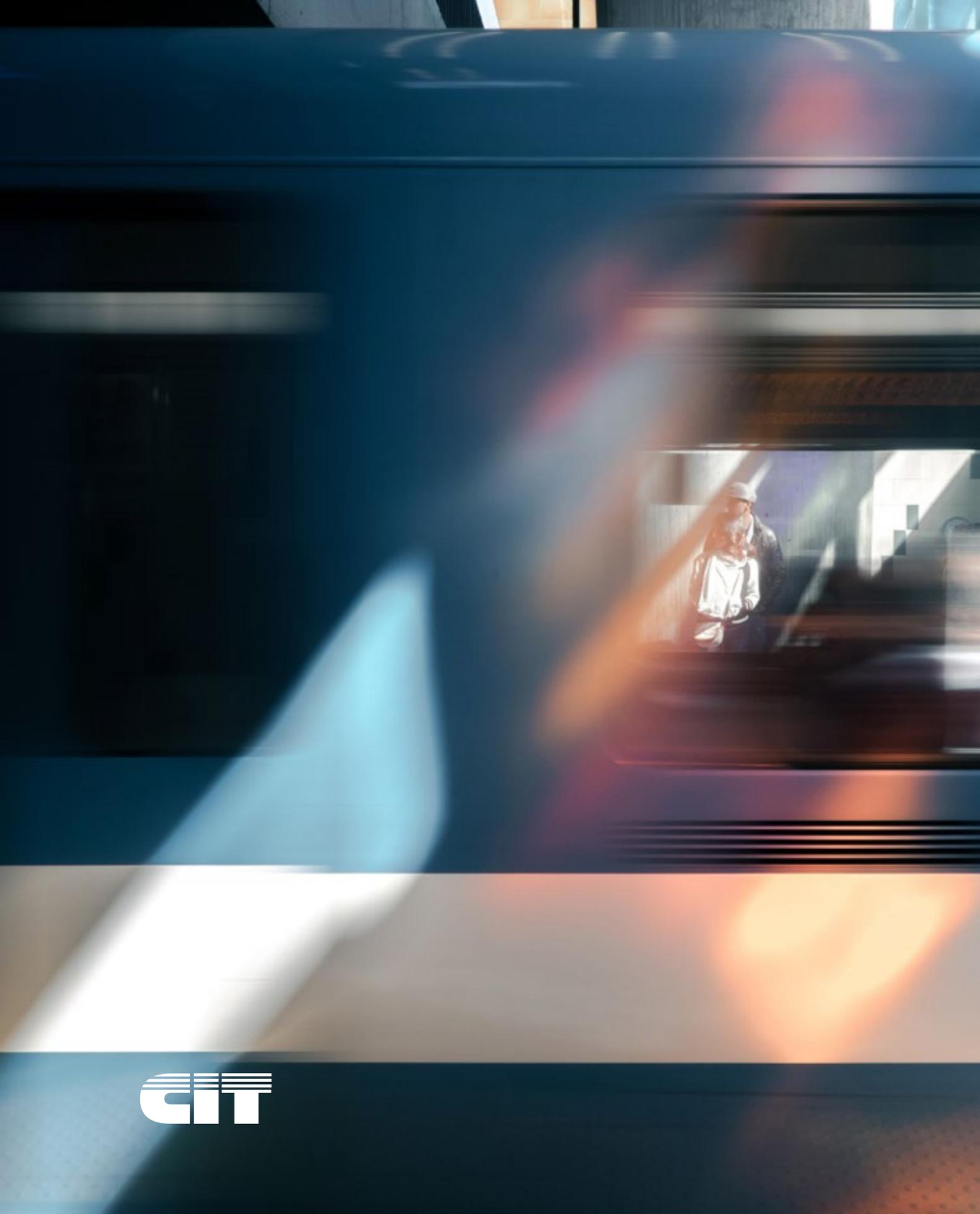


Annual Report 2015





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Editorial

Jean-Luc Dufournaud
Chairman of the CIT



Forecasting is not an exact science – volatile factors such as energy prices and economic growth have too great an influence. And yet a variety of European forecasts have all come to the same conclusion: passenger and freight traffic will both continue to grow, and more strongly on the rails than on the roads. Moreover, the exchange of goods will increase more in Eastern Europe than in the West.

Against this background the CIT is keeping the right focus. Its projects and products are intended to support the economic success of its members. For example, together with the Universal Postal Union (UPU) the CIT is playing a crucial role, in a project to develop postal transports from China to Europe by rail. In 2015, the OSJD and the CIT adapted the CIM/SMGS consignment note to the revised SMGS. About 85% of CIM/SMGS transports is now using this CIT document.

Ongoing digitisation of course affects transport as well. The CIT is therefore prioritising the further development of the CUV electronic wagon note and the CIM electronic consignment note. The corresponding CIT Manuals have been brought up to date. The CIT Experts are also finalising the legal and functional specifications of the CIM electronic consignment note, so that this innovative product can make its mark in the years to come.

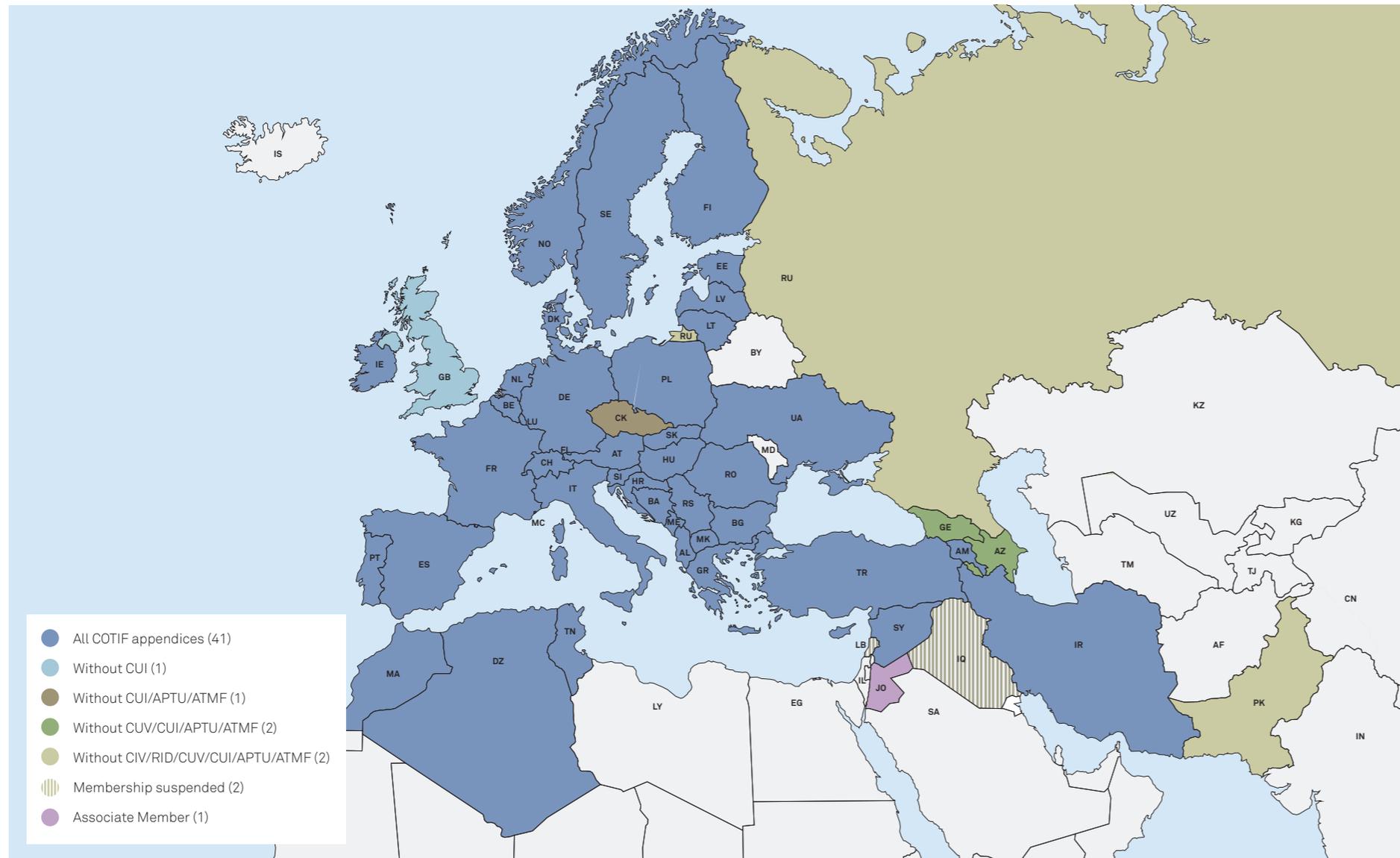
In December 2015, the CIT was able to bring its new Manual for International Rail Tickets (MIRT) into force. This also pays due regard to the electronic issuing of tickets, and is available in English, French and German. The new CIT Manual for cooperation contracts in International Passenger Traffic by Rail (MCOOP) entered into force on 1 March 2016. It provides a reliable legal footing for cooperation between railway undertakings in international rail traffic, and contains a series of practical sample documents.

The CIT also supported its members in 2015. This was clearly demonstrated by its interventions to assist the ÖBB in a dispute that came before the highest court in the United States. On 1 December 2015 the US Supreme Court finally found – unanimously – in favour of the ÖBB.

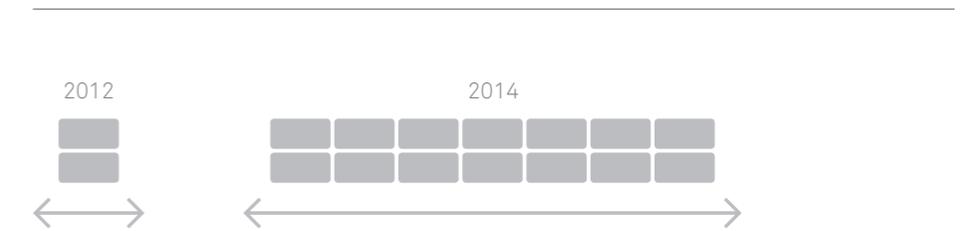
On behalf of the whole Executive Committee, I would like to applaud the commitment of the numerous representatives of the railway undertakings who participate actively in CIT Committees. I would like to extend these thanks to the General Secretariat, which has always provided competent and efficient work. I look forward with anticipation to a successful 2016!

The CIT

Geographical scope of COTIF and its appendices
(Situation as of 14 April 2016)



The International Rail Transport Committee (CIT) is the centre of legal expertise for railway undertakings and shipping companies. Its key focus is on the implementation and continuing development of a uniform international and national transport law (COTIF, EU law). Furthermore, the CIT is actively involved in simplifying and expanding rail transport services between Europe and Asia. The CIT provides its members with legal services, up-to-date information and practical support.



2014 Trans-Eurasia Logistics GmbH transported 28,000 TEU containers from China to Europe and vice versa. In 2012 it was only 4000 containers.

Source: DB Schenker Rail

Highlights at a glance

Members

The CIT is an association of railway undertakings and shipping companies that operate international passenger and/or freight transport services. 136 companies are full members of the CIT and more than 80 undertakings are indirectly affiliated via 6 associate organisations. The CIT is an association under Swiss law (Art. 60ff. Swiss Civil Code), with its headquarters in Bern.

Tasks

The CIT implements rail transport law at the level of the railway undertakings. To this end, it prepares and updates documents and tools for international rail transport, and standardises contractual relationships between customers, carriers and infrastructure managers. The CIT represents the interests of rail carriers via à-vis legislators and authorities and provides proper and timely information, training and legal advice for its members.

Operation

The annual General Assembly decides on the strategic objectives, approves the budget and accounts, and elects executive bodies. The Executive Committee is the body that directs the operations and administration. The various committees form the expert and decision-making bodies. These are the CIV Committee (passenger traffic), CIM Committee (freight traffic), CUI Committee (infrastructure use), and the Multimodality Committee. Working groups and groups of experts provide the basis for their decisions. The General Secretariat conducts operational business.

Network

The CIT has outstanding connections with institutes and authorities in Europe, Asia and North Africa within the transport sector. The CIT proactively maintains an exchange of expertise together with committees and expert groups in the EU, OTIF, OSJD and UNECE in Geneva, promoting the interests of its members. In June 2015 the CIT and the OSJD signed a memorandum of cooperation, thus formalising their existing good relationship.

Finance

The association's costs are borne by its members, with each member paying a membership fee proportional to the level of its international passenger and/or freight transport volume. Each full member has one vote, regardless of the amount of membership fee paid. In 2015 there were noticeable fluctuations in exchange rates between the euro and the Swiss Franc, leading to a fall in value of the euro. Members have therefore been refunded 5% of their 2015 membership fee (deducted from the first instalment of their 2016 payment). The CIT budget for 2016 has been reduced by approx. CHF 120,000, the consequences of which have included a reduction in staffing.



Postal traffic by rail to China

The exchange of goods between China and Europe is increasing significantly. More and more container trains are travelling thousands of kilometres, using the common CIM/SMGS consignment note. Despite this, rail traffic currently accounts for only about 1% of combined goods transport between China and Europe. The CIT is therefore engaged – as it is often the case – in an innovative project involving various partners. The objective is to pave the way for transporting mail by rail between China and Europe and thus strengthening rail's market position.

Rail for mail

Goods can be transported by rail between China and Europe about twice as fast as by sea and about 70% cheaper than by air. Sending goods by post – in part due to the rapid growth of Internet business (e-commerce) – allows railways to exploit these strengths. Together with the Universal Postal Union (UPU), the CIT wants to simplify the legal aspects of sending postal shipments between China and Europe. CIT products could play an important role here.

Acknowledgement of feasibility

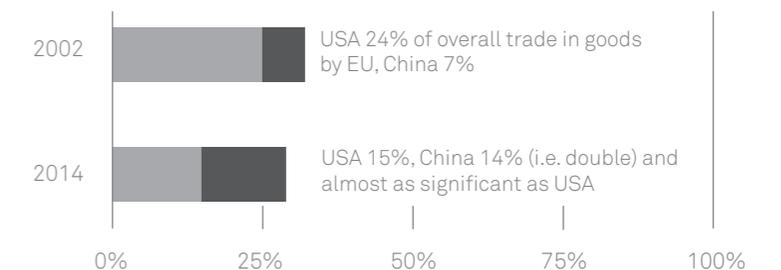
In 2015 the CIT, UPU and other partners collaborated closely to set up a pilot scheme. In their July 2015 meeting, the CIM/SMGS Expert and Legal Group confirmed that sending post by Eurasian rail traffic would indeed be feasible from a legal and business point of view. CIT representatives, together with those from UPU, SBB Cargo and RZD/OTLK (United Transport and Logistics Company) presented

details. The common CIM/SMGS consignment note, as appropriate CIT document, provide the ideal tool for the legal handling of a continuous contract of carriage.

Coordination and simplification

In order to plan for and cope with postal shipments between China and Europe, effective coordination is needed between parties, as well as some effective streamlining. This particularly affects border crossings and customs formalities. At a CIT and OSJD meeting in September, representatives of the Chinese Railways (KZD) made some concrete suggestions. In the meantime, areas that need coordination between the railways concerned have been identified. Thanks to the collaboration of CIT, UPU, OSJD, CCTT and OTIF, further progress can be expected in 2016 by postal companies and interested railways.

Total transport of goods between the EU and China/USA



Transport law on the interface to the COTIF



The CIT is involved in the design and development of international rail traffic law. For East-West freight and passengers traffic, the CIT wants to remove legal and administrative barriers so that railways can become more competitive. The CIM/SMGS consignment note plays a key role in this. On 1 July 2015 the CIT adapted the accompanying manual to the simultaneously revised SMGS agreement. Both the CIT and OSJD intend to further update the SMGS, CIM and CIM/SMGS consignment notes in a coordinated procedure during 2016/2017. Meanwhile, 2015 has also seen various amendments made to the legal, functional and technical specifications of the CIM/SMGS electronic consignment note.



Highlights at a glance

Manual and interactive map updated

At the end of 2014 the CIT and the OTIF published a manual on the various liability regimes (COTIF/CIV-PRR – SMPS) within international passenger traffic, as part of the CIV/SMPS Legal Interoperability project. Since then the manual has been adapted following the further development of SMPS (revised version dated 1 May 2015), the CIV and the PRR. To complete the manual, an interactive map gives an overview of the different legal systems. The map was updated in July 2015.

CIT seminar in Monte Carlo

The CIV/SMPS Legal Interoperability project will enter a second phase in 2016–2018. Its priorities were discussed and determined by all parties concerned at a seminar on international passenger traffic in Monte Carlo under the direction of CIT Chairman Jean-Luc Dufournaud on 29 October 2015. Also present were the OTIF General Secretary and representatives of DG MOVE, CER, UIC and the Principality of Monaco

Active participation in the work of UNECE

The UNECE expert group (Group of Experts towards Unified Railway Law) wants to further harmonise international railway law at a national level. Integrated rail traffic within the Euro-Asian area should be achieved with the support of a single contract, consignment note and liability regime. The bases for this are the COTIF/CIM regulations, the SMGS agreement and the CIM/SMGS consignment note. The CIT is involved in this task. Its aim is the implementation of the agreement to give railway undertakings considerable freedom of contract. It is the CIT's view that rail and maritime traffic should both be included in the agreement. The work should be completed by the end of 2016. Pilot traffics to test the new legal regime is foreseen.

CIT supported ÖBB in proceedings in front of the U.S. Supreme Court

The CIT supports its members in the application of the CIV Uniform Rules. Accordingly, the CIT has twice supported the ÖBB's position in front of the U.S. Supreme Court by preparing a brief with additional arguments as an *amicus curiae*. An American passenger was injured while boarding an ÖBB train in Innsbruck. As the customer had bought her ticket in the USA over the Internet, she sought damages of around CHF 10 million from the ÖBB through an American court. On 1 December 2015 the U.S. Supreme Court found in favour of the ÖBB and the action was dismissed on the grounds of inadmissibility. Passengers are sufficiently protected by the COTIF/CIV rules and can bring their claims against CIV carriers in the respective countries – Member States of COTIF. A contrary outcome in the U.S. Supreme Court could have had unfavourable consequences for all European railways. Based on the analysis of the decision the CIT GS together with the CIV Working Group is currently preparing follow-up measures.



CIM/SMGS consignment note as a key pillar

“The project leaders (CIT and the OSJD) present information on the progress of the CIM/SMGS Legal Interoperability project, and the comprehensive implementation of the CIM/SMGS consignment note in the course of 2014–15. It is recognised that more than 85% of all CIM/SMGS transports now uses the common CIM/SMGS consignment note.”

“The coordinator on behalf of RZD presented detailed statistics on the use of the uniform CIM/SMGS consignment note for 2014 and the first half of 2015. In 2014, 9,401 CIM/SMGS consignment notes were used for export consignments, 11,649 for imports and 3,496 for transit shipments from Kazakhstan and China to Europe; this represents an approximately 50% increase in transit consignments compared to 2013. A total of 2,702 CIM/SMGS consignment notes were issued for shipments from China to Germany in the first six months of 2015, while only a single note was issued in the opposite direction.”

The volume of goods transported by rail between Asia and Europe is on the increase. Here, the CIM/SMGS Legal Interoperability project is making a significant contribution. A key pillar of this growth is the common CIM/SMGS consignment note, both on paper and in electronic form. Further development and upgrading of this tool is a high priority for the CIT.

SMGS revision and consignment note amendments

The Agreement on International Goods Traffic by Rail, known as SMGS, has been revised following 10 years of groundwork. The new edition, together with implementation rules, came into force on 1 July 2015. A large part of the adaptations has also gone into the CIM/SMGS Consignment Note Manual. The CIT General Secretariat published the amended edition of the manual on 1 July 2015. For the SMGS, CIM and CIM/SMGS consignment notes, amendments will be needed in the near future for various reasons such as SMGS revision, digitisation, and changed customs formalities. The CIT and the OSJD Committee intend to carry this out as a coordinated procedure. This work is likely to require considerable effort; final decisions can be expected in 2017 / 2018.

Upgrading the electronic consignment note

The legal, functional and technical specifications of the CIM/SMGS consignment note also need to be adapted constantly to the latest requirements. Several working groups under the OSJD umbrella are occupied with this. On 10 September 2015 the CIM/

SMGS Steering Group was able to adopt the functional amendments that became necessary due to the SMGS revision. Supported by this, the experts of CIT/OSJD Ad-Hoc Working Group were able to discuss technical amendments to the electronic consignment note for the first time on 22 October; this work is continuing. The electronic signature has also become an ongoing theme for SMGS. This and other open questions affecting the CIM/SMGS electronic consignment note are being dealt with by legal end expert groups so that all amended specifications for the CIM/SMGS electronic consignment note can be available on time.

Embedded in the OSJD basic convention

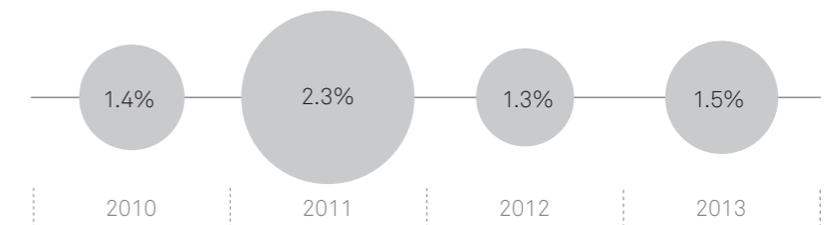
The OSJD is preparing a basic convention for international rail traffic – similar to COTIF for OTIF countries - under the auspices of OSJD. An original text has been available since July 2015. An English version has been made available to all OSJD members. The SMGS agreement will be adopted – alongside other regulations on passenger and goods traffic, as well as infrastructure and wagon law – as an appendix to the basic convention. A first round of negotiations for the basic agreement is planned for an intergovernmental conference at the end of 2016. Ratification proceedings by OSJD members will then follow.

International passenger traffic



The efficient management of international passenger traffic makes train travel comfortable, cheap and attractive. The CIT is making a significant contribution to this. On 13 December 2015 the new CIT Manual for International Rail Tickets (MIRT) came into force. The new CIT Manual for cooperation agreements between railway undertakings (MCOOP) – in effect since 1 March 2016 – simplifies cooperation between railway undertakings. The CIT also supports its members in the interpretation of the EU Regulation on rail passengers' rights and obligations (PRR). An interactive map on the CIT website reflects the exceptions to the PRR renewed since December 2014.

Increase in rail passenger traffic (p/km) in the EU-28



Over recent years, rail passenger traffic (measured in p/km) has steadily increased.
Source: eurostat

Highlights at a glance

Interpretive Guidelines to the Rail PRR

On 3 July 2015 the European Commission published the Interpretive Guidelines to the Rail PRR. These are not legally binding, but can be used by national courts and National Enforcement Bodies (NEB) as a guide to interpretation. Various inputs from the CER and CIT were taken into account when drawing up the Guidelines. The CER and CIT experts subject the Interpretive Guidelines to in-depth analysis and continually monitor their application. These experts will also prepare an input for the revision of the PRR, launched by the European Commission in February 2016.

Exemptions from the Rail PRR

The Rail PRR allows exemptions from the obligation to ensure passengers' rights. The CIT General Secretariat has updated the [list of exemptions](#) based on the information from the CIT members. On 1 September 2015 it published a new [interactive map](#) of these exemptions on the CIT website. This contributes to transparency in the application of the Rail PRR. The issue of exemptions will be an important one for the revision of the Rail PRR. The report published by the European Commission on 11 March 2015 on exemptions from the Rail PRR highlights the negative impact of granting comprehensive exemptions.

Passenger Claims Departments

In collaboration with the UIC, on 24 September 2015 the CIT hosted the annual Conference of Passenger Claims Departments in Bern. The discussions focused on the perception of the RUs' duty to provide information, and the efficient handling of customer complaints.

CIT security background 2012

The CIT security background of 1996/2006 and 2012 ensures that international tickets are widely accepted and protects against forgery. The General Secretariat has prepared a boilerplate contract that CIT members can use for agreements with third parties (printers, distributors). The boilerplate contract forms an appendix to the MIRT (see p. 15).

Workshop on e-ticketing

Members of the UIC and CIT and industry representatives met on 21/22 May 2015 in Utrecht (NL) for a workshop on e-ticketing. The participants were informed about new legal and technological developments, and exchanged their experience.

New Notices on dangerous goods

Since 1 October 2015 two Notices on the carriage of dangerous goods in passenger traffic have been available on the CIT website, supplementing the General Conditions of Carriage GCC-CIV/PRR. They include a table showing the RID rules with a few examples for passengers. These Notices are intended to provide basic information, referring to the OTIF's RID rules for more details.



New manuals for ticketing and cooperation agreements

The railways improve their market opportunities if train journeys are comfortable, cheap and attractive. Two new CIT Manuals for international passenger traffic, approved unanimously by the CIV Committee on 24 June 2015, make a major contribution to this. The CIV Working Group and experts from among the CIT members and the General Secretariat drew up the two new CIT documents over the last several years.

New ticketing manual (MIRT)

The new CIT Manual for International Rail Tickets ([MIRT](#)) came into force on 13 December 2015. It merges the existing manuals GTV-CIT and GTT-CIV. Tickets produced in line with these two manuals can still be issued as a transitional solution until 13 December 2016. The new Manual is a single, updated and user-friendly document, and is available in English, French and German.

The MIRT describes the role and tasks of all persons and bodies involved in the issuing and use of international tickets. It addresses the issue of the electronic issuing of tickets and different e-ticketing solutions. It describes the procedure for ordering the new CIT security background 2012. It also clearly indicates the information that international tickets are obliged to contain, or that is subject to commercial agreements or national legislation. The [list of CIT members](#) using the MIRT has been updated.

Manual for cooperation agreements

The new CIT Manual for cooperation agreements between railway undertakings (MCOOP) came into force on 1 March 2016. This manual aims at simplifying cooperation in international rail transport. The actors involved, in addition to the railway undertakings themselves, include among others passengers, wagon keepers and infrastructure managers. The Manual places cooperation, for example with respect to issues of liability, on a reliable legal basis. It contains a boilerplate contract with all overarching arrangements that two or more RUs must reach in a cooperation agreement. Five Appendices present the key elements that must be regulated by the operational or department heads. General Terms and Conditions for successive or substitute carriage are also given. The MCOOP can be considered as a technical rule according to the Council Regulation (EC) 169/2009 in terms of its compliance with EU competition law.

CIV Committee

Carmen Filipescu, Chair



CIV Working Group

Isabelle Saintilan, Chair

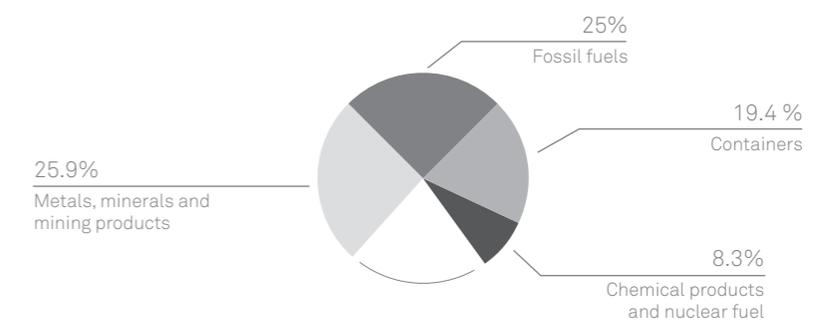


International freight traffic



Digitisation is increasingly affecting international rail freight traffic. The CIM electronic consignment note and the CUV electronic wagon note are therefore a high priority for the CIT. The electronic consignment note will in future take precedence over the paper version. A new legal basis is necessary for this in the CIM Uniform Rules. Within the framework of OTIF, the CIT is actively involved in formulating the new Article. Together with the UIC the CIT also made the necessary proposals for creating a new legal basis for the CUV electronic wagon note in the GCU. This came into force on 1 January 2016.

Principal customers in European rail freight traffic 2014



The European rail freight companies are key for the supply of goods and energy.

Source: CER/eurostat 2014

Highlights at a glance

Models for the performance of carriage

In 2014 the CIT products for freight traffic were supplemented with the definition of carriers. According to this, a substitute carrier who is not an RU may entrust an RU with the carriage. It was left open whether this recognised carrier is able to entrust a further carrier with the performance of the carriage. The CIM Committee answered this question in March 2015 with a basic 'yes'. It then made clear that a rail carrier entrusted by an RU is a subcontractor within the meaning of general law and can be qualified contractually as a further substitute carrier. This is the case provided that all parties to the contract of carriage agree to it.

Neutral in terms of competition and antitrust law

In the CIM Working Group the question arose of whether the CIT documents for freight traffic were basically compatible with EU competition and antitrust law. In addition, it was not clear whether different models for carriage (e.g. successive carriage) could be interpreted as an agreement between competing carriers. The General Secretariat analysed these questions and concluded that the CIT products for freight traffic in general, and the models of carriage used under the CIM Uniform Rules in particular, were neutral in terms of competition and antitrust law. Individual cases remain reserved. The CIM Working Group took note of this analysis in June 2015 and agrees with the CIT.

Electronic formal report and apps

The digitisation of transport documents continues to advance. The CIM Working Group is therefore considering how to record the report of damage or theft electronically, or by using an app. Based on initial practical experience, in June 2015 the CIM Working Group decided to extend these clarifications to include how technical platforms should be designed (e.g. incorporation into the undertakings' systems), the accompanying documents to the electronic consignment note, and issues of functional specifications.

Freight Claims Departments

The annual Conference of Freight Claims Departments was held on 21 May 2015 in Bern. One of the conference's focuses was on determining damage and the question of liability in the case of theft. The next conference will take place on 19 May 2016.

Electronic wagon note

The CIT General Secretariat, in agreement with the UIC's Wagon Users Study Group, put forward proposals for a legal basis for the electronic wagon note in the GCU. The joint Committee of UIC, UIP and ERFA approved these proposals. The supplement to Art. 14.2 [GCU](#) thus came into force on 1 January 2016.



Use of electronic consignment notes drawing closer

OTIF and CIT consider the CIM electronic consignment note to be of major significance in simplifying rail freight and making it more competitive. They therefore want to create a new legal basis in the CIM Uniform Rules, to give the electronic consignment note precedence over the paper version in future. Today, the two variants are functionally equivalent.

the functional equivalence of the electronic consignment note and of the paper version as a starting point. The draft GLW-CUV Manual is based on the GCU and adopts the functionalities for the wagon note from the GLV-CIM for the ECN. Work on the GTM-CIT Manual is also in progress. Later, the analogous rules will be adopted by the GTW-CIT Manual.

For the OTIF General Assembly 2018

At its meeting on 18 March 2015, OTIF's CIM Uniform Rules Working Group discussed proposals for a new Article 6a. Since further arrangements between OTIF, the European Commission and the Members States are necessary, the new Article 6a will not be handled until the 2018 General Assembly of OTIF. The OTIF General Assembly on 29/30 September 2015 therefore only made an editorial change to the CIM Uniform Rules (Article 6 para. 7, "European Union" instead of "European Community"). This will come into force on 1 May 2016.

Specifications for CIM electronic consignment note

At the request of OTIF's CIM Working Group, the CIT General Secretariat is working with experts from the members at sectorial level to finalise the legal and functional specifications for the CIM electronic consignment note. The CIM Working Group and the COTIF Revision Group of Experts are supporting these activities. In 2016 the necessary decisions will be taken by the CIM Committee, and in the first half of 2017, by the CIT Executive Committee. The CIT will then submit a report with recommendations to the OTIF. In parallel, the CIT is supporting RailData in drawing up the technical specifications as part of the e-RailFreight project.

Updating CIT documents

The CIT is updating its products for freight traffic, in order to do justice to the use of the electronic consignment note (ECN) as standard. After an interruption of work, the CIM Committee in March 2015 decided to take up activities again with a view to OTIF's revision of COTIF/CIM. This decision affects the CIT Consignment Note Manual (GLV-CIM) and CUV Wagon Note Manual (GLW-CUV), as well as the CIT Freight Manual (GTM-CIT) and Wagon Manual (GTW-CIT). The current draft of the GLV-CIM Manual takes

In 2011 the railways transported 1709.2 billion tonnes of freight. If these goods had been transported by road, they would have required 100 million lorry trips.

source: CER Factsheet

CIM Committee

Marianne Motherby, Chair



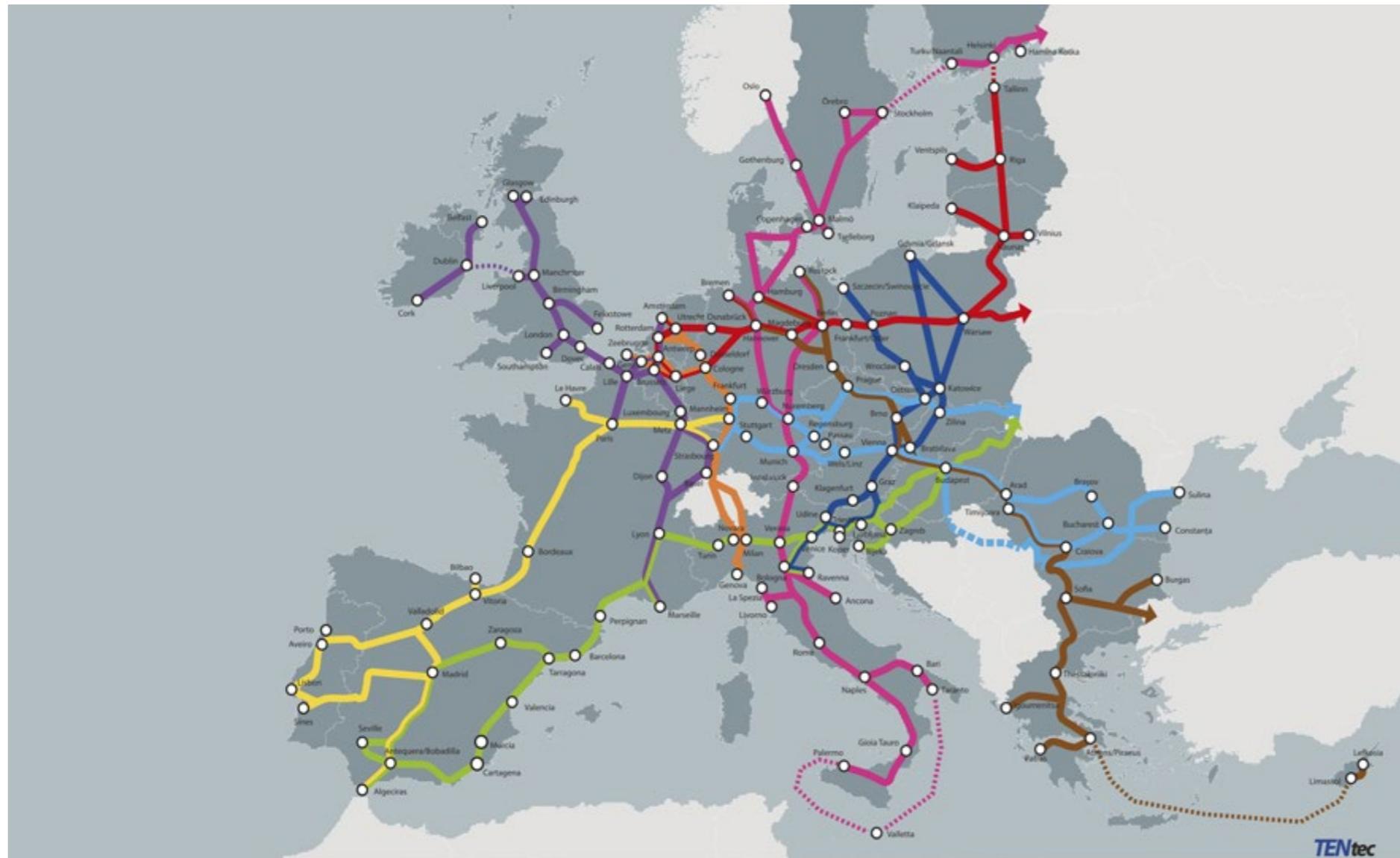
CIM Working Group

Jean-Marie Sié, Chair



Use of infrastructure

Nine core network corridors link infrastructures on the waterways, roads and rails of Europe. Investments in infrastructure and interoperability will make efficient and sustainable transport possible.



In international freight traffic, the railway undertakings often perform transports using several successive infrastructure managers. The CIT wants its documents and support tools to help simplify cooperation between those involved. The CIT and RNE European General Terms and Conditions of Use of Railway Infrastructure (E-GTC-I) were accorded a high priority in 2015 by the CEOs of various European freight railways. The E-GTC-I were thus able to play an important role in strengthening the European freight corridors for the future.

“Realising the trans-European transport network could create up to 10 million jobs by 2030 and increase European GDP by 1.8%.”

Violeta Bulc, European Commissioner for Transport, on 29 June 2015

Highlights at a glance

First meeting of the CUI Working Group

The newly formed Working Group CUI (CUI WG), chaired by Marie-Ghislaine Hénuset (SNCB/NMBS), has taken up its duties. The CUI WG has already met twice to prepare the business of the CUI Committee. The first meeting of the Working Group took place in Brussels at the invitation of the CER on 10 March 2015.

Partial revision of the CUI Uniform Rules

Although the CUI Uniform Rules have been recognised by almost all EU Member States, in practice these rules are often not applied. This may be because the definition in Article 1 of the scope of the Uniform Rules is too imprecise. The OTIF Secretary General is therefore considering a revision of Article 1 and has appointed a CUI Working Group to do so. Their activities are also based on a package of proposals put forward by the CIT to OTIF in 2014.

Increased legal certainty in this area is very important for the CIT. The General Secretariat is participating as an observer in OTIF'S CUI Working Group. CIT's own CUI Committee issued statements on 2 July and 16 October 2015 expressing the interest of the RUs. A revision of the CUI Uniform Rules should not limit the RUs' existing right of recourse to the infrastructure managers. The OTIF General Assembly will decide on any amendments proposed by its Secretary General in 2018 at the earliest.

New boilerplate contract

Together with RNE, the CIT is involved in harmonising the use of infrastructure belonging to several different infrastructure managers for international transports. The CUI Working Group Committee has thus mandated the CUI WG to draw up a boilerplate contract, together with RNE, based on RNE's Standard Contract of Use of Railway Infrastructure SCU, dating from 2004. However, this boilerplate contract was never negotiated with the railway undertakings and has never been used in practice. It therefore needs to be amended to take account of various developments.

On 8 September 2015, the delegations from CIT and RNE, and from CER and EIM, met for a kick-off meeting at which they devised a joint work plan. The CIT explained the transports and cooperations for which the harmonised boilerplate contract should be used. At its meeting on 14 October 2015, the CUI Committee established the CIT's position on the points that needed reworking in the document from 2004.



Close management attention to the E-GTC-I

Since 1 September 2014, an updated version of the European General Terms and Conditions of Use of Railway Infrastructure (E-GTC-I), published by the CIT and the RNE, has been available in English, French and German. The E-GTC-I could make international transport easier by simplifying the legal relationships between railway undertakings and several consecutive infrastructure managers.

Convincing IMs of the advantages

In 2015 the CIT therefore intensified its efforts to convince infrastructure managers of the advantages of CIT and RNE products. Special channels and activities are needed for this. All the more, because the infrastructure managers are not CIT members, and establish their Terms of Use independently. RNE, CER and EIM are providing energetic support to the CIT's efforts.

Targeted bilateral activities

Since 2015 the General Secretariat of CIT has been involved in the UIC's project "Efficient Cross Corridor Organisation (ECCO)". This project aims to coordinate the interests of the railway undertakings in the Rail Advisory Groups (RAG) of the rail transport corridors. The CIT is an observer, and also provides support in questions of law. The General Secretariat had bilateral talks with various railway undertakings that perform carriage along the transalpine freight Corridor 1, to raise awareness of the advantages of the E-GTC-I for the RUs. In 2016 the CIT, together with

RNE, CER and the EIM, will present the E-GTC-I and its particular advantages at the Independent Rail Regulators' Group network (IRG).

Close management attention

The CEOs of various European rail cargo companies are personally committed to increasing the competitiveness of the railways in freight transport. To this end, on 2 May 2015 they founded a joint Task Force, under the aegis of CER and the UIC, and agreed on a work programme. The "CER CEO work plan Rail Freight in the 21st Century" comprises a total of 17 projects. In summer 2015, the CIT, with support from the CER and UIC, succeeded in integrating the introduction of the E-GTC-I into Project No. 3. This gave the E-GTC-I a high level of management attention. Nicolas Perrin, CEO of SBB Cargo, took on responsibility for this project. The CIT actively supports those responsible for the project in SBB Cargo and RCA.

CUI Committee

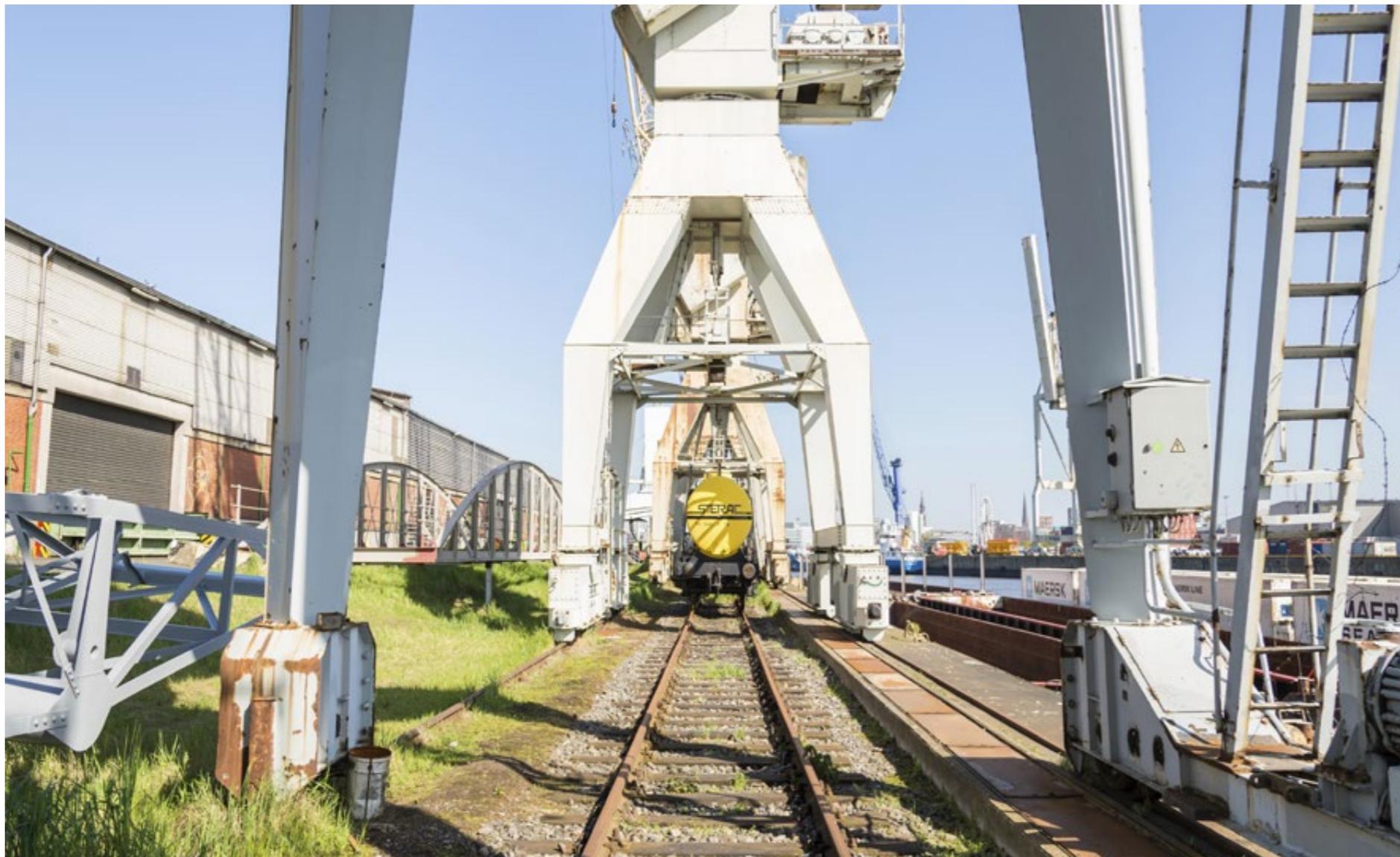
Marie-Ghislaine Hénuset, Chair

CUI Working Group

Marie-Ghislaine Hénuset, Chair



Multimodality



Multimodal traffic by rail-road or rail-sea plays an ever more important role in freight transport. The CIT has set a goal of simplifying the interfaces between the different modes of transport and increasing legal certainty. It is drawing up a boilerplate contract to implement the GTC Rail-Sea Traffic. Together with the IRU, the CIT is preparing a comparison of the different legal regimes for road and rail, which for the first time will include the whole scope of COTIF/CIM and SMGS.



Values for EU, million tonnes/year, between 2001 and 2010.

Source: eurostat/IRU

Highlights at a glance

Division of tasks between Committee and Working Group

In November 2014 the CIT founded the Multimodality Committee, to supplement the existing Working Group. The two bodies established their own division of tasks. The Working Group primarily explores operative and practical issues, while the Committee concentrates on more superordinate topics.

GTC Rail-Sea Traffic: boilerplate contract

The CIT's GTC Rail-Sea Traffic came into force on 1 January 2015. The Multimodality Committee requested preparation of a boilerplate contract for the GTC Rail-Sea Traffic. This boilerplate contract is intended to enable contractual solutions for the organisation of multimodal transports with successive carriers by rail and registered shipping companies.

Maritime and inland waterway services

Appendix 1 of the CIT's GTC Rail-Sea Traffic contains the CIM and CIT list of maritime and inland waterway services, to which the CIM Rules apply. The General Secretariat CIT sends this list to all CIT members annually at the end of November. In accordance with the Multimodality Committee's request, the General Secretariat will in future keep CIT members updated on any new entries to this list via a Circular Letter.

Multimodality in passenger transport

Multimodal transport is increasing in significance for passenger traffic as well. In mid-May 2015, the EU's DG MOVE informed the CER of its intention in 2016/2017 to prepare a Regulation on the rights of passengers whose journeys involve different modes of transport (multimodal PRR). Against this background, and in view of the fact that the number of multimodal services is also increasing amongst CIT members, the CIT will devote more attention to multimodal transport models. For example, the General Secretariat will analyse the models used by CIT members, and investigate whether new CIT aid and documents are equally suitable for multimodal transport models.



Joint tools for rail and road traffic

Multimodal transport allows the advantages of different modes of transport to be combined and their disadvantages to be avoided. This helps to improve the efficiency of transport chains, particularly in international freight transport over long distances. The CIT and the IRU are therefore aiming at further advances in the cooperation between road and rail.

The comparative table will be supplemented by the SMGS regulations as soon as the English version of the revised agreement is available. This will make it possible for the first time to include the scope of COTIF/CIM and SMGS provisions as well as the CMR in a comparison of legal regimes.

Guidelines and Checklist

Based on the comparative table, the CIT and IRU are currently drawing up Guidelines. In addition to the table, this will contain an introduction, the most important principles, and a map showing the respective geographical scope. The Multimodality Committee emphasises that the next step will be to draw up actual products, such as a checklist for a boilerplate road-rail contract. This task lies primarily with the Multimodality Working Group and the CIM WG, which has already started the necessary activities.

Creating bridges between different legal regimes

The CIT and the IRU are currently working on comparing the legal bases of the CIM and the CMR (Convention on the Contract for the International Carriage of Goods by Road), with the aim of producing joint legal documents to avoid administrative and legal barriers to combined road-rail carriage. The joint documents such as checklists, terms of business, or boilerplate contracts should contribute to improving clarity and closing legal gaps between different modes of transport.

Comparative table including the SMGS

The joint CIT-IRU activities are based on a comparative table of the different legal regimes. This sheds light on key topics such as liability, the parties' obligations, necessary documents such as the consignment note etc. The joint work was largely completed by the end of 2015. At its meeting on 13 November 2015, the Multimodality Committee was informed about the progress of the work.

Maritime transport is the backbone of international trade. Over 80% of world cargo by volume is transported by sea

source: OECD Transport Outlook 2015

Multimodality Committee

Maria Kalimeri, Chair



Multimodality Working Group

Erik Evtimov, Chair



Domestic matters



General Assembly

The General Assembly was held on 19 November 2015 in Bern, at the head office of the CIT, and was chaired by Ms Maria Sack (DB AG). It dealt with all statutory business and approved the accounts and balance sheet for 2014 and the budget for 2016.

The General Assembly also held statutory elections. Two new members of the Executive Committee were unanimously elected for a four-year term of office from 1 January 2016: Ms Maria Urbańska (PKP Cargo) and Mr Gerald Wieser (RCA). In addition, the General Assembly elected Ms Marianne Motherby (DB AG) as Chair of the CIM Committee for a further three-year term. It also noted the re-election of Ms Isabelle Saintilan (SNCF) as Chair of the CIV Working Group.

The next General Assembly will be held on 17 November 2016 in Bern.

Executive Committee

From 1 January 2016 the Executive Committee is composed of the following members:

- Jean-Luc Dufournaud (SNCF), Chair
- Maria Sack (DB), Vice-Chair
- France Delobbe (SNCF/NMBS)
- Alberto Gallo (Trenitalia)
- Nevin Kaygisiz (TCDD)
- Larissa Kuznetsova (RZD)
- Gerald Wieser (Rail Cargo Austria AG)
- Maria Urbańska (PKP Cargo S.A.)
- Aikaterini Vitou (TRAINOSE)

The Executive Committee met on 23 April and 17 September 2015 to deal with any current business.

At its meeting on 17 September 2015, the Executive Committee brought into force the internal Competition Law Guidelines of the CIT. With this, the CIT confirms its commitment itself to free and fair competition. The Guideline contains clear rules for the CIT's own organs and committees: the rules of competition and antitrust rules must be complied with at all times.

General Secretariat

The day-to-day business, which occupies most of the General Secretariat's staff, consists essentially of the following:

- upgrading and improving CIT documents
- preparing for and holding meetings of the CIT Executive Committee and General Assembly
- preparing for, holding and taking minutes of meetings of the CIV, CIM, CUI and Multimodality Committees and Working Groups, as well as implementing the decisions taken
- participating in and representing the interests of members at the meetings of governmental (OTIF, OSJD, EU, UNECE, ECO etc.) and non-governmental organisations (CER, UIC, CCTT etc.)
- communications (Annual Report, CIT Info newsletter, articles in trade magazines, etc.)
- individual support for CIT members (legal information, practical advice, training seminars, etc.)

In addition to the Secretary General, as of 2015 the General Secretariat employed four lawyers, two railway experts and three additional staff, to a FTE (Full-time equivalent) of 920%.

CIT Info

The CIT Info newsletter provides regular information about all the CIT's activities and about important developments in the law of international carriage by rail. It continues to be in great demand. There were six editions in 2015.

Groups of experts

Four groups of experts support the CIT's work. They are: PRR, CIM/SMGS, CIV/SMPS, and "Seals", which was previously a sub-committee of the CER Customs Group. At the request of the CER, the CIT General Secretariat took over responsibility for this group of experts. It is chaired by Ms Fabienne Vaisson (SNCF Fret).



Members

The members of the CIT are railway undertakings from 43 countries and three continents (Europe, Africa and Asia). The CIT has 136 full members and a further 80 members who are linked via associate organisations. Four new full members and an associated member were added in 2015. The association's costs are borne by its members, with each member paying a membership fee proportional to the level of its international passenger and/or freight traffic volume. Each full member of the CIT has one vote, regardless of the amount of membership fee paid.

In 2015 the following undertakings became members of the CIT:

Country	Undertaking	Membership	Member as from
Hungary	CER Hungary Zrt.	Full member	01.02.2015
Czech Republic	IDS Cargo a.s.	Full member	01.03.2015
Germany	WestfalenBahn GmbH	Full member	01.04.2015
Germany	TBNE	Associate member	01.07.2015
Hungary	LTE Hungária Kft.	Full member	01.10.2015

The image displays a grid of logos for CIT members, organized by country/region. The grid includes logos for countries such as Albania, Armenia, Austria, Bulgaria, Czech Republic, Germany, Hungary, Italy, Poland, Romania, Slovakia, and the United Kingdom, among others. Each logo is accompanied by its respective country code and name.

Accounts 2015

The income statement for 2015 closed with a profit of CHF 11,780. Equity accordingly increased from CHF 475,096 to CHF 486,876.

PricewaterhouseCoopers AG examined the balance sheet, income statement and notes on 13 March 2015 and requested approval of the accounts. The Audit report can be found on p. 35 of the Annual Report 2015.

	Budget	Result	Result
	2015	01.01.-31.12 2015	01.01.-31.12 2014
	CHF	CHF	CHF
Member subscriptions	2,400,000	2,410,325	2,412,118
Events	40,000	11,512	91,097
Other services	300	468	480
Gross revenues	2,440,300	2,422,305	2,503,695
– Trade losses	-10,000	0	-16,672
– Allowance for doubtful accounts	-7,500	-76,000	-32,000
Net revenues	2,422,800	2,346,305	2,455,023
– Printing costs	-9,000	-6,704	-4,924
– Meeting costs	-111,600	-87,615	-106,429
– Costs of events	-115,000	-37,690	-127,375
– Public relations	-75,000	-67,294	-79,064
– Costs of services	-200,300	-275,920	-285,326
Total costs of material and services	-510,900	-475,224	-603,118
Gross profit I	1,911,900	1,871,082	1,851,905
– Salaries	-1,300,250	-1,268,727	-1,251,398
– Social security expenses	-309,000	-270,528	-268,700
– Other personnel costs	-50,000	-49,703	-52,737
Total personnel costs	-1,659,250	-1,588,958	-1,572,835
Gross profit II	252,650	282,123	279,070
– Costs of accommodation	-122,500	-124,864	-121,921
– Equipment and maintenance costs	-24,500	-33,835	-8,080
– Administration and IT	-104,900	-90,100	-116,046
Total other operating expenses	-251,900	-248,799	-246,047
Operating result before interests	750	33,325	33,023
+ Financial income	450	34	238
– Financial expense	-400	-20,855	-5,241
Operating result	800	12,503	28,020
– taxes	-800	-723	-711
Profit for the year	0	11,780	27,309

To be sent to the General Assembly for approval on 19 November 2015.

Balance Sheet 2015

	31.12.2015		31.12.2014	
	CHF	%	CHF	%
Cash	388,316	49.7	681,809	83.1
Trade accounts receivable	585,902	74.9	248,185	30.3
Allowance for doubtful accounts	-249,000	-31.8	-173,000	-21.1
Other current receivables	0	0	71	0.0
Inventory / Publications	1	0.0	1	0.0
Accrued income and prepaid expenses	56,735	7.2	63,204	7.7
Total current assets	781,954	100.0	820,270	100.0
Property, plant and equipment	1	0.0	1	0.0
Total fixed assets	1	0.0	1	0.0
Total assets	781,955	100.0	820,271	100.0
Trade accounts payable	41,056	5.3	20,367	2.5
Other current liabilities	64,083	8.2	54,115	6.6
Accrued expenses and deferred income	189,940	24.3	270,693	33.0
Total current liabilities	295,079	37.8	345,175	42.1
Total liabilities	295,079	37.8	345,175	42.1
Reserves 01.01.	475,096	60.7	447,787	54.6
Profit for the year	11,780	1.5	27,309	3.3
Total reserves 31.12.	486,876	62.2	475,096	57.9
Total liabilities	781,955	100.0	820,271	100.0

Appendix to the 2015 and 2014 Annual Accounts

	31.12.2015	31.12.2014
Details of the organisation		
Company	CIT International Rail Transport	
Legal status	Committee Association	
Registered address	Weltpoststrasse 20, 3015 Bern	
Details of the principles adopted to draw up the annual accounts		
<p>For the first time, these annual accounts have been prepared in accordance with Swiss law and in particular with the provisions of the Swiss Code of Obligations concerning commercial bookkeeping and accountancy (Articles 957 to 962). In accordance with Article 2 paragraph 4 of the transitional provisions, no attempt has been made to ensure the figures on the balance sheet and profit and loss account for the previous year are presented and classified consistently. Accordingly, data from the previous year is only comparable to a limited extent. The annual accounts as agreed by the General Assembly are authoritative. The most important principles adopted for valuation are described below:</p> <p>Receivables Receivables and other current assets are shown at their nominal value less any individual adjustments of value necessary for economic reasons.</p>		
Range of full time equivalent posts - annual average		
	not above 10	not above 10
Amounts remaining due under leasing obligations		
Leasing obligations which cannot be terminated within twelve months mature as follows:		
Due within a year	9 979.20	1 663.20
Due in more than a year	38 253.60	48 232.80
<p>These amounts include the payments due under the leasing obligations (including ground rent, costs and VAT) up to the end of the contract or expiry of the notice required for termination.</p> <p>The CIT International Rail Transport Committee's lease contract has a limited duration. It runs until 31 December 2016 and has an annual ground rent of CHF 107 136.</p>		
Liabilities to pension funds		
	23 424.00	21 504.70
Significant events occurring after the date of the balance sheet		
<p>Between the date of the balance sheet and its approval by the Executive Committee on 28 April 2016, there were no significant events which could adversely affect the annual accounts or which have to be disclosed.</p>		



Report of the statutory auditors
on the limited statutory examination
to the General Meeting of
International Rail Transport Committee (CIT)
Bern

As statutory auditors, we have examined the financial statements of International Rail Transport Committee (CIT), which comprise the balance sheet, income statement and notes (pages 32 to 34), for the year ended 31 December 2015.

These financial statements are the responsibility of the Board. Our responsibility is to perform a limited statutory examination on these financial statements. We confirm that we meet the licensing and independence requirements as stipulated by Swiss law.

We conducted our examination in accordance with the Swiss Standard on Limited Statutory Examination. This standard requires that we plan and perform a limited statutory examination to identify material misstatements in the financial statements. A limited statutory examination consists primarily of inquiries of association personnel and analytical procedures as well as detailed tests of association documents as considered appropriate in the circumstances. However, the testing of the operational processes and the internal control system, as well as inquiries and further testing procedures to detect fraud or other legal violations, are not within the scope of this examination.

Based on our limited statutory examination, nothing has come to our attention that causes us to believe that the financial statements and the proposed appropriation of available earnings do not comply with Swiss law and the association's articles of incorporation.

PricewaterhouseCoopers AG

Peter Held
Audit expert
Auditor in charge

Mario Andenmatten
Audit expert

Bern, 28 April 2016

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List of abbreviations

CER

Community of European Railways and Infrastructure Companies

CIM

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

CIT

International Rail Transport Committee

CIV

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

CMR

Convention on the Contract for the International Carriage of Goods by Road

COTIF

Convention concerning International Carriage by Rail

CUI

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

CUV

Uniform Rules concerning Contracts of Use of Vehicles in International Rail Traffic (Appendix D to COTIF)

ECN

Electronic consignment note

ECO

Economic Cooperation Organisation

E-GTC-I

European General Terms and Conditions of Use of Railway Infrastructure

EIM

European Rail Infrastructure Managers

ERFA

European Rail Freight Association

GCC

General Conditions of Carriage

GCU

General Contract of Use for Wagons

GTC

General Terms and Conditions

GLV-CIM

CIM Consignment Note Manual

GLW-CUV

CUV Wagon Note Manual

GTM-CIT

CIT Freight Traffic Manual

GTT-CIV

CIV Ticket Manual

GTV-CIT

CIT Passenger Traffic Manual

GTW-CIT

CIT Wagon Manual

IRU

International Road Transport Union

MCOOP

CIT Manual for cooperation agreements between railway undertakings

MIRT-CIT

Manual for International Rail Tickets

NEB

National enforcement body

OSJD

Organisation for Co-operation between Railways

OTIF

Intergovernmental Organisation for International Carriage by Rail

PRR

(Rail-PRR) Regulation (EC) No 1371/2007 of the European Parliament and of the Council of 23 October 2007 on rail passengers' rights and obligations

RID

Regulation concerning the International Carriage of Dangerous Goods by Rail

(Appendix C to COTIF)

RNE

RailNetEurope

RU

Railway undertaking

SMGS

OSJD Convention concerning International Goods Traffic by Rail

SMPS

OSJD Convention concerning International Passenger Traffic by Rail

UIC

International Union of Railways

UIP

International Union of Wagon Keepers

UNECE

United Nations Economic Commission for Europe

UPU

Universal Postal Union

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**International Rail
Transport Committee**

Comité international
des transports ferroviaires

Internationales
Eisenbahntransportkomitee

