UNITED
NATIONS



Economic and Social Council

Distr. GENERAL

ECE/TRANS/WP.24/111 3 May 2006

Original: ENGLISH

ECONOMIC COMMISSION FOR EUROPE

INLAND TRANSPORT COMMITTEE

Joint ECMT/UNECE Working Party/Group on Intermodal Transport and Logistics¹

UNECE Working Party on Intermodal Transport and Logistics

REPORT AND SUMMARY OF DECISIONS TAKEN BY THE WORKING PARTY AT ITS FORTY-FIFTH SESSION (Geneva, 30 March 2006)

ATTENDANCE

1. The session was attended by representatives of the following countries: Austria; Belgium; France; Germany; Greece; Hungary; Latvia; Lithuania; Netherlands; Poland; Portugal; Romania; Russian Federation; Serbia and Montenegro; Slovakia; Switzerland; Turkey; Ukraine. The European Commission (EC) was represented. A representative of the United Nations Conference on Trade and Development (UNCTAD) was in attendance. The following non-governmental organizations were represented: European Rail Infrastructure Managers Association (EIM); Groupement européen du transport combiné (GETC); International Bureau of Containers (BIC); International Federation of Freight Forwarders Associations (FIATA); International Multimodal Transport Association (IMMTA); International Organization for Standardization (ISO); International Railway Transport Committee (CIT); International Union of Combined Road/Rail Transport Companies (UIRR); International Union of Railways (UIC).

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¹ The UNECE and ECMT have adopted cooperative arrangements in establishing the "Joint ECMT/UNECE Working Party/Group on Intermodal Transport and Logistics" consisting of separate ECMT and UNECE segments, the UNECE segment consisting of its Working Party on Intermodal Transport and Logistics (WP.24).

ADOPTION OF THE AGENDA

- 2. The Working Party adopted the provisional agenda prepared by the secretariat (ECE/TRANS/WP.24/110) with the addition of the following item:
 - 8 (d) Electronic inventory of AGTC standards and parameters (e-Yellow Book).

INLAND TRANSPORT COMMITTEE (ITC)

3. The Working Party was informed about the results of the sixty-eighth session of the Inland Transport Committee (ITC) (7-9 February 2006) and the outcome of the sixty-first session of the UNECE (21-23 February 2006). The ITC had approved the activities undertaken by the Working Party in 2005 and had endorsed a recommendation on "model" action plans and partnership agreements that had already been approved earlier by the ECMT Council of Ministers (ECE/TRANS/166). The UNECE had adopted a work plan on ECE reform that created a new governance structure and established new priorities in its programme of work leading to a strengthening of its transport subprogramme and in particular border crossing and environmental aspects of transportation (E/ECE/1434/Rev.1).

NEW DEVELOPMENTS IN INTERMODAL TRANSPORT

4. The Working Party was informed by the representatives of Austria, Hungary, Germany, Serbia and Montenegro, CIT, ISO, UIC and UIRR of the latest developments in intermodal transport in Europe, of research undertaken and international conferences held (ECE/TRANS/WP.24/2006/3; Informal documents 2 and 5 (2006)).

FOLLOW-UP TO THE ECMT/UNECE SEMINAR ON INTERMODAL TRANSPORT BETWEEN EUROPE AND ASIA (KIEV, 27-28 SEPTEMBER 2004)

- 5. The follow-up activities to the Kiev Seminar were considered at the ECMT segment of the Joint ECMT/UNECE Working Party on 29 March 2006 taking into account the discussions at its March and September 2005 sessions (TRANS/WP.24/2005/1; TRANS/WP.24/107, paras. 4-6; TRANS/WP.24/109, paras. 4-12) as well as the framework action plan for the promotion of intermodal transport on transport links between Europe and Asia adopted by the ECMT Council of Ministers in 2005.
- 6. In line with this action plan and based on a document prepared by the chairman (ECE/TRANS/WP.24/2006/1), the Joint Working Party welcomed the offer of Ukraine to act as observatory for North-South and East-West intermodal transport lines forming part of the Euro-Asian transport corridors as contained in <u>annex 1</u> to this report.
- 7. The observatory will serve as an information centre for intermodal transport operations along the two corridors, provide a forum for the exchange of views among operators and Governments along these lines and allow, if necessary, for the introduction of corrective measures on the basis of best practices applicable elsewhere as well as of the model action plans and partnership agreements prepared by the Working Party.

- 8. The operating modalities of the observatory as well as a first inventory of good practices, current and future development plans as well as infrastructures and service parameters applicable to the two corridors will be developed by Ukraine in cooperation with the ECMT and UNECE secretariats and the chairs of the Joint Working Party. It was felt that a group of experts should assist the observatory in its analysis of the information collected. This group could consist of representatives of interested Governments and competent international organizations and would work, in principle, on the basis of electronic exchanges.
- 9. A first report of the experiences made and the results achieved should be transmitted to the Joint ECMT/UNECE Working Party for consideration at its autumn 2007 session (deadline for transmission of documentation: 30 June 2007).
- 10. For a more detailed account of the considerations of the Joint ECMT/UNECE Working Party on this issue, refer to the report of the ECMT segment (www.cemt.org).

BORDER CROSSING FACILITATION PROCEDURES RELATING TO INTER-MODAL TRANSPORT OPERATIONS IN A PAN-EUROPEAN CONTEXT

- 11. The Working Party recalled that the ECMT/UNECE Kiev Seminar had identified the persistent problems at border crossings, particularly in rail transport, as one of the main weaknesses for the effective development of transport linkages between Europe and Asia (TRANS/WP.24/2005/1). Subsequently, the ECMT Council of Ministers, in its plan of action, underlined that priority needs to be given to facilitating border crossings, all components and all modes combined, but with the focus on rail transport.
- 12. In line with this decision, the Working Party, at its last session, had agreed on three strategic elements of work that should constitute, in the long term, the cornerstones of international activities in this field. Within this framework, the Working Party had recommended a number of short-term issues to be tackled immediately in the competent international fora (TRANS/WP.24/109, para. 18):
- (a) <u>Unified railway law replacing the present separation between the COTIF and SMGS regimes</u>

The Working Party noted that the development of a common CIM/SMGS consignment note, pursued by CIT and OSJD, had been completed. Following training of involved staff (consignor, consignee, railways, Customs) the new consignment note, providing evidence for the existence of both CIM and SMGS contracts of rail carriage, was planned to be introduced as of 1 September 2006 on a voluntary basis and, initially, on a few transport corridors only. Work was underway to develop standard liability conditions and harmonized terms of contracts.

(b) Unified rail Customs transit system

The Working Party noted that, on 9 February 2006, the ITC had adopted the UNECE Convention on International Customs Transit Procedures for the Carriage by Rail under cover of SMGS Consignment Notes that provided for the SMGS consignment note to be

recognized as a Customs document in SMGS member countries having ratified the Convention. The new Convention is open for signature as of 1 June 2006.

(c) <u>Annex on international rail transport to the International Convention on the</u> Harmonization of Frontier Controls of Goods (1982)

The Working Party noted that, on 9 February 2006, the TC had decided that the development of such an annex should be done by the UNECE Working Party on Customs Questions affecting Transport (WP.30) on a priority basis. With a view to finalizing its provisions and before transmitting it to the Administrative Committee of the "Harmonization" Convention for adoption, a joint meeting should be organized between the various interest groups and inter-governmental bodies, including the Working Party, OTIF and OSJD.

13. The Working Party welcomed the progress made on the above three strategic elements of work. It requested the secretariat to continue to monitor all developments in this field and to do its utmost to facilitate the resolve of still outstanding problems. The Working Party also requested the newly established observatory (refer to para. 6) to report on experiences made in this field, particularly in the application of the common CIM/SMGS consignment note.

RECONCILIATION AND HARMONIZATION OF CIVIL LIABILITY REGIMES IN INTERMODAL TRANSPORT

- 14. The Working Party recalled that, following the organization of two "hearings" with concerned industry groups (TRANS/WP.24/2000/3), it had already considered in 2002 concrete steps to reconcile and harmonize the existing and widely diverging civil liability regimes covering intermodal transport in Europe (TRANS/WP.24/95, paras. 46-53; TRANS/WP.24/2002/5, 6 and 7). In 2005, reviewing the preparatory work of the United Nations Commission on International Trade Law (UNCITRAL) on a draft instrument on the carriage of goods wholly or partly by sea, the ITC had expressed interest in establishing a civil liability regime applicable to European intermodal transport, covering road, rail, inland water and short sea shipping only. It had requested the Working Party to prepare, if appropriate, proposals for solutions at the pan-European level (TRANS/WP.24/107, paras. 23-25; ECE/TRANS/162, para. 104; TRANS/WP.24/101, paras. 24-28).
- 15. Against this background, the Working Party took note of a study commissioned by the European Commission that was part of an open consultation process and, therefore, did not necessarily represent the views of the European Commission (Informal document No.1 (2006)). The study contained a first draft of uniform intermodal liability rules that concentrate the risk on one party and provide for strict and full liability of the contracting carrier (the intermodal operator) for all types of losses (damage, loss, delay) irrespective of the modal stage where a loss occurs and of the causes of such a loss.
- 16. During consideration by the Working Party, the view was expressed that the intermodal liability rules contained in the study seemed to be a step in the right direction as they provided a simple, transparent, uniform and strict liability framework that places liability on a single multimodal transport operator. It was felt that a number of issues, such as the proposed opting-

out facilities or the level of liability limit would still need to be reviewed in more detail in light of prevailing market conditions, different contractual solutions at hand (UIRR, FIATA, UNCTAD/ICC) and Governmental objectives and policies governing European intermodal transport. Also the question of the appropriate geographical scope of such a regime would need to be considered carefully, since a large part of European intermodal transport operations extend well beyond and takes place outside the boundaries of the European Union.

- 17. The Working Party, recalling the specific mandate given to it by the ITC (ECE/TRANS/162, para.4), felt that the time might now have come to consider concrete steps towards preparation of a pan-European civil liability regime applicable to intermodal transport, covering road, rail, inland water and short sea shipping. To this end and before taking specific action, the secretariat was requested to monitor closely the work carried out by the European Commission in this respect and to cooperate with its services.
- 18. In this context, the Working Party also reviewed the latest activities of UNCITRAL on the preparation of a draft instrument on the carriage of goods wholly or partly by sea. It was felt that, in addition to being extremely complicated, the present draft instrument would establish yet another layer of international, maritime based, transport law and did, to a large extent, not address the concerns of European intermodal transport operators and their clients. In its present form, it also might come in conflict with existing European land transport legislation and well-established business practices (European benchmarks: CMR, COTIF/CIM and SMGS). It was also felt that the new draft regime did not address the concerns of European Governments to promote a uniform and transparent European liability regime for intermodal transport operations that ensured a level playing field among all modes.

ROLE OF INTERMODAL TRANSPORT IN EUROPEAN EXPRESS FREIGHT AND PARCEL MARKETS

- 19. Following the discussions at its last session on the possibilities that intermodal transport could play in the booming European express freight and parcel markets, the representative of the "Groupement européen du transport combiné (GETC)" informed the Working Party about the results of a survey on this subject (Informal document No. 4 (2006)).
- 20. The survey showed that the very high quality and logistics standards required in these markets in terms of speed, reliability and traceability could only be achieved if national and international rail transport services improved their performance standards considerably and on a permanent basis. At present, this was generally not ensured, except on a few high-volume North-South transport corridors. However, since express freight, often carried overnight between main European centers, was expected to grow considerably in the coming years, efficient intermodal transport services could play, in principle, an important role in this market, particularly on the trunk haul.

EUROPEAN AGREEMENT ON IMPORTANT INTERNATIONAL COMBINED TRANSPORT LINES AND RELATED INSTALLATIONS (AGTC)

(a) Status of the AGTC Agreement

- 21. The Working Party noted that with the accession of Serbia and Montenegro on 4 January 2006 and Ukraine on 23 March 2006, the AGTC Agreement has 28 Contracting Parties.²
- 22. The up-to-date and consolidated text of the AGTC Agreement is contained in document ECE/TRANS/88/Rev.3 and is available at the web site of the Working Party in English, French and Russian (www.unece.org/trans/conventn/legalinst.html).³

(b) Status of amendment proposals adopted by the Working Party

23. The Working Party was informed that a large package of amendment proposals (TRANS/WP.24/2005/6) adopted by the Working Party on 8 March 2005 (TRANS/WP.24/107, para. 11) had been issued on 19 August 2005 as Depositary Notification C.N.646.2005.TREATIES-1. If, within a period of six months, no objection will be received from a Contracting Party directly concerned, these amendments are expected to enter into force by the end of May 2006. Thereafter, the secretariat will issue an updated consolidated text of the AGTC Agreement as document ECE/TRANS/88/Rev.4.

(c) New amendment proposals

- 24. Recalling the amendment proposals presented by Poland and Slovakia at its previous session (TRANS/WP.24/109, para. 28), the Working Party, on the basis of document ECE/TRANS/WP.24/2006/2, reconsidered these proposals pertaining to Annexes I and II to the AGTC Agreement. The Contracting Parties to the AGTC Agreement, present and voting, adopted these proposals unanimously as reproduced in annex 2 to this report. The secretariat was requested to transmit them, at the appropriate time, to the Secretary-General of the United Nations in his capacity as depositary of the AGTC Agreement for issuance of the required depositary notifications.
- 25. The Working Party also considered provisionally amendment proposals pertaining to Annexes I and II to the AGTC Agreement transmitted by Latvia (Informal document No. 3 (2006)). Following the necessary consultations with countries and Contracting Parties directly concerned by these amendments, the Working Party decided to reconsider these proposals at one of its forthcoming sessions, possibly in conjunction with related important combined transport lines and installations in Belarus, Estonia, Lithuania and the Russian Federation.

² Austria; Belarus; Belgium; Bulgaria; Croatia; Czech Republic; Denmark; France; Georgia; Germany; Greece; Hungary; Italy; Luxembourg; Kazakhstan; Netherlands; Norway; Poland; Portugal; Republic of Moldova; Romania; Russian Federation; Serbia and Montenegro; Slovakia; Slovenia; Switzerland; Turkey; Ukraine.

³ It should be noted that only the text kept in custody by the Secretary-General of the United Nations, in his capacity as depositary of the AGTC Agreement, constitutes the authoritative text of the Agreement.

26. The Working Party took also note of progress made in the preparation of another package of amendment proposals extending the AGTC network to Central Asia and the Caucasus (TRANS/WP.24/2005/2).

(d) <u>Electronic inventory of AGTC standards and parameters (e-Yellow Book)</u>

- 27. The Working Party was informed of progress made in the development of a web site allowing on-line access to the inventory of existing AGTC and AGC standards and parameters previously published in the so-called "Yellow Book" series. The new system would allow access to more than 40 infrastructure and service standards and parameters covering all railway lines contained in the AGC and AGTC Agreements. At a later stage, time series data could be included as well as data pertaining to the other infrastructure agreements administered by the UNECE, such as AGR (E-roads) and AGN (inland water transport).
- 28. The Working Party welcomed this initiative of the secretariat as such a web portal would not only allow for instant access to a wealth of information on transport infrastructures in Europe, but would also allow for effective monitoring of the implementation of UNECE infrastructure agreements.

PROTOCOL ON COMBINED TRANSPORT ON INLAND WATERWAYS TO THE AGTC AGREEMENT

- 29. The Protocol to the AGTC Agreement has been signed by fifteen and ratified by seven countries, 4 but is not yet in force. The text of the Protocol is contained in document ECE/TRANS/122 and Corrs.1 and 2 (http://www.unece.org/trans/conventn/legalinst.html).
- 30. The Working Party welcomed the statements made by the representatives of Hungary and Slovakia indicating that their countries would soon accede to the Protocol. The Protocol would then come into force as the relevant provisions of Article 9 of the Protocol on its entry into force stipulate that one or more waterways contained in the Protocol should link, in a continuous manner, the territories of at least three of the Contracting Parties. With the accession of Hungary and Slovakia, the Danube (C-E 80) would link the territories of four countries in a continuous manner, i.e. Bulgaria, Hungary, Romania and Slovakia.
- 31. The Working Party also recalled that the Inland Transport Committee had requested to undertake an analysis of the reasons that have led to the non-acceptance of a number of international legal instruments, including the Protocol (ECE/TRANS/156, para. 29). To this effect, the secretariat had addressed in autumn 2005 a communication to the following UNECE member States that had signed the Protocol, but had not yet ratified or acceded to it: Austria, France, Germany, Greece, Hungary, Italy, Portugal and Slovakia.
- 32. Reviewing the replies to this communication on the basis of secretariat document ECE/TRANS/WP.24/2006/4, the Working Party noted that a number of countries felt that some of the infrastructure standards in the Protocol were possibly too ambitious and could not be attained in the foreseeable future. Therefore, a few specific modifications would possibly need to be made to bring the Protocol in line with respective national transport policies.

⁴ Bulgaria; Czech Republic; Denmark; Luxembourg; Netherlands; Romania; Switzerland.

33. The Working Party decided to consider such modifications together with other amendment proposals already made earlier by Bulgaria, France, Hungary and Romania (TRANS/WP.24/97, para. 23) following entry into force of the Protocol.

DATE OF NEXT SESSIONS

- 34. As agreed earlier, the Working Party noted that the autumn session of the joint ECMT/UNECE Working Party would be hosted by ECMT and is scheduled to be held from 2 to 4 October 2006 in Paris. The UNECE segment will be held on 3 and 4 October 2006.
- 35. The tentative dates for the spring 2007 session are 8-9 February 2007.

REPORT AND SUMMARY OF DECISIONS

36. As agreed and in line with the decision of the UNECE Inland Transport Committee (ECE/TRANS/156, para. 6), the secretariat, in cooperation with the Chairman, has prepared this report and summary of decisions taken by the Working Party for formal adoption at its autumn session.

Annex 1

TRANSPORT CORRIDORS BETWEEN EUROPE AND ASIA

Major intermodal transport lines

Observatory: Ukraine

East-West	Intermodal transport line ***
C-E 30* PETC III**	Dresden-(<u>Görlitz-Zgorzelec</u>)-Wroclaw-Katowice- Germany-Poland
	(<u>Medyka-Mostiska</u>)-Lvov-Kiev Poland-Ukraine
North-South	Intermodal transport line ***
C-E 10* C-E 95	Helsinki-(<u>Vainikkala-Buslovskaja</u>)-St. Petersburg-Moskva- Finland-Russian Federation
C-E 70 C 70/2 PETC IX and IV**	(<u>Suzemka-Zernovo</u>)-Kiev-(<u>Kuchurgan-Novosavyska</u>)-Chisinau- Russian Federation-Ukraine Ukraine-Rep. of Moldova
	(<u>Ungheni-Iasi</u>)-Bucuresti-(<u>Giurgiu-Ruse</u>)-Dimitrovgrad- Rep. of Moldova-Romania Romania-Bulgaria
	(<u>Svilengrad-Kapikule</u>)- <u>Istanbul</u> <u>Dikea</u>)-Alexandroupolis Bulgaria- <u>Turkey</u>
	Greece

^{*} European Agreement on Important International Combined Transport Lines and Related Installations (AGTC) (C-E and/or C line)

- ** Pan-European Transport Corridor (PETC)
- *** (...) = Border crossing stations

Annex 2

EUROPEAN AGREEMENT ON IMPORTANT INTERNATIONAL COMBINED TRANSPORT LINES AND RELATED INSTALLATIONS (AGTC)

Country specific amendment proposals

(16) POLAND

AGTC Annex I

<u>Insert</u> a new railway line: "C 63" as follows:

"C 63 Czechowice Dziedzice-Żywiec-Zwardoń (-Skalite)"

Contracting Parties directly concerned (AGTC; Article 15(3)): Austria, Poland, Slovakia.

AGTC Annex II

B. Border crossing points of importance for international combined transport

<u>Insert the following</u> new border crossing point:

"Zwardoń (PKP) – Skalite (ŽSR)"

(18) SLOVAKIA

AGTC Annex I

Extend railway line "C-E 63 Zilina- Leopoldov- Bratislava (-Kittsee)" Galanta

by the following railway line: "C 63 (Zwardoń-) Skalitie-Čadca-Žilina"

Contracting Parties directly concerned (AGTC; Article 15(3)): Austria, Germany, Poland.

AGTC Annex II

B. Border crossing points of importance for international combined transport

Insert the following border crossing point:

"Skalite (ŽSR) - Zwardoń (PKP)"

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