



OTIF

Seminar in Islamabad, December 7th and 8th 2011

اسلامی جمہوریہ پاکستان

The Secretary General, Stefan Schimming

**Intergovernmental Organisation
for international Carriage
by Rail**

**How COTIF paves the way to
legal certainty**

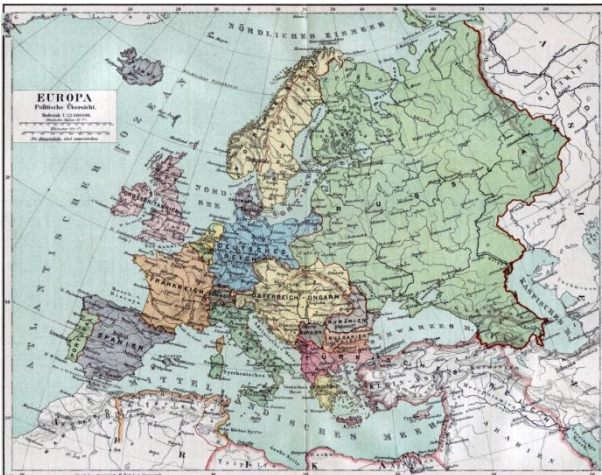


Intergovernmental Organisation for international Carriage by Rail

The Organisation - „Made in Berne“

The cradle of international railway law

Development of competencies for the rail sector since 1893



- First Convention concerning the carriage of goods around 60 years after the invention of the steam locomotive
- 14.10.1890: Founding States : Belgium, Germany, France, Italy, Luxembourg, Netherlands, Austro-Hungary, Russia, Switzerland
- Pioneering role in requirements for transport documentation
- Minimum requirements of compulsory consignment note
- Accurate directory for handling by the customs and tax authorities
- Founding stone for transport and liability questions, rights and obligations



Intergovernmental Organisation for international Carriage by Rail

The Organisation – Member states

The cradle of international railway law

What started with 6 succeeded in joining 47 countries and 1 contracting party

- Facilitating intercultural exchange
- Facilitating the exchange of goods
- Contributing to the facilitation of trade
- Strengthening the competitiveness of the carriage of goods by rail
- Supporting the beneficial environmental impact of rail
- Using a common legal framework
- Developing the framework together according changing needs
- Constantly reviewing its „legal landscape“ in relation to globalisation





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Intergovernmental Organisation for international Carriage by Rail

A team of 20 – ready to serve



The Organisation – The Secretariat

The intergovernmental think tank for
the rail sector

- Elaborating a general strategy for the development of the sector
- Proposing the organisations work programme
- Preparing the contents of all meetings of all 7 organs
- Closely co-operating with its members at distance ...
- ... and face to face follow-up during the regular meetings at the Headquarters in Berne
- Providing legal advise within the framework of COTIF
- Running focused communication and press activities
- Sharing all relevant information with members and interested parties

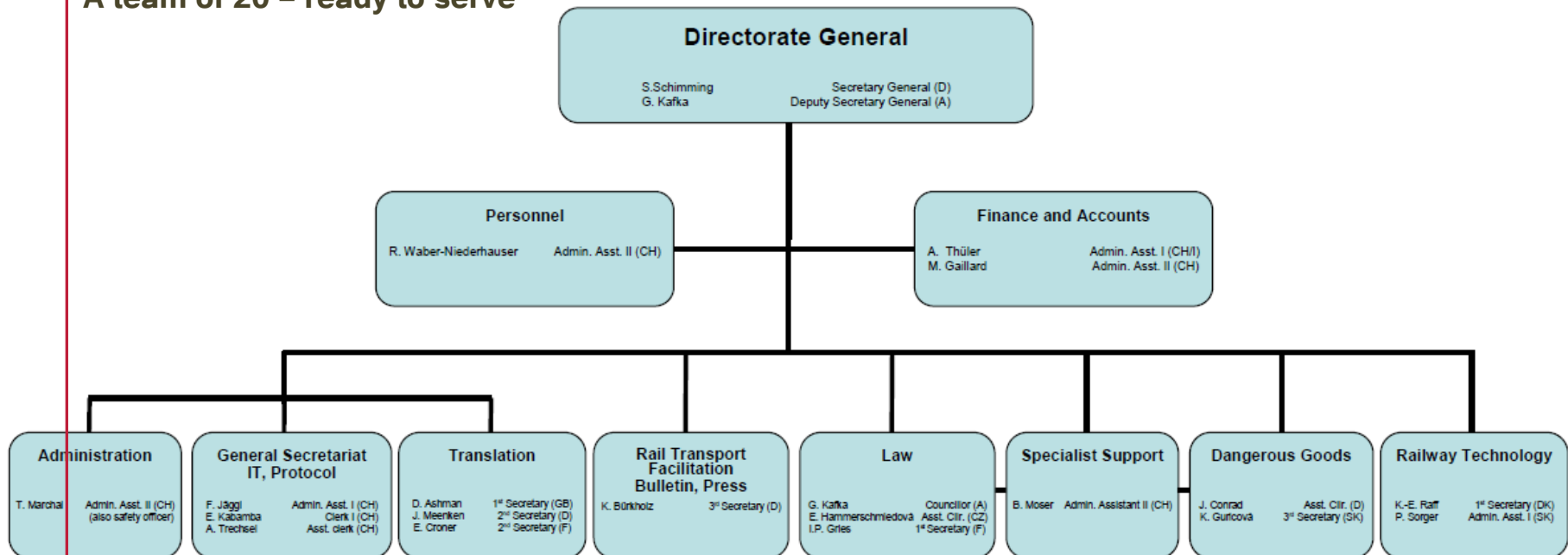


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Intergovernmental Organisation for international Carriage by Rail

The organs



The Organisation – a co-production

The Members and the Secretariat

- The General Assembly, composed by all contracting parties
- The Revision Committee, empowered to set or adapt international legal frameworks, composed by all members that ratified COTIF'99
- The Administrative Committee, composed by one third of the member states that ratified COTIF'99, supervising the Secretary General, approving amongst others the Budget and the work programme
- The core day to day business is dealt within the Committees:
 - RID: dangerous goods
 - Technical experts
 - Facilitation of border crossing
- The Secretary General, elected by the General Assembly



Intergovernmental Organisation for international Carriage by Rail

The famous one step ahead



The Organisation Need for geographical vision

- Acknowledgement and recognition of worldwide interconnections of production sites, patches of traders and consumer areas: follow the economic logic
- Assurance of political commitment through prioritised support of the deployment of the potential of long distance carriage of goods by rail
- Awareness of the need to improve competitiveness with regard to other transport modes
- Determination to facilitate border crossings through legal certainty e.g. by means of common frameworks, transparency and inter-institutional co-operation
- Paradigm shift towards acknowledgement that service oriented quick flow of transit goods outclasses impenetrable borders in terms of national economy and growth



Intergovernmental Organisation for international Carriage by Rail

The famous one step ahead

The Organisation

Need for geographical vision

Main rail routes Asia to Europe. (schematic)



- Forecasts for freight transport to increase by more than 170% by 2050 have a very daunting effect
- The main flow of goods is likely to develop between Asia and Europe and vice-versa
- Pakistan as key-player and transit country to the east, west, south and with enormous potential to the north
- A key role to develop for Eurasian rail freight, transportations to the Arab peninsula ...
- as well as in the context of the whole SAARC-region
- The economic logic of Russia and China, requiring transportation, cannot be ignored

1) TRACECA (Transport Corridor Europe-Caucasus-Asia) route project

Source: UIC



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Start building legal certainty in the SAARC - region



- The convention on international carriage by rail offers all interested nations and regional organisations for economic integration a „neutral“ legal framework
- Common approaches ease co-operation and facilitate operations
- The works on international rail policy should be concentrated within OTIF
- A framework that offers legal and geographic flexibility as to the rules to be applied:
 - Regulations on the international carriage of passengers by rail
 - Regulations on the international carriage of goods by rail

The Organisation Need for geographical vision



Intergovernmental Organisation for international Carriage by Rail

Start building legal certainty in the SAARC - region



The Organisation Need for geographical vision

- Regulations on the international carriage of dangerous goods
- Ongoing works regarding to the facilitation of border crossing
- Uniform rules on the use of waggons
- Uniform rules on the use of infrastructure
- Techniocal standards and prescriptions
- Technical approval of rolling stock and mutual recognition



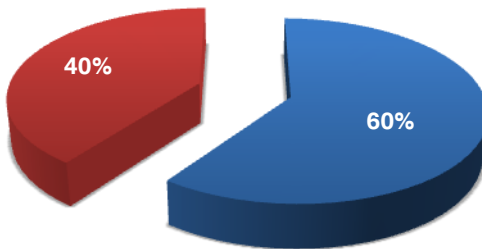
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Financial excellent potential

The Accession first come the Nations...

Core contribution
0,082% of the global Budget

Network- contribution
776 PKR per km



- OTIF Budget 2012 covers 4'182'550 CHF (398'783'351 PKR)
- The financial resources are exclusively originated by the Members
- 2/5 of the national contribution according to the contribution to the Budget of the United Nations Organisation --> 3'429,691 CHF = 327'003 PKR
- 3/5 of the national contribution according to the network --> 63'414,60 CHF = 6'046'251 PKR
- Guaranteed ceiling of 15% of the Budget (327'382 CHF) but min. contribution of 0,25% (10'456 CHF)



The Accession

...then possibly organisations for regional economic integration

Intergovernmental Organisation for international Carriage by Rail

Conditions, assets and drawbacks



- The organisations must have the competence to adopt their own legislation which is binding for their Member states, in matters covered by the Convention
- No financial contributions and no say in financial or budgetary questions
- Multidisciplinary sensitivity, especially towards essentials of rail facilitation in relation to trade and customs
- In matters of exclusive competence, executing voting rights of members
- Increased co-ordination effort amongst the members and their regional organisation in view of establishing a common approach



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COTIF

a framework ready to serve