

**DB/PKP/BC/RzD business meeting
Virtual pilot transports operating under Unified Railway Law
- Berlin, 15-17 May 2017-**

Introduction

URL's fundamentals and objectives

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I. Inland Transport Committee, Resolution from 26 February 2016:

The ITC called on the railways and their international organisations to test, when possible, new legal provisions drafted by a group of UNECE experts.

II. Correspondence between the four railways' chief executives:

In September 2016, the chief executives of our railways agreed on pilot tests to try out the URL.

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III. Unified Railway Law (URL) objectives:

1. Offering a harmonised international legal framework for Europe-Asia rail freight transports.
2. Creating the same conditions for railways as their road-, ocean- and air-based competitors with regard to a harmonised legal framework.
3. Voluntary application of URL by the railways and their customers for certain transports.
4. The current combined CIM/SMGS model will remain in place for partners that wish to retain it.

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III. Further Unified Railway Law (URL) objectives:

5. If URL is applied, there is no reconsignment of freight in transit: there is only one transport contract that covers the entire route.
6. URL harmonises regulations that are at present handled differently in CIM and SMGS (or in applicable national law).

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IV. URL's advantages over CIM and SMGS:

- Simplifies regulations
- Simplifies handling and documentation
- Reduces and speeds up administration processes
- Strengthens contractual freedom for parties

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IV. URL's further advantages over CIM and SMGS:

- Ensures uniform minimum standards during entire transport
- Integrates pre-carriage and onward carriage using other modes of transport in the uniform rail transport contract; uniform URL application
- Ensures a uniform level of minimum liability for carriers
- Strengthens the competitiveness of international rail freight services

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V. When it comes to concluding and implementing transport contracts, there are no fundamental changes:

- Transport documents
- Costs
- Division of tasks
- Later instructions
- Tackling problems
- Freight delivery
- Exception: the carrier's formal report is replaced with a claim for damages from the customer.

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vi. Changes concerning liability:

- The basis for liability (damage while freight was in carrier's care) remains unchanged.
- Exclusions of liability have been tightened up and reduced.
- Compensation limits have been redefined.
- Carrier no longer has unlimited liability.

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VI. Other changes concerning liability:

- Liability for overrunning delivery deadlines is dependent on the occurrence of damage, and it is increased
- The carrier can voluntarily increase its liability; the consignor's liability can be reduced
- One thing remains unchanged: the carrier responsible bears liability

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VII. Summary

URL offers railways and their customers the following advantages:

- Harmonised legal system
- Fewer and tighter regulations
- No need for reconsignment of freight in transit
- Integration of pre-carriage and onward carriage with other modes of transport in URL's comprehensive application
- Uniform level of minimum liability for participating carriers if they are responsible for damage