

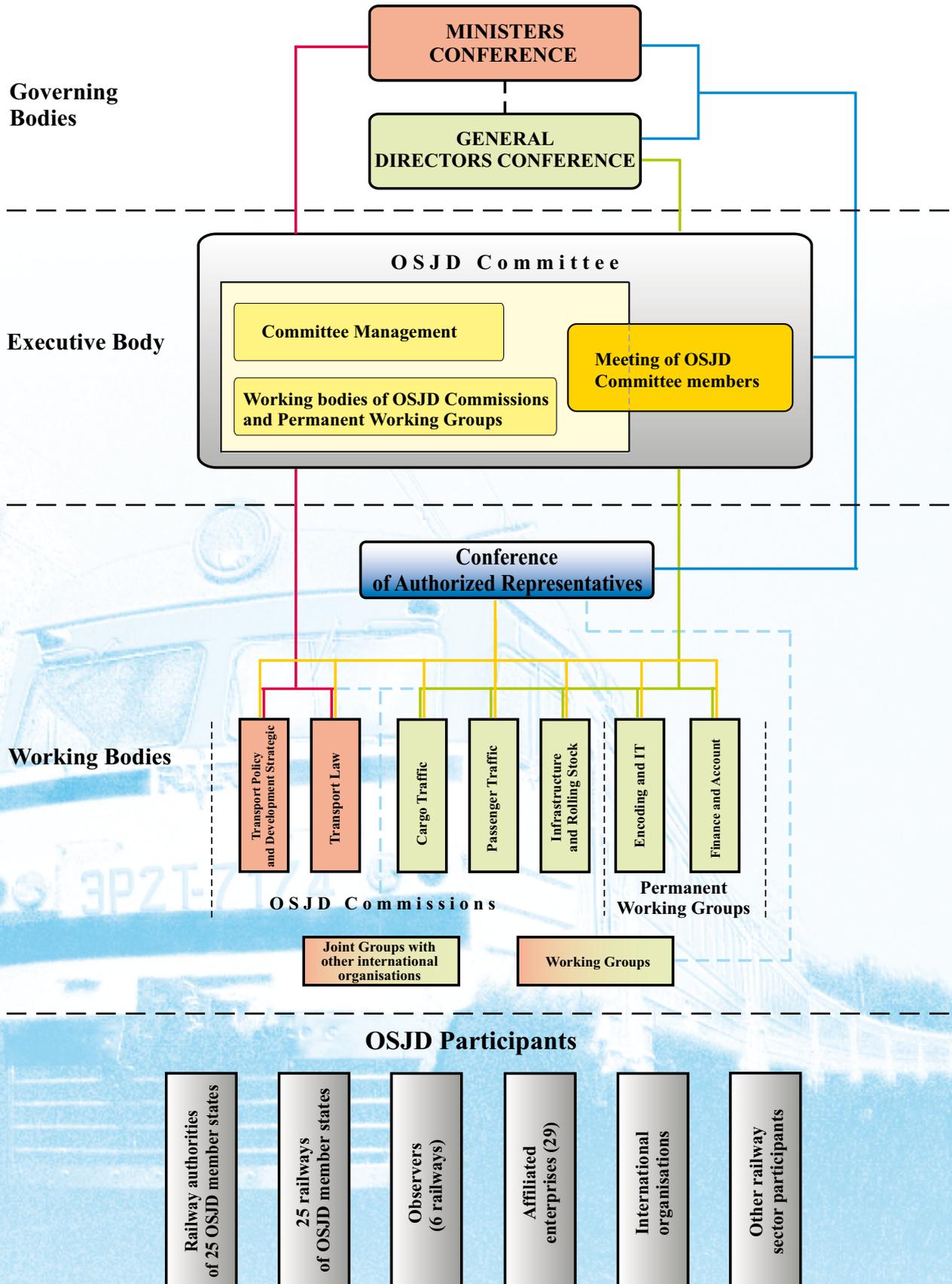
**ORGANISATION FOR CO-OPERATION
BETWEEN RAILWAYS
(OSJD)**



REPORT
on OSJD activities in 2007

Warsaw, 2008

Structure of Organisation for Co-Operation between Railways



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XXIII meeting of the Conference of General Directors (authorized representatives) of the OSJD Railways (Islamic Republic of Iran, Teheran, 27 April – 1 May 2008)



XXXVI session of the OSJD Ministers Conference (Ukraine, Kiev, 10-13 June 2008)

Introduction

In 2007 the activities of the Organization for Cooperation between Railways (OSJD) were focused on the matters concerning further improvement and development of international traffic between Europe and Asia and legal and normative principles, which allow the organization to most effectively implement the full range of transport services in railway industry and raise the competitive capacity of railway transport.

Many railways of the OSJD member states continue to successfully work on restructuring their management systems in order to adapt them to market conditions and meet modern requirements. Herewith, much more attention was paid to the issues of better logistics of transport services, good quality and bigger volumes of railway traffic and further technical growth of railway transport. On the basis of full-scale measures and the recommendations developed by the OSJD along with the ministries and railways, many railroad lines were reconstructed and further modernization of the OSJD transport corridors infrastructure was in progress. It resulted in a considerable growth in freight and passenger traffic on the railways of the OSJD member states; i.e.: from 1988 till 2007 the volume of freight traffic increased 1.5 times and equaled 5.5 billion tons. The volume of passenger traffic amounted to more than 4 billion people. Vectors and purposeful activities of all the OSJD railways contributed to it significantly.

The volume of the Russian Railways freight traffic increased by 2.6%, put into operation were 132 km of the second tracks and 155.5 km of yards, besides, 267.5 km of railroad lines were electrified. The plan to update the wagon fleet has been successfully implemented, which enabled the company to purchase 22571 new vehicles. In 2007 an extensive programme of the Russian railway transport development till 2030 was adopted.

In 2007 within the framework of the five year's plan the Chinese Railways (2006-2010) fully completed the construction of the Beijing – Tianjin rail track, on which trains will move at a speed of 300 km per hour as initially planned. At present the total length of the Chinese railroad lines with speeds of movement of 120 km per hour and above is up to 24000 km, with speeds of 160 km per hour and above – up to 16000 km, with speeds of 200 km per hour and above – up to 6227 km, with speeds of 250 km per hour – 1019 km. Thus, the carrying capacity of the Chinese Railways increased and in 2007 the growth of freight traffic amounted to 8.6%, and in passenger traffic – to 8.0% against the last year's level.

In December 2007 the construction of a new 153-km railroad line between Shar and Ust-Kamenogorsk stations in Kazakhstan was completed. The new railway, in comparison with the existing rail track via Lokot station, enables railway authorities to reduce freight traffic distances in the specified region of Kazakhstan by 311 km and avoid double customs control and 82-km run through the Russian territory.

The Lithuanian Railway freight traffic increased by 7%, 127 km of railways were modernized and reconstructed, station yards of seven stations were extended, which enabled railway authorities to receive freight trains weighing up to 6000 tons.

Implementation of long-term programmes of development of branches of the Azerbaijani State Railway enabled railway authorities to considerably improve technical and economic indices of railway performance and increase the total volume of freight traffic 3.5 times against the volume of freight traffic in 1996. The railway authorities drew up a new comprehensive programme of the Azerbaijani State Railway development for the period till 2011, which would enable to consolidate progress in escalating traffic volumes and increasing economic efficiency.

In the end of 2007 a new 220-km railway line Tashguzar – Baisun – Kumkurgan came into service in Uzbekistan.

The Moldova Railway witnessed a 6-% rise in freight traffic against 2006. In 2007 the construction of a new line Cahul - Giurgiulesti, being 49.3 km long, began and successful improvement and perfection of the telecommunications system was in progress.

On the Ukrainian Railways 438 km of tracks were modified. Noticeable is the implementation of complex measures to introduce carriage documents electronic exchange.

The programme of Byelorussian Railway till 2010 was being successfully implemented in the reporting year, within the framework of which the freight rolling stock was considerably modernized (1236 wagons were purchased), the Belarus Railway joined the uniform digital network of Russia and the CIS countries; construction of the transmission fiber-optical line between Minsk and Brest was completed. As a whole, the volume of freight traffic increased by 5% against 2006.

The Polish State Railways continued to radically modernize the East-West railway lines taking into consideration the requirements implied in the European Agreement on main international Railway Lines under UN Economic Commission for Europe (AGC UNECE) and European Agreement on Important International Combined Transport Lines and Related Installations (AGCT). In 2007 railways over 600 km long were modified with some section adapted to speeds of 200-250 km/h.

Creation of new container routes on the railways of Belarus, Hungary, Kazakhstan, China, Latvia, Lithuania, Mongolia, Poland, Russia, Slovakia, Uzbekistan, Ukraine and Czech Republic contributed much to the escalation of multimodal transportation in 2007. Growth of the volume of container traffic on the Trans-Siberian Railway by 53% is noticeable. Nowadays 182 international routes of container block trains are organized on the railways of the OSJD member states, combined transport included. Cooperation between the railways of Belarus, Russia, Poland, Mongolia, China and Czechia as well as collaboration with forwarding companies – train operators promoted to the successful demonstration runs of two container block trains from China to the Czech Republic.

The railways of Belarus, Kazakhstan, China, Poland, Russia, Slovakia, Uzbekistan, Ukraine and Czech Republic paid much attention to the implementation of the Programme approved by the XXX OSJD Minis-ters Conference session in order to develop the network of fast and high-speed passenger traffic. A stage-by-stage increase in passenger train speeds of movement was observed in all those countries the passenger rolling stock is being modernized capable of running at a speed of 160 km per hour and above.

Issues of current interest to facilitate railway border crossing procedures were addressed by the OSJD,

UNECE and OTIF organizations in their joint preparatory work to favour the International Conference on these issues under the aegis of the United Nations: a number of documents, actions and recommendations have been drawn up, the implementation of which would make it possible to considerably reduce the time for railway border crossing.

In 2007 much attention in the OSJD activities was paid to update the OSJD legal base, which specifies the conditions



Ceremony of laying the last rails in a new track, constructed between Cahul and Giurgiulesti (Republic of Moldova)

for international railway traffic (SMPS and SMGS agreements). In the course of SMPS and SMGS revision certain success has been gained, which made it possible to adopt these papers to the requirements of today and to take account of the changes occurred lately in the system of economic and political relations between the OSJD member states.

It is worth noting that during this period, as a result of their close cooperation, CIT and OSJD found a solution to facilitate railway border crossing procedures by means of drawing up a uniform



Final stage in the construction of high-speed railway line between Peking (Beijing) and Tianjin (KZD, China)

CIM/SMGS consignment note. The implementation of the project is continued and it is likely to result positively and notably in the reduction of the time for railway border crossing in the long term.

Also continued in 2007 was the work aimed at the harmonization of the Rules for the Transportation of Dangerous Goods with the RID provisions, which became an important trend in the OSJD activities. It made it possible to harmonize Annex 2 to SMGS with the RID Rules of 2007.

Active work was done to draw and accord the train schedules, perform and coordinate the volumes of traffic, make changes and amendments to the PPW Agreement.

Purposeful activities were carried out to develop and approve the leaflets on technical issues of railways in the field of rolling stock, gauges, rail tracks and structures, communications systems, data transmission and SFT, power supply and electric power traction, organization of paperless-technology transportation, coding and information technology, as well as in the field of scientific, technical and economic information (STEI).

Much attention was paid to improve financial and accounting activities of the OSJD member states in order to reduce their mutual debts.

In 2007 the AWG on the harmonization of the OSJD basic documents continued their work, which was of great importance within the framework of the OSJD activities and enabled to draw up a draft Convention on the direct international railway and combined traffic, OSJD Statute, Statutes of the Assembly of the Heads of Railway Companies.

Successful cooperation with international organizations, first of all with UNECE, UNESCAP, OTIF, CIT and UIC, was continued. In 2007 the joint work of the OSJD and ERA was commenced for the analysis of the interoperability issues of the EU and non-EU 1520-mm systems (1524 mm for Finland).

In November of 2007 a cooperation agreement was signed between OSJD and Coordinating Council on Trans-Siberian Transportation.

The OSJD observers and affiliated enterprises made significant contribution to the positive results of the OSJD activities.

Fruitful work on the implementation of the planned comprehensive actions to improve and develop railway traffic and increase its competitiveness enabled most of the OSJD member states to considerably raise the volume of freight and passenger flows in 2007.

Statistics

Main indices of railways of the OSJD member countries in 2007

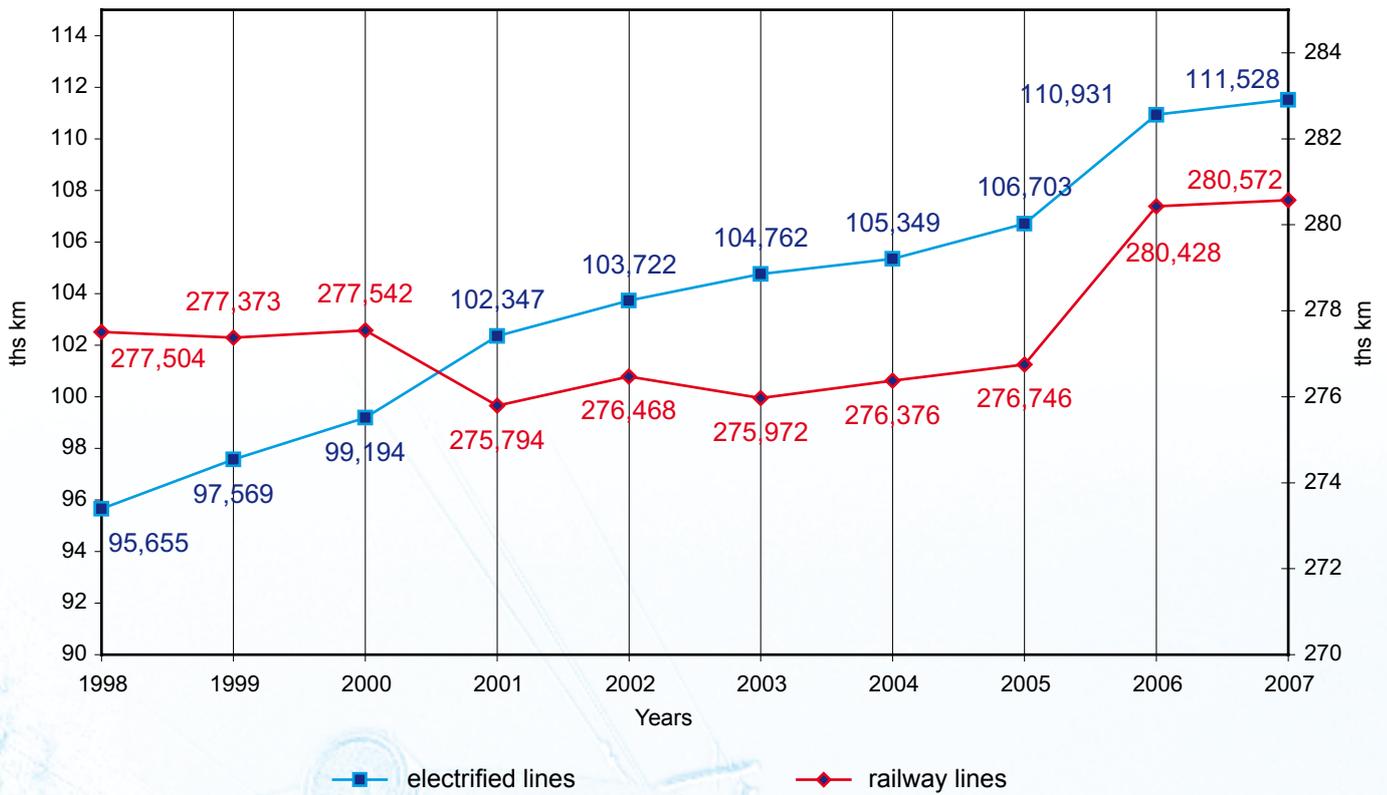
No	Country	Railway	Indices											
			Total area of the country in tsd. km ²	Size of the population in millions	Length of lines in km		Tracktive stock					Pas-senger transport stock	Railcars and railcar trailers	Freight transport stock
					Total	electrified	Steam locomotives	Diesel locomotives	Electric locomotives	Diesel railcar trains	Electric railcar trains			
					± in km to 2006	± in km to 2006								
11/15	11/13	8	9	10	11	12	22/4	22/5	23/16+19					
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
1	Azerbaijan	AZ 0057	86,6	8,6	2 099,3 -22,7	1 271,4 1,9	20,0	238,0	177,5	1,0	73,0	646,0	148,0	22 449,0
2	Belarus	BC 0021	207,6	9,7	5 494,0	898,0	446,0	270,0	1 681,0	1 320,0	24 625,0
3	Bulgaria	BDZ 0052	111,0	7,9*	4 143,0 -3,0	2 806,0 -107,0	4,0	322,0	266,0	25,0	0,0	1 356,0	0,0	16 734,0
4	Hungary	MAV 0055	93,0	10,0	7 643,3 -5,0	2 573,0	11,0	501,0	460,0	350,0	55,0	675,0	191,0	12 614,0
5	Vietnam	VZD 0032	331,7	85,2	2 347,0	0,0	0,0	321,0	0,0	0,0	0,0	958,0	124,0	4 767,0
6	Georgia	GR 0028	69,7		1 513,0	1 513,0	0,0	137,0	196,0	3,0	76,0	460,0	132,0	12 753,0
7	Iran	RAI 0096	1 648,0	70,5*	8 596,0	148,0	...	378,0	8,0	0,0	0,0	1 200,0	100,0	21 083,0
8	Kazakhstan	KZH 0027	2 717,0	15,0*	14 205,4	4 143,5	30,0	1 115,0	595,0	12,0	77,0	2 042,0	-	96 227,0
9	China	KZD 0033	9 600,0	1321,3*	63 636,5 224,8	24 046,6 611,2	89,0	11 229,0	5 993,0	0,0	0,0	41 497,0	974,0	571 078,0
10	DPRK	ZC 0030	122,7		4 400,0	0,0								
11	Kyrgyzstan	KRG 0059	198,5	5,2	417,2	-	2,0	51,0	-	-	-	446,0	0,0	2 221,0
12	Latvia	LDZ 0025	84,6	2,3	2 265,0 -4,2	257,4	3,0	197,0	0,0	41,0	105,0	160,0	331,0	8 891,0
13	Lithuania	LG 0024	65,3	3,4	1 766,0 -5,0	122,0	9,0	243,0	0,0	82,0	43,0	144,0	279,0	13 564,0
14	Moldova	CFM 0023	34,0	3,4*	1 153,6 -0,6	0,0	2,0	0,0	79,0	31,0	0,0	416,0	105,0	8 154,0
15	Mongolia	MTZ 0031	1 531,0	2,6	1 810,0	0,0	0,0	123,0	0,0	0,0	0,0	284,0	1,0	2 688,0
16	Poland	PKP 0051	312,7	38,1*	19 419,0 -10,0	11 831,0 -15,0	20,0	1 865,0	1 672,0	91,0	945,0	4 180,0	3 075,0	73 993,0
17	Russia	RZD 0020	17 075,4	142,0	85 155,0 -61,0	42 911,0	206,0	9 821,0	9 398,0	331,0	7 518,0	27 227,0	...	566 802,0
18	Romania	CFR 0053	237,5	21,6	10 777,0 -4,0	3 979,0 1,0	0,0	1 065,0	746,0	552,0	18,0	22,0	3 179,0	58 287,0
19	Slovakia	ZSR 0056	48,0	5,4	3 629,2 -29,2	1 577,6 0,6	0,0	593,0	488,0	184,0	46,0	1 242,0	529,0	32 990,0
20	Tajikistan	TDZ 0066	143,1	7,2	616,0	0,0	0,0	57,0	0,0	0,0	0,0	342,0	9,0	2 411,0
21	Turkmenistan	TRK 0067	488,1	5,1*	3 080,7 11,8	0,0	0,0	343,5	0,0	0,0	0,0	485,0	0,0	14 122,0
22	Uzbekistan	UTI 0029	447,2	27,4*	4 229,6 225,1	589,0 -4,9	0,0	258,7	57,8	0,0	21,0	723,0	0,0	17 246,0
23	Ukraine	UZ 0022	603,7	46,3	21 873,2 -17,8	9 670,6 90,6	52,0	2 542,0	1 819,0	343,0	1 521,0	7 653,0	0,0	193 137,0
24	Czechia	CD 0054	78,9	10,4	9 487,0 -9,0	3 060,0 19,0	22,0	1 047,0	905,0	747,0	121,0	2 336,0	2 230,0	42 296,0
25	Estonia	EVR 0026	45,2	1,4*	816,2 -145,8	130,7 -0,3	0,0	130,8	0,0	32,0	26,0	42,0	147,0	16 583,0
Total ± to 2006		OSJD			280 572,2 144,4	111 527,8 597,1	470,0	32 578,0	22 860,3	3 271,0	10 915,0	96 217,0	12 874,0	1 835 715,0

* According to the latest censuses

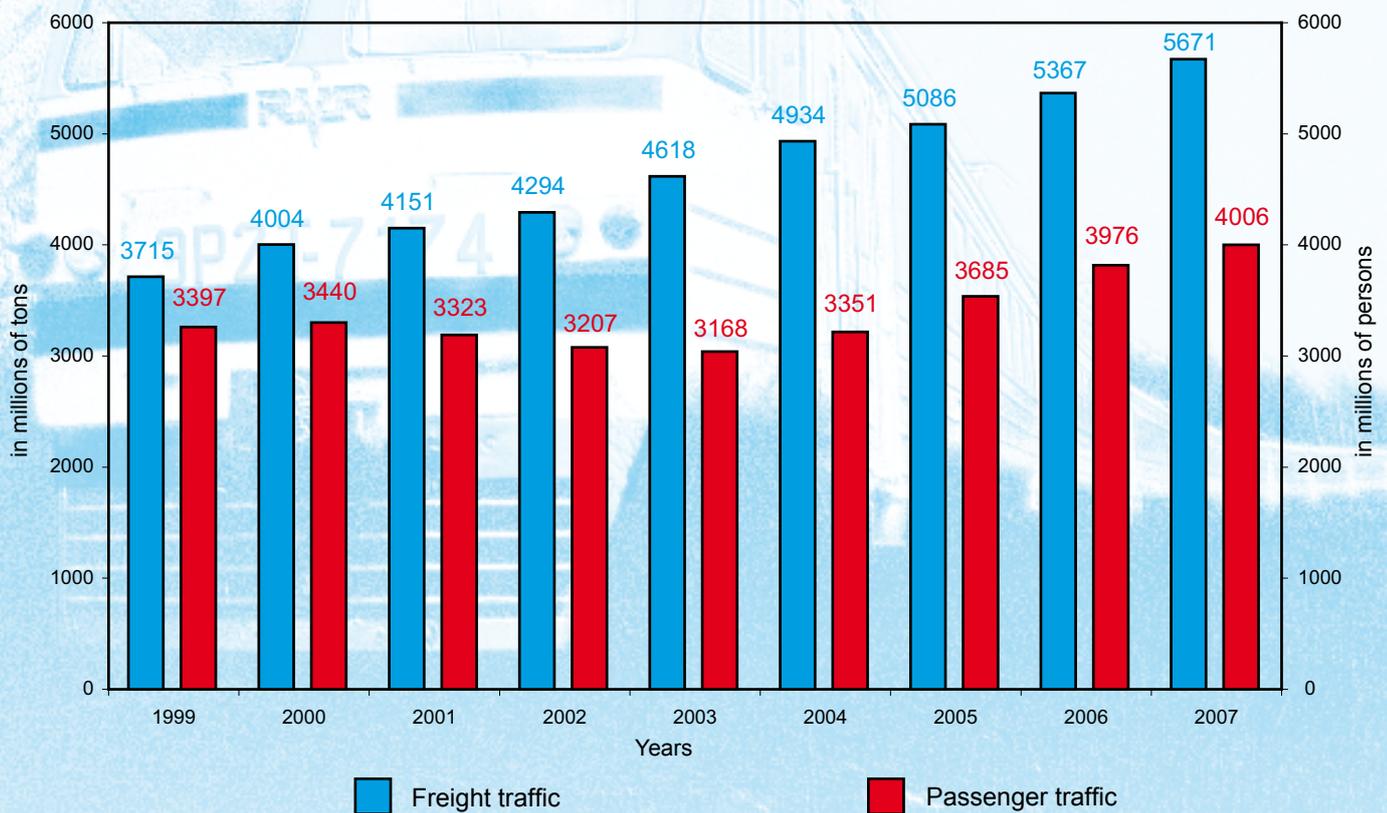
Main indices of railways of the OSJD member countries in 2007

No	Country	Railway	Indices							
			Staff	Gross hauled tonne-kilometres of trains in million tonne-kilometres			Passenger traffic		Freight traffic	
				Total	Passenger trains	Freight trains	Number of passenger in thousands	Number of passenger-kilometres in millions	Tonnes carried in thousands	Number of tonne-kilometres in millions
			± in % to 2006	± in % to 2006	± in % to 2006	± in % to 2006	± in % to 2006	± in % to 2006	± in % to 2006	± in % to 2006
			31/21	42/19	42/20	42/21	51/3	51/15	61/11	61/18
16	17	18	19	20	21	22	23			
1	Azerbaijan	AZ 0057	31 462,0 4,3	22 240,6 -6,9	2 635,3 -2,9	19 528,6 -7,4	6 598,2 13,3	1 108,4 15,0	28 276,2 -6,4	10 394,6 -6,0
2	Belarus	BC 0021	77 649,0 -0,4	108 680,0 3,0	20 391,0 -0,0	87 524,0 3,9	92 595,0 -6,9	9 366,0 -6,0	140 967,0 5,5	47 933,0 4,8
3	Bulgaria	BDZ 0052	34 106,0 1,3	14 776,1 -8,9	5 484,8 -5,0	9 291,2 -11,0	33 283,0 -2,4	2 423,9 0,1	20 175,0 -4,8	4 711,0 -9,8
4	Hungary	MAV 0055	37 106,0 -10,1	34 758,0 6,9	16 498,0 15,8	18 260,0 -0,1	143 300,0 19,6	8 590,0 27,4	44 521,0 -4,8	8 933,0 -3,7
5	Vietnam	VZD 0032	-	12 965,0 6,2	5 756,0 -6,0	7 209,0 11,5	11 571,0 -0,0	...	9 049,0 -1,1	3 890,0 12,9
6	Georgia	GR 0028	6 910,0 5,5	13 761,1 -11,4	1 183,9 -21,5	13 002,0 -7,2	3 879,8 0,0	773,9 -4,3	22 230,2 -1,7	6 927,6 -6,1
7	Iran	RAI 0096	12 840,0	29 422,0	0,0	0,0	17 391,0	21 000,0	32 000,0	0,0
8	Kazakhstan	KZH 0027	79 243,0 -20,0	385 535,0 5,6	31 097,0 4,2	351 174,0 5,7	16 903,0 -2,2	14 314,0 5,2	260 546,0 5,5	200 752,0 5,0
9	China	KZD 0033	2 066 909,0	4 111 994,0 7,6	639 240,0 8,4	3 472 551,0 9,3	1 287 120,0 7,5	689 618,0 8,6	2 624 000,0 7,4	2 211 246,0 8,8
10	DPRK	ZC 0030								
11	Kyrgyzstan	KRG 0059	5 167,0 4,1	1 777,0 17,8	183,0 11,6	1 594,0 18,5	435,5 -2,2	59,9 -0,7	6 905,1 25,0	848,9 12,9
12	Latvia	LDZ 0025	13 620,0 -3,2	32 127,0 8,2	2 037,0 1,3	29 931,0 8,9	27 430,0 0,0	983,0 -0,9	52 164,0 7,0	16 735,0 9,6
13	Lithuania	LG 0024	10 535,0 -2,7	28 248,0 11,0	1 461,0 3,4	26 743,0 11,5	5 186,0 -16,3	409,0 -4,9	53 503,0 6,5	14 373,0 11,5
14	Moldova	CFM 0023	13 345,0 -1,9	6 718,0 -0,4	1 341,0 7,6	5 311,0 -3,5	5 590,0 5,8	468,0 -0,6	11 877,0 7,1	3 092,0 -15,4
15	Mongolia	MTZ 0031	14 935,0 -1,0	16 981,0 -9,7	2 416,0 1,1	14 565,0 -11,2	4 483,0 3,5	1 406,0 9,1	14 073,0 -4,9	8 361,0 -9,3
16	Poland	PKP 0051	123 472,0 -1,9	120 519,0 0,5	29 457,0 0,4	90 103,0 0,7	210 273,0 -3,3	17 081,0 0,7	153 439,0 1,6	43 559,0 2,1
17	Russia	RZD 0020	952 100,0 -2,2	4 087 629,0 6,8	412 702,0 0,8	3 634 630,0 6,4	1 280 209,0 -4,4	173 410,5 -2,4	1 344 583,0 2,5	1 875 693,0 5,2
18	Romania	CFR 0053	64 373,0 -0,9	40 160,0 -6,1	17 913,0 -2,8	22 221,0 -8,6	85 753,0 -8,0	7 417,0 -7,9	49 601,0 -4,7	10 199,0 -12,0
19	Slovakia	ZSR 0056	34 791,0 0,9	26 705,9 3,5	6 310,6 -2,6	20 395,3 5,5	45 597,9 -3,0	2 148,0 -2,1	54 609,3 9,1	9 476,3 -2,4
20	Tajikistan	TDZ 0066	7 858,0 46,7	2 530,6 7,1	148,6 11,0	2 382,0 6,8	787,4 3,5	53,0 1,3	14 529,1 4,2	1 274,4 4,5
21	Turkmenistan	TRK 0067	17 044,0 6,0	20 442,0 4,8	2 907,0 7,6	17 535,0 6,6	5 845,0 9,3	1 570,0 9,4	23 586,0	10 973,0 5,1
22	Uzbekistan	UTI 0029	49 295,0 6,4	43 054,0 11,3	4 629,0 13,5	38 425,0 11,0	12 634,5 -17,7	2 264,0 -3,2	67 853,5 16,4	21 593,7 12,0
23	Ukraine	UZ 0022	361 236,0 -1,9	532 474,0 6,5	99 289,0 -1,4	421 879,0 8,6	521 300,0 -0,2	53 089,0 -0,3	514 193,0 7,4	262 505,0 9,0
24	Czechia	CD 0054	54 677,0 -7,1	54 155,0 3,5	18 949,0 2,8	34 034,0 2,2	181 918,0 0,5	6 855,0 -0,5	91 524,0 2,1	17 041,0 3,6
25	Estonia	EVR 0026	3 098,0 -2,3	15 840,8 -18,2	805,4 15,6	14 905,2 -19,8	5 447,1 2,3	273,1 4,9	37 151,7 -17,4	8 153,4 -19,7
Total ± to 2006		OSJD	4 071 771,0	9 763 493,1 6,7	1 322 834,6 4,3	8 353 193,3 7,3	4 005 530,4 0,7	1 014 680,7 4,9	5 671 356,1 5,7	4 798 664,9 6,8

The dynamics of changes in the operational length of the railway network and electrified lines



The dynamics of changes in the traffic volume



1. Progress of OSJD Activities by Subjects

1.1. Transport Policy and Development Strategy

Also continued in 2007 was the work aimed at the solution of the issues connected with the railway transport policy, implementation of comprehensive actions with the purpose to improve railway traffic and develop the OSJD transport corridors, facilitate border crossing procedures for international passenger and freight railway traffic, as well as to increase competitiveness of railways in order to obtain additional volumes of international transit traffic and extend the railway share on the transport market.

The comprehensive plans for the development of six transport corridors No. 2, 3, 4, 6, 10 and 12 were adopted at the XXXV OSJD Ministers Conference session (June 26 -29, 2007, Warsaw, Republic of Poland), developed by the OSJD Commission on Transport Policy and Development Strategy in cooperation with leading duty holders from Kazakhstan, Ukraine, Czech Republic, Bulgaria and Moldova.

The Ministries Conference session also recommended to complete the development of complex plans for OSJD transport corridors No. 5, 7, 8 and 13 to be adopted further at the XXXVI OSJD Ministers Conference session.

Draft technical and operational certificates for OSJD corridors No. 3, 7, 13 were approved at the meeting of the I-st Commission and it was also recommended to continue similar work in respect of other transport corridors, which would facilitate to increase the traffic volumes and to eliminate the “bottle necks” in communication between Europe and Asia.

The technical and operational certificate for OSJD corridor 5 was drafted for discussion and approval at the meeting of the I-st OSJD Commission in 2008.

Active work was carried out in the field of railway transport policy, the strategic task of which was coordinated development of the OSJD railway system and competitiveness growth of railways to attract additional volumes of international transit traffic.

Worth mentioning are the papers presented by the Republic of Kazakhstan concerning the reforms on the railway transport, to include answers of the OSJD member states to the questionnaire, developed by Kazakhstan. The abovementioned papers were recognized useful for use by those railways, which were still at the initial stage of their reforms.

The main directions of the railway industry reform have been recognized as follows:

- gradual elimination of the cross-subsidy practice for the passenger traffic at the cost of the freight traffic;
- organization of long-range passenger traffic provided either by independent structural divisions in the composition of a national carrier or subsidiaries being part of a state-owned railway holding;
- government support for infrastructure modernization and development;
- transfer of non-core assets to a competitive sector;
- study of possible effects ensuing from some countries' entry into WTO;



New railway station in Astana (KZH, Kazakhstan)



ERA-OSJD joint meeting on 12 June 2007, Lille, France

- track structure;
- power supply;
- SFT;
- coaches;
- locomotives and traction vehicles;
- wagons;
- traffic operation and control;
- repair plants;
- licensing of locomotive drivers.

The results of the activities carried out by the Contact group were described in the ERA Intermediate Report, which was presented for the EU Commission's consideration on 12 October 2007.

The mutual exchange of views contributed to familiarization and better understanding of peculiar features of techniques and approaches in the EU and in the countries with 1520-mm railway systems.

The Contact Group stated that key parameters of the 1520 mm railway system might be set forth, in terms of interoperability, according to the structure applied in the EU TSI, and considered it expedient to continue cooperation within the framework of the OSJD/ERA Contact Group in order to develop proposals and to prepare papers to include the key parameters of the 1520 mm system in the EU TSI or develop proposals,

which might become the basis for drawing up certain TSIs for the 1520-mm system.

One of the main reserves of the cross-border traffic development is to simplify the procedures of state border-crossing making provisions for minimum train stoppage time at the border crossing points of the participating states and to minimize the time required to deliver goods and passengers, which is feasible only under the condition of effective interaction of railways with border and customs authorities of their own and neighbouring states.



New emu of BDZ-EAD in Sofia outskirts (Bulgaria)

On the basis of the analysis of the data on the transport corridors infrastructure the complex measures were developed to improve the organization of the international rail transportation along the first-priority routes, including, as a rule, certain measures to simplify the border crossing procedures and to reduce the train stoppage time at boundary stations.

The Expert Group held six preparatory interagency meetings attended by the representatives of border and customs agencies, ministries and railways, during which draft Appendix 9 “Facilitation of International Border Crossing Procedures

by Rail” to the International Convention on the Harmonization of Frontier Controls of Goods (1982) and the Convention on Facilitation of Border Crossing Procedures in International Railway Passenger Traffic were developed, prepared and agreed upon.

The specified draft conventions were discussed at the 116th and 117th sessions of the ITC UNECE WP 30 Group (Working Party on Customs Questions affecting Transport).

Having been finalized these draft conventions will be forwarded for the consideration and coordination by the International Conference on railway border crossing facilitation to be held under the auspices of the UNECE.

As a result of the complex actions implemented in order to improve and modernize the track, electrify lines, introduce of new rolling stock, construct modern logistical centers and terminals, lay down new fiber-optical lines and establish satellite communication facilities, create reliable information systems, as well as owing to the application of computer technology in transportation process and simplification of border crossing procedures in freight and passenger traffic, the volumes of freight flows passing through the transport corridors have considerably increased. For example, the freight traffic passing through transport corridor No. 1, which runs through the territory of Poland, Belarus, Russia, Kazakhstan, Latvia, Lithuania, Estonia, Uzbekistan, China, Mongolia and North Korea has considerably increased in the reporting year against 2006.

In 2007 more than 420,000 containers were carried by rail, which was +55% against 2006. In the meantime, 13500 containers (+44%) were transported from China, 133 containers (+80%) – from the Republic of Korea, 28000 containers (+42%) – from Japan. Freight traffic increased in other transport corridors as well.

In the end of 2007 a new 220-km railway line Tashguzar – Baisun – Kumkurgan in Uzbekistan came into service, which became part of the OSJD corridor branch “10 g” (TRACECA) between two stations:



EP10 two-system passenger electrical locomotive, manufactured in Russia together with Bombardier



Registon - fast enhanced-comfort passenger electrical train (with speed of up to 200 km/h) in communication between Tashkent and Samarkand (UTI, Uzbekistan)



ED9MK Express enhanced-comfort emu arriving from Volgograd at Saratov station (RZD, Russia)

train maximum speed increased to 200 km/h. Modernization of the St.-Petersburg - Helsinki railway leg for speeds of 200-220 km per hour is underway.

In Kazakhstan the speed of movement of passenger trains on the modified 1343-km line Astana – Almaty reaches 160 km/h. Planned was connection of the mentioned railway with the Moscow - Ekaterinburg - Kurgan - Omsk - Novosibirsk rail track, which was under modification.

As far as high-speed main lines is concerned, they fast construction was underway in the Peoples Republic of China. For example, in China the total length of lines for speeds of up to 200 km/h amounts to 6227 km. On some sections (Beijing – Harbin, Beijing – Shanghai, Beijing – Guangzhou and Qingdao – Jinan) the maximum speed is 250 km/h.

The software programs to draw up tables of the basic parameters of work of the railways of OSJD member countries, developed by the Republic of Uzbekistan, is used to improve the “OSJD Main Statistical Data on Railway Transport” (the title of which was changed in 2008 to “OSJD bulletin on statistical data on railway transport”. The statistical data for 2006 were published in the booklet under the title of “OSJD Main Statistical Data on Railway Transport for 2007” (counter to the practice of the previous years) which was presented for all OSJD member countries at the XXXV OSJD Ministers Conference session. The analysis of these data shows, that as a whole the rate of freight traffic growth in OSJD in comparison with the previous year increased and made 4.90%, and the total turnover of goods increased by 6.45%. The volumes of passenger transportations went up. 3978 million passengers were transported, that is 7.97% more as compared to the previous year.

The operational length of the railway lines increased by 2216 km and made up 278963 km, and the length of the electrified lines extended by 4228 km reaching 110931 km.

The overall number of diesel- and electric locomotives of the OSJD member countries reached 60420



SMGS and SMPS Agreements and Manuals

Karshi (Kashkadarya region) and Termez (Surkhandarya region). The track enables to reduce the time of goods delivery without two border crossings and opens a direct transit freight traffic to Afghanistan and Tajikistan.

The following stations are situated along the above-mentioned track, which are open for commercial operations: Tashguzar, Dehkanabad, Akrobat, Baisun, Kumkurgan and others.

The reporting year 2007 witnessed a substantial development in fast and high-speed railway lines for passenger traffic.

In Russia after modernization of Moscow – St.-Petersburg line (650 km), the

train maximum speed increased to 200 km/h. Modernization of the St.-Petersburg - Helsinki railway leg for speeds of 200-220 km per hour is underway.

In Kazakhstan the speed of movement of passenger trains on the modified 1343-km line Astana – Almaty reaches 160 km/h. Planned was connection of the mentioned railway with the Moscow - Ekaterinburg - Kurgan - Omsk - Novosibirsk rail track, which was under modification.

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at the end of 2007, while the passenger carriage stock increased up to 97197 vehicles, and the stock of freight wagons – up to 1872200 vehicles.

The I-st Commission’s ad hoc working group expert meeting drew up an “OSJD member countries’ common methodology for calculating the main indices of the roll-

ing stock operation and interrelation of these indices”, which was agreed upon at the OSJD Commission meeting and adopted at the OSJD Minister Conference session in accordance with para. 2, art. IV of the OSJD Committee Statute as the first edition of Leaflet R-307.

Within the scope of the subject “Creation of OSJD International Distributed Databank of Scientific, Technical and Economic Information (STEI) on Transport”, the leading duty holder from the Russian Federation and the OSJD Commission’s AWG drafted and approved, at their meeting, a draft Technical Specifications for the creation of the OSJD Uniform Search System (OSJD STEI USS) in accordance with the basic provisions of OSJD STEI USS and the draft Catalogue of information resources of International Distributed Databank. The white page directory of the STEI centers of the OSJD member states (8th edition) was updated and republished.

As of January 1 2007 according to the STEI centers the overall number of information resources of the International Distributed Databank of the scientific and technical information amounted to more than 178,251 documents. In 2006 the annual input of the International Distributed Databank equaled to 21130 documents.

In 2006 35844 subscribers were users of the International Distributed Databank of the STEI centers of the OSJD member states, the total number of inquiries to the OSJD database was 40847, basically by means of the Internet.

Also discussed were the results of work in the field of development and administration of the Web-site of the STEI centers of the OSJD member states on the Internet according to OSJD Leaflet O+R 905/4 “Organization and administration of the Web-site of the Centers of Scientific and Technical and Economic Information of the OSJD member states on the Internet”. Work in this respect would continue in cooperation with UIC. The number of accesses to the Web pages and sites of the STEI centers amounted to 268558. The total number of the documents, which were accessed in the OSJD Database (the number of the documents found in the Database at the users’ request), was equal to 105726 documents in 2006.

Within the reporting period the Web-pages of the STEI centers of Kazakhstan, Poland, Russia, Ukraine and the OSJD Web-page were updated according to the information supplied by the countries. The home-page of the Web-site was also updated:

- “Development” reference box contained the information on the Classifier of the OSJD automated distributed databank (ADB), drafted by the AWG;
- “Plans” reference box contained the Plan of Work of the OSJD Commission on Transport Policy and Development Strategy for 2007 on subject 6.

1.2. Transport Law

In the reporting year tasks on perfection and strengthening of normative-legal base of international freight and passenger traffic were being tackled.

In the field of passenger traffic further shaping and updating of the Agreement on International Passenger Transport by Rail (SMPS) and Service Manual for the SMPS Agreement was continued. A number of amendments of the Agreement were approved with effect from May 1, 2008. Taking into account the modifications and amendments, adopted earlier, the updated



Brest Central Station (Byelorussian Railway)



High-speed enhanced-comfort passenger emu Pendolino of Czech Railways

texts of the SMPS Agreement and the Service Manual to SMPS were prepared and agreed upon as of 1 May 2007.

New updates in the text of OSJD Leaflet O 110 “Regulations of Control of International Passenger Trains and Coaches in Traffic between the OSJD Member States” were made. A number of amendments in respect of Leaflet O-111 “Rules for Distribution and Use of OSJD Service and Single-Use Free Tickets” were adopted.

Due to the expiration of the previous service tickets new ticket forms were printed by the OSJD Committee with effect from 1 January 2008.

In the field of freight traffic actions were taken on further updating of the Agreement on International Carriage of Goods by Rail (SMGS) and the Service Manual for the SMGS Agreement and their harmonization with other normative documents as well.

With the earlier adopted modifications and amendments being taken into account, the updated texts of the SMGS Agreement and Service Manual were prepared and agreed upon as of 1 July 2007.

With effect from 1 July 2008 adopted were amendments of the SMGS Agreement and Service Manual dealing with the conditions of the transportation of out-of-gauge goods by rail, sealing of wagons, instructions on filling in the SMGS consignment note’s columns, transfer of goods across the border, languages used to make factual reports and administer service documents and matters of the goods to be delivered up.

Following the decision of the XXXV OSJD Ministers Conference session the main principles were used governing the SMPS and SMGS revision in relation to the Convention on Direct International Railway Traffic under development.

In the reporting year actions were taken to develop accompanying papers for the CIM/SMGS consignment note, which came into service on 1 September 2006.

The joint OSJD/CIT/OTIF working group developed the following papers for the carriage of goods by using CIM/SMGS consignment note: specimen of CIM/SMGS commercial act; CIM/SMGS wagon brief; CIM/SMGS container brief; procedures of coordination of new routes not specified in the CIM/SMGS consignment note; liability provision for reforwarding in case the place of endamage is not ascertained. Functional specifications for the CIM/SMGS electronic consignment note were developed as well.



CRH-series high-speed train of Chinese Railways for movement of up to 350 km/h at high-speed railway line Peking (Beijing) – Tianjin

The OSJD Commission on transport law continued its work aimed at the development of new Annex 14 to SMGS “Rules of Accommodation and Securing of Goods in Wagons and Containers”. Prepared and adopted were amendments of Paragraph 1 “Requirements for Accommodation and Securing of Goods in Open Rolling Stock”, Paragraph 2 “Accommodation and Securing of Wood and Timber”, Paragraph 3 “Accommodation and Securing of Metal Products and Scrap Metal”. Besides, Para-

graph 9 “Accommodation and Securing of Containers” of Annex 14 to the SMGS Agreement was also prepared and adopted with effect from July 1, 2008.

In 2007 in accordance with the modifications and amendments introduced in international and national regulations, activities on updating the Rules for the transportation of dangerous goods (Annex 2 to the SMGS Agreement) were continued on the basis of the agreed draft recommendations of the United Nations, Standard Rules – 15th edition – and RID (edition, planned for 2009).

It is noteworthy that updated Annex 2 to the SMGS Agreement developed on the basis of the RID Regulations-2007 and Uniform Rules - 14th edition came into force on 1 July 2007.

Effective from 1 July 2008, amendments of the Rules of the carriage of dangerous goods were also discussed and agreed upon.

1.3. Freight traffic

In 2007 the international OSJD railway freight traffic developed within the framework of the international law and legal acts in the field of tariff policy, updating of the rules of mutual use of wagons in international traffic in order to separate them from the rules of use of passenger coaches, with converging the systems of description and coding of the goods carried by rail in the OSJD and UIC networks, and according to their classification of goods applied by the World Customs Organization, modernization of existing international agreements and contracts to organize combined transport services and traffic between Europe and Asia and develop container transportation in communication Europe - Asia - Europe.

The procedure for tariff application and computation was considered within the framework of the existing Agreements on Uniform Transit Tariff (ETT) and International Railway Transit Tariff (MTT).

The parties to the ETT agreement discussed and coordinated the changes and amendments into the ETT Agreement, which deal with:

- delegation of authority to the Parties to the Agreement, connected with participation in the meetings and with decision-making;
- allocation of serial number to the adopted updates and amendments into the ETT Agreement and ETT;
- Azerbaijani State Railway’ accession to the ETT Agreement as of July 5, 2007.

Besides, it was also ETT, which had been updated



A2T new double-decker coach of Vietnamese Railway



New 1520-mm open platforms for domestic and cross-border traffic between OSJD countries (Latvian Railway)



Railway depot Tapa (Estonia)

and amended in regard to the transit distances, ETT publication procedure, description of goods, procedure for the calculation of carriage duty and additional charges for the transportation of goods, to include the dangerous ones.

The abovementioned amendments to the ETT Agreement and ETT Tariff came into force on 1 January, 5 July, 10 October and 20 October 2007.

Within the framework of the subject “Updating of International Railway Transit Tariff (MTT) and MTT Tariff” the Parties to the Agreement accorded with the

amendments and updates to the MTT Agreement in regard to the introduction procedure for the amendments right into the MTT Agreement, accession to the Agreement of new parties and matters of editing nature.

The following amendments and updates have come into effect in the MTT Agreement: dealing with transit distances, procedure for the calculation of carriage duty and additional charges for the transportation of goods, privately owned wagons, buffer wagons and hauling equipment, loaded and empty refrigerated containers, as well as for the transportation of conductors (trainmen).

The coordinated amendments and updates to the MTT Agreement and MTT Tariff were testified effective by the OSJD Committee as an MTT administrator as of 10 September, 20 October 2007 and 1 January 2008.

The proposals concerning the MTT basic rate increase were also discussed, but they haven’t been agreed upon.

At the request of the Parties to the MTT Agreement, the OSJD Committee, being MTT administrator published an updating text of the MTT Agreement and MTT Tariff as of 1 January 2008.

In 2007, in accordance with the procedure provided for by the “Agreement on Organizational and Operational Aspects of Combined Transportation in Communication between Europe and Asia” (hereinafter referred to as an Agreement), since 5 July 2007 the amendments (changes and additions) to Annex I “Railway Lines of Vital Importance for the International Combined Traffic” and Annex II “Locations of Vital Importance for the International Combined Traffic” to the Agreement have come into force.

The OSJD Committee, being the Agreement’s depository, forwarded to all the contracting parties the updated Annexes I and II to the Agreement for practical application.



Transshipment of goods from sea to railway transport in Bandar-Abbas port (Islamic Republic of Iran)

The contracting parties’ experts developed draft amendments (changes and additions) into the existing Agreement edition and draft new edition of Annex III to the Agreement, with both documents being submitted for consideration by the XXIII meeting of the Conference of General Directors (authorized representatives) of the OSJD railways, to be further approved by the XXXVI Ministers Conference session.

In pursuance of the decision of the XXII meeting of the OSJD railways General Directors Conference (April 2007, Tbilisi, Georgia), the works relating to the subject of “Technical Means of Combined Transportation” were included into the Plan of Work of the OSJD Commission on Freight Traffic for 2008 to be considered within the framework of the expert meeting of the Contracting Parties.

The following work was related to the subject of “Updating of PPW Agreement and Updating of the Rules for the Use of Wagons in International Traffic (PPW)” in the accounting period:

- updating of PPW Agreement;
- updating of PPW Agreement on the basis of the proposals made by the parties to the PPW Agreement;
- calculation of tariff rates for use of wagons in international traffic on the basis of factual costs for use of wagon stock according to the 2006-data;
- preparation and discussion of proposals made by the railways in regard to unification and actualization of prices for wagon repair and wagons;
- finalization of two separate agreements: “Agreement on the Use of Coaches” (PPW) and “Agreement on the Use of Freight Wagons” (PGV) in international traffic.

The amendments and updates to the PPW Agreement, which came into force on 1 January 2008, were agreed upon by the parties to the PPW Agreement.

In 2008 the Russian Railways JSC is to become a leading railway in the field of calculation of the tariff rates for the use of wagons and coaches in international traffic.

Pursuant to the decision of the XXII OSJD Railways CGD meeting the OSJD Commission on Freight Traffic in cooperation with the one on Passenger Traffic finalized two separate draft Agreements on the Use of Coaches (PPW) and Freight Wagons (PGW) in international traffic, which were submitted for consideration by the XXIII meeting of the OSJD Conference of General Directors.

Within the framework of the subject “Use of Freight Wagons in International Traffic” amendments were made into OSJD Leaflet O+R 401 “General Terms of Registration and Operation of Private Freight Wagons in International Traffic”, which came into force on 1 July 2007.

In 2007 no decision was made on the sub-topic “Updating of joint OSJD/UIC Leaflet O 402 «Regulations for the exchange and use of new generation freight wagons between railways with gauges of 1435 mm and 1520 mm»”, and no decision was made either on the issue of further application of OSJD Leaflets



A modular hopper car 19-7016 series for transportation of grain crops and other bulky goods, which require protection against precipitations, on 1520-mm tracks (UZ, Ukraine)



High-speed enhanced-comfort emu Talgo of “Kazakhstan Temir Zholy” National Enterprise



Passenger train Ashgabad – Turkmenbashi (Turkmenistan)

with its decision.

The OSJD Committee published and sent one verified copy of the updated GNG text (issue of 1 July 2007) to all the OSJD railways each.

To further update the GNG the GNG leading developer – RZD JSC – developed and sent to the OSJD railways, being GNG users, the draft additions to the explanatory notes to positions 2745-2749 of Annex 2 to GNG Preamble for discussion and adoption of agreed additions in 2008.

On the subject “Organization of Large Container Traffic between Europe and Asia” the leading executor – RZD JSC – along with the OSJD railways concerned, carried out joint activities to update the database of container trains and contrailer transportation in international traffic and, as a result, its modified electronic version was presented.

The summary data on combined transport and container trains running on the OSJD railways were published in the OSJD Bulletin journal in issue No. 5-6/2007 prepared by the leading duty holder – RZD JSC – together with the working body of the OSJD Commission on Freight Traffic.

The leading duty holder – RZD JSC – updated the electronic version of the Reference Book “Large Container Traffic and Contrailer Transportation between Europe and Asia” dealing with the characteristics of the biggest locations opened to haul containers and contrailers, as well as the list of railway administration titles of the states-participants in container traffic in view of the proposals presented by the OSJD railways, i.e.: KZH, LG, PKP, UZ and EVR.

On the subtopic “Formation of Volumetric Parameter Database of Container Traffic” the Ukrainian



Passenger electrical locomotive 40-0456 series manufactured by ELECTROPUTERE-CRAIOVA (CFR, Romania)

R 201, R 403, R 405, R 596, R 596/1 and R 911.

To update the Harmonized Commodity Code (GNG), the RZD JSC as a GNG leading developer in OSJD, and the railways, being GNG users, along with the UIC Steering Committee continued their joint activities on the harmonization of GNG with NHM (Nomenclature Harmonisée Marchandises).

As a result, an updated draft text of GNG (2007 version) was drawn up, which was approved at the XXII CGD to come into effect from 1 July 2007 in accordance

Railways (UZ), being leading executor, developed the procedure to fill in the agreed form of the volumetric parameter data submission in order to establish standard approach to the matters of preparation of volumetric parameter database for OSJD railway container traffic.

On the basis of the information presented by the OSJD railways, the leading duty holder (UZ) prepared a corrected summary table of the volumes of large container traffic on the OSJD railways for 2006. The following railways had submit-

ted no data: MAV Cargo, VZD, RAI, KZD, ZC, PKP Cargo, TDZ and TRK.

On the basis of the information supplied by the railways concerned and within the framework of the subtopic “Study of Potentialities for Organization of Container Traffic between China, Central Asian countries and European countries (via the countries of the Balkan Peninsula)”, the leading executor – Bulgarian State Railways (BDZ (EAD) – analyzed the potential routes and proposed an optimal route for container trains from China to Greece/Turky/Serbia through Kazakhstan, Russia, Ukraine, Romania, Bulgaria. In view of the remarks and proposals presented by the railways (AZ, GR, KZH and RZD), the leading duty holder BDZ (EAD) developed a presentation based on the analysis for potential routes, which was distributed among the railways concerned. RZD and UZ submitted their remarks and proposals in respect of it.

On the basis of the data presented by the railways: BDZ EAD, PKP LHS, RZD, ZSSK Cargo and CD and within the framework of the subtopic “Study of Potentialities for Organization of Container Traffic between Western China and Western European countries; port Olya and Western European Countries”, the leading executor - Ukrainian Railways – prepared technical analysis for container train processing and developed a technological diagram for the container trains movement organization along specified routes.

As a result of the activities carried out by the railways the conclusion was made on the railways’ technological and technical readiness for the organization and implementation of container traffic in communication between Western China and Western European countries; port Olya – Western European countries.

In the beginning of 2007 the European international freight train schedule for the period of 2007-2008 was coordinated for the first group of European railways: Republic of Bulgaria (BDZ EAD, NRIC), Republic of Hungary (MAV Cargo), Republic of Poland (PKP Cargo), Romania (CFR-Marfa), Slovak Republic (ZSSK Cargo), Czech Republic (CD), Republic of Austria (ÖBB-Infrastructure), Germany (Railion Deutschland), Greece (OSE), GySEV, Serbia (ŽS), Bosnia and Herzegovina (ŽFBH), Slovenia (SŽ), Macedonia (MZ) and Croatia (HŽ), etc.

It was agreed to continue the specified work in cooperation with the Forum Train Europe (FTE) organization in 2008.

The fifth group of railways (VZD, KZH, KZD, ZC, MTZ and RZD JSC) summed up the volumes of the trade goods transportation in 2006 and agreed upon the volumes of export, import and transit freight traffic for 2007, with goods being arranged by the quarter, categorized by the type and distributed for each border crossing, as well as technical and organi-



Centre of freight transport Matovce and a border crossing station has a unique character, since it provides transition of consignments from 1520- to 1435-mm gauge and related changes in two transportation regimes, as well as coordination of consignment transition on broad-gauge track to Haniska pri Kosicach (Slovakia)



Engineering works on railways in Kyrgyzstan



A track machine of Austrian Plasser & Theurer (OSJD affiliated enterprise) on Latvian Railway

zational measures were taken to provide transportation of the agreed volumes.

In July 2007 the OSJD International Conference “Competitive Environment in Railway Freight Traffic” (hereafter referred to as Conference) was held in the city of Odessa (Ukraine), attended by the representatives of the OSJD railways, observers and affiliated enterprises, a number of international organizations (TRACECA, CCTST, CIT, FIATA, IMMTA and CLECAT), as well as transport-forwarding and logistic companies from all over the world. The recommendations adopted and conclusions made by the Conference were approved by the railways

in order to increase the volumes of traffic, to promote the competitiveness of rail transportation, and were recognized useful to be implemented by the railways in the future for the organization of international freight traffic in communication Europe – Asia – Europe.

1.4. Passenger traffic

In 2007 the activities of the OSJD Commission on Passenger Traffic were carried out to further improve the international passenger traffic, to establish passenger services required and attract them to the railway mode of transport.

The experts of the railways participating in IPT (MPT) Agreement considered the proposals made by the BC, KZH and LDZ railways concerning the amendments and modifications to the IPT (MPT) Agreement and IPT (MPT) Text.

The amendments and modifications into the IPT (MPT) Agreement and IPT (MPT) have come into effect since July 1, 2007.

The parties to the IPT (MPT) Agreement developed and adopted the “Service Instruction for Manual Production of Travel and Carriage Documents in International Traffic” as an Annex to the IPT (MPT) agreement.



Railway station of Sargazon in Tajikistan

Coordinated were the international passenger train schedules, diagrams of train composition makeup, allocation of international train coaches for 2007/2008 for the first group of railways (BC, BDZ-EAD, NR IC, MAV, KZH, LDZ, LG, CFM, PKP, RZD, CFR, ZSR, ZSSK, UZ and CD), and also agreed upon were the international passenger train schedule for 2008/2009 for the second group of railways (VZD, KZH, KZD, ZC, KRG, MTZ, RZD and UZ).

The “EuroAsia Rail” international

passenger train schedule was drawn up and re-published by the working body of the OSJD Commission on the basis of the agreed schedules for 2007/2008.

On 27 May 2007 the 9/10 Polonez (Polonaise) train service was resumed on Warsaw – Moscow – Warsaw railway route.

From December 2007 on the direct coaches started running by the RZD JSC in communication Moscow – Warsaw – Munich/Amsterdam/Paris, sowie von BC Minsk – Amsterdam. The Jan Kiepura train by PKP SA connected Warsaw with Amsterdam.

Relating to booking, passenger inquiry and information service, provision of services and mutual accountancy for transportation the following joint OSJD/UIC leaflets have been discussed and updated:

- 301 - “Elaboration of Pay Sheets”;
- 103 - “Marking of Seats/Berths in Coaches”;
- 171 - “Regulations governing production of reservation lists”;
- 108-2 - “Information Exchange on the Seat Fare”;
- 419-1 - “Analytical numbering of International Passenger Trains”;
- 920-9 - “Standard Numerical Coding International Passenger Routes”;
- 920-14 - “Standard Numerical Country Coding for Use in International Passenger Traffic”.

The RZD JSC developed software, by means of which one can produce travel papers at global prices for the “Moscow – Venice” coach, which started its service in May 2007.

The RZD began issuing travel documents in domestic and international traffic through the Internet with payment by means of bank cards.

The ZSSK sales travel papers through the Internet and mobile phones.

The PKP made it possible that a passenger could receive a ‘Traveler’s cheque’ at a cashier’s desk in case of international train’s delay (at daytime – for more than 60 minutes, at night – for more than 120 minutes). The Traveler’s cheque amount is 20% of the booked seat/berth and ticket price (the amount for one person is not less than 50 euros). The amount is taken into account when a new travel document is issued for any railway traffic. The traveler’s cheque is issued with no surname indicated on it.

In accordance with the decision of the XXII meeting of General Directors Conference of the OSJD railways, an Ad Hoc Working Group (AWG) of experts was vested with a task to finalize the draft PPW and PGW agreements, with the proposals of the parties to PPW Agreement (1992) being taken into account, and present the finalized draft agreements at the XXIII meeting of the Conference. The AWG had



Railway station in Lvov (UZ, Ukraine)



Diesel locomotive ER 20 CF - “Eurorunner” of Siemens production for freight traffic at Lithuanian Railways



RZD, BC and PKP coaches to Munich/Amsterdam/Basel at changing (Warszawa-Wschodnia station)

been set up to split the effective Agreement on the “Rules for the Use of Wagons in International Traffic” (PPW) into 2 separate agreements on the use of passenger coaches (PPW) and freight wagons (PGW) in international traffic.

1.5. Infrastructure and Rolling Stock

In 2007 the OSJD Commission on Infrastructure and Rolling Stock continued its activities in order to meet the challenges of current importance with the vital prospects in view, first of all, the technological segment of railway infrastructure and its operational assets.

The scope of the Commission’s activities was defined in view of the results of the Commission’s work in 2006. In 2007 the work was continued on six subjects, and within the reporting year 11 expert meetings were held with the Commission’s annual meeting in the end. Owing to the effective work of railway experts of 18 OSJD member states, who participated in the Commission’s activities on the subjects in 2007, the following positive result was produced: 15 new leaflets and 14 updated leaflets of recommendatory type were approved and five new drafted leaflets and five updated leaflets of obligatory-recommendatory nature were discussed and agreed upon at the Commission’s meetings, with their subsequent submission for the approval by the XXII meeting of General Directors Conference.

The joint OSJD/UIC activities in cooperation with OTIF were carried out on the subject “The rolling stock dimensions in international traffic with the interoperability in view”. The Russian version of the



High-speed enhanced-comfort emu Pendolino of Finnish Railways (OSJD observer)

finalized draft Annex A was coordinated at the experts’ meeting. Annex A was titled as “Methodology for Calculation of Traction Stock Gauges” to the Joint OSJD/UIC obligatory leaflet O 500/O 505-6 “General rules for rolling stock gauges in interoperable (without unloading or disembarking) cross-border traffic”.

Work on all four subtopics of the subject “Railway track and engineering structures” was successfully continued in a wide range of technical issues and diversified information supplied by responsible parties.

The solution of the problems concerning the design and maintenance of the jointed-type and jointless rail track structures (rails, rail fastenings, railway cross-sleepers and ballast), railway substructure (subballast and earthworks), switching facilities and engineering structures (bridges, tunnels) was of enormous significance for safe railway operation and it encouraged increase in efficiency of invested assets, etc. Some progress has been reached in the diagnostics issues of certain components of rail track structure in order to make a decision and start a new subject “Complex System of Infrastructure Diagnostics” in the future.



Express train Baku – Mingechaur (AZ, Azerbaijan)

The fruitful work of experts of the OSJD railways (BC, NR IC, MAV, KZH, KZD, LDZ, LG, CFM, PKP, RZD, CFR, ZSR, UZ, CD) had a good result: five new and eight updated recommendatory leaflets were adopted at the annual meeting of the Commission and one new and three updated obligatory-recommendatory leaflets were presented for adoption at the XXIII meeting of General Director Conference.

In 2007 in respect of the subject “Rail Track and Engineering Structures” the following contributed much to a considerable increase in the common technical and engineering level of structure and maintenance of rail track of the OSJD member states: close cooperation and partnership of all experts of the participating railways, as well as active participation of the representatives of affiliated enterprises (above all, Kerch Point Plant JSC, RAILTECH SLAVYANA Ltd., Elektro-Thermit GmbH&Co.KG, “RDM” Joint Moldovo-Ukrainian Research and Production Enterprise, VOSSLOH, Murom Points Plant).

In 2007 the OSJD railway experts developed six new leaflets on SFT and communications, which were approved by the V OSJD Commission, characterizing modern development and implementation of railway automated systems and telecommunications, as well as technological communications. The leaflets contain recommendations on the main principles for application of intra-systems and external interfaces in the microprocessor devices of railway automatics and telemechanics systems concerning synchronization and establishment of the digital communication network, deployment, installation, operation and maintenance of automatic systems to monitor the technical condition of the rolling stock on move, etc.

The railway experts also updated a number of leaflets relating to the fundamentals of hump yards classification and on the operational-technical requirements for systems of protection against false freeness of switch and pre-switch sections, as well as switching of point tongues under wagons in humping automatic locking.

The modification of existing systems and development of new devices of railway automatics and communications, as well as the implementation of the recommendations included in the leaflets facilitated the increase in an overall performance of signals and interlocking (SFT) and enabled



Diesel locomotive M 41 series with IC Citadella train from Budapest (Hungary) to Ljubljana (Slovenia)



Passenger coach Euronight PKP Intercity (Poland)

railway companies to provide safe railway traffic and shunting operation.

In 2007 the experts engaged in the subject “Power Supply Units and Electric Traction Systems” developed five new leaflets concerning the application of relay protection devices and automatics in the AC current system of electric traction and made recommendations on the use of devices to locate damages in contact or power supply lines, which makes technicians’ work much easier and saves the time required for damage repair. The most active part in the

development of these leaflets was taken by the specialists from RZD, UZ, PKP, BC, and CD railways, who made use of the latest scientific and technological know-how in their work.

In their plans for 2008 the experts intended to cooperate with the SNCF staff that would make it possible to use the experience of other international transport organizations.

In 2007 the experts working on the subject “Rolling Stock for Railways. Technical Requirements for its Elements” developed and updated 11 leaflets on the issues of faultless operation of certain rolling stock elements and improvement of working conditions for maintenance personnel. Special attention was paid to provide safe railway operation and comfort for passengers.

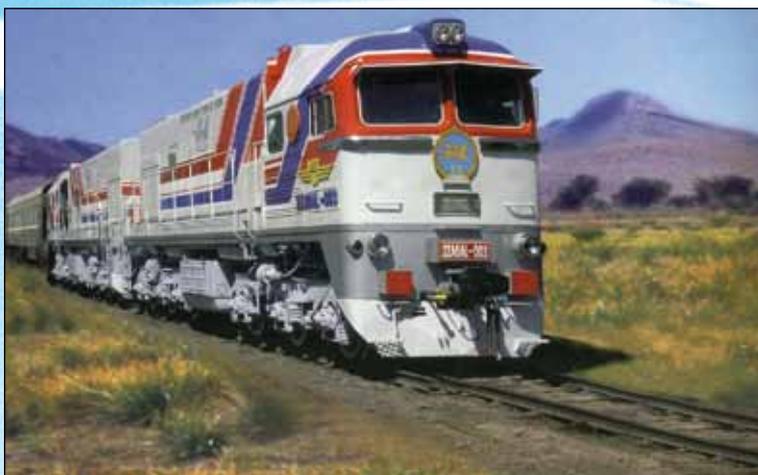
The expert meetings were attended by the representatives of the OSJD affiliated enterprises, and “MKT Group” in particular. The methodology presented by them was designed to increase the reliability and extend the service life of the rolling stock storage batteries.

The experts’ work on the subject “Technical Means of Combined Transport” was in progress and the final draft leaflet concerning technical-operational requirements for means of combined transport was adopted at the annual meeting of the Commission.

The XXII CGD meeting in Tbilisi took a decision to bring together in the future all the issues concerning combined transport into one common subject within the framework of the OSJD Commission on Freight Traffic.

1.6. Coding and Information Technology

In 2007 the activities of the OSJD Permanent Working Group on Coding and IT (PWG CIT) were carried out in accordance with the decisions of the Conference of General Directors (authorized representatives) of the OSJD railways in cooperation with the UIC and EU with the purpose of the Euro-Asian railway service development.



M 62-series modernized diesel locomotive on Mongolian Railway

In 2007 the activities within the framework of the PWG CIT were related to the following subjects:

- updating of leaflets on coding;
- activities of the Joint OSJD/UIC Group on “Coding and IT”;

- joint OSJD/UIC migration project - RICS (updating of joint OSJD/UIC leaflets within the framework of transition to the 4-position coding system of railway undertakings);
- allocation of 4-character codes according to Leaflet 920-1 “Standard Digital Coding for Railway Undertakings, Infrastructure Managers and other companies participating in railway traffic”;
- “Paperless technology for the carriage of goods in international traffic”;
- OSJD Web-site;
- “Security of information resources and information-telecommunications infrastructure”;
- “Information support for freight traffic - Technical Specifications for Interoperability (TAF TSI)”;
- “Information support for passenger traffic - Technical Specifications for Interoperability (TAP TSI)”.



Speed record made by SNCF (OSJD observer) on April 3, 2007

The work was continued to update the leaflets, which were within the responsibility of the PWG CIT group. The experts of the group updated 17 leaflets on coding, five leaflets of which were submitted for the approval by the XXIII CGD meeting.

The following information was presented at the 61st meeting of the Joint OSJD/UIC group on Coding and IT:

- the OSJD/UIC RICS AWG data on the progress of work in finalizing the code migration project of RICS;
- OSJD and UIC responsible parties' information on the work relating to the joint leaflets;
- on the allocation of 4-digit codes for railway undertakings;
- on the development of coding standards under the ERA guidance;
- on TAF TSI and TAP TSI.

The list of persons responsible for joint OSJD/UIC leaflets on Coding and IT was updated.

The Joint OSJD/UIC Code Migration Project (RICS) was successfully completed. Request forms in four languages and table of actual RICS codes were presented on the UIC Web-site.

About 400 RICS codes were allocated as of 30 December 2007. The code distribution at the railway undertakings' requests was done by the PWG CIT working body in cooperation with the UIC.

The experts of the Working Group on paperless technology at their meetings continued to work on following OSJD Leaflets:



A high-speed emu of DB AG (OSJD observer) at Hauptbahnhof in Munich (Germany)

- O+R 943 “Standard Electronic Message Library for the Carriage of Goods in International Traffic by the SMGS Rules in the UN/EDIFACT standard” supplemented by APERAK, CUSDEC, INVOIC and IFTMIN messages for the CIM/SMGS consignment note;
- O+R 944 “List of Classifiers and Codes of Data Elements” supplemented by the corresponding data element description “Description of Transportation Status” for the wagon coupling/uncoupling operation.

Leaflets O+R 943 and O+R 944 were agreed upon at the PWG CIT meeting to be further submitted for the approval by the XXIII CGD meeting. The leaflets were further to be worked at in 2008 in order to supplement the CIM/SMGS consignment note with data.

Joint OSJD/UIC Leaflet O 912-3 “Library of Railway Messages in the EDIFACT Structure” was supplemented with electronic messages to accompany the cargoes being carried in cross-border service in accordance with the SMGS Rules and was confirmed by the Joint OSJD/UIC Group on Coding and IT.

Joint OSJD/UIC Leaflet O 912-3 “Library of Railway Messages in the EDIFACT Structure” was confirmed and submitted for the approval by the XXIII CGD meeting.

The progress of work to implement the project of “Information support with electronic data for the cross-border carriage of goods with the SMGS consignment note” between the OSJD railways was considered.

In pursuance of the decisions of the XXII CGD meeting, the PWG CIT carried out certain work to update the OSJD Web-site. The PWG CIT experts requested all the OSJD railways to render some technical assistance for the development of a new structure of the OSJD Web-site. In reply to the request, the Russian Railways (RZD) made a proposal to develop, create and provide technical support for the OSJD Web-site. The PWG CIT backed up the RZD’s proposal and called for the OSJD Committee to commence the joint work with RZD on the OSJD Web-site.

In 2007 the Byelorussian Railway (BC), being leading executor, prepared proposals to update the Leaflets “Principles for creation of information security in interaction of digital telecommunication networks” and “Organizational-legal measures to provide information security in railway traffic” on the basis of the results of the information security system performance between BC and PKP. No expert meeting on information resources security was held.

In January 2007 the Strategic European Deployment Plan for the implementation of the Telematics Applications for Freight TSI (SEDP TAF TSI) was approved by the A21 Committee of the EU.

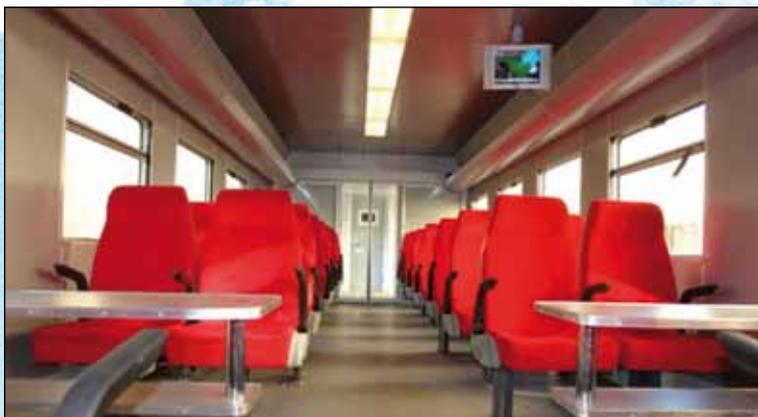
A TAF-TSI Seminar was organized by the Slovakian side in the city of Strecno attended by the representatives of 13 countries.

About two thirds of the OSJD members took part in the PWG CIT meetings.

1.7. Finance and Accounting

In accordance with the decision of the XXII CGD meeting the work of the Permanent Working Group on Finance and Accounts (hereafter, PWG FA) was organized in the framework of the following subjects:

- 1) Updating of the effective agreements: “Agreement on the Rules for Accounting in International Passenger and Freight Railway Traffic” (hereafter, “Agreement on the Rules...”) and “The Rules for Accounting in International Passenger and Freight Railway Traffic” (hereafter, “Rules for Accounting...”) in view of modern economic conditions of the OSJD railways operation and each country’s legislation (on management matters in connection with the “Agreement on the Rules...”. Twice within the year amendments of the “Rules for Accounting...” were made);



The interiors of ER2 emu after overhaul repair at Tbilisi Electrical Wagon Repair Works

- 2) Updating of the “Rules for Accounting...” by experts;
- 3) Streamlining of common financial-accounting activities of the railways;
- 4) Close cooperation with the UIC on financial and settlement matters.



ED 74 01d Bydgoscia emu manufactured by PESA (OSJD affiliated enterprise, Poland)

The representatives of the parties to the “Agreement on the Rules...” took part in the PWG FA meetings, which contributed much to the competent decisions taken to reduce the total debt. The representatives of 14 railways attended

the experts’ meetings, i.e. 63% of all the PWG FA participants. Updating of the two effective agreements “Agreement on the Rules...” and “Rules for Accounting...” was in progress within the framework of the PWG FA in view of the modern economic conditions of the OSJD railways operation and each country’s legislation and proposals made by the railways of all the OSJD member states. Since the period of the PGW FA expert group’s work set forth by the XIX CGD meeting was due to end, a report on the experts’ activities carried out within the period of 2003 - 2007 was made and presented.

A number of the parties to the “Agreement on the Rules...” and “Rules for Accounting...” continued reforming their railway transport systems. The infrastructure, passenger and freight services were divided and got separated. Emergence of new juridical entities as a result of the structural reorganization of railways resulted in the problems of accounting in international traffic within the framework of the “Agreement on the Rules...”. However, within the framework of the PWG FA group, basically, there was consent to keep the existing procedure of mutual accounting through a uniform accounting body represented by the party to the Agreement.

In execution of the decision taken at the XXII CGD meeting, the PWG FA group continued drafting the document “Regulations governing the Commission on settlement of mutual accounting of the parties to the “Agreement on the Rules...”. The draft document “Regulations...” provides a settlement mechanism for mutual accounting of the parties to the “Agreement on the Rules...” and “Rules on Accounting...”. It was proposed to set up a Commission at the OSJD Committee. The Commission was supposed to be composed of the representatives of railways, railway debtors and railway creditors, as well as the representatives of the OSJD Committee. The Commission would consider issues related to the settlement of the debts of railways, which could not be solved by the standing procedure. As a result of the joint work of the most active participants – BC, BDZ EAD, KZH, RZD, ZSSK Cargo, UZ and EVR – a draft document “Regulations ...” was agreed upon and finalized by the representatives of the parties to the “Agreement on the Rules...”.

At its meeting the PWG FA drew attention to the fact that the latest amendments and updates to the “Rules of Accounting...” were taken into consideration when preparing a draft “Statute on the Commission for mutual accounting settlement between the railways, participating in the «Agreement on te Rules of Accounting»”. According to the last amendments the railways, being parties to the Agreement, had an opportunity to address the OSJD Committee in respect of their unsettled financial issues. The Commission would act only at the requests made by the railways, being parties to the Agreement, with no additional costs applied to the OSJD Committee in respect to the Commission activities.

In accordance with the PWG FA Plan of Work for 2007 in regard to the mutual accounting tool improvement railways forwarded to the OSJD Committee their proposals concerning the amendments and modifications of the “Rules on Accounting...”, which were discussed at the meetings. On the basis of constructive and reasoned discussions it was decided to introduce a number of amendments of the “Rules on Accounting...” and finalize and discuss the rest of them once again at further meetings. All amendments

and updates with their effective dates had been sent to the parties to the “Agreement on the Rules...” by the prescribed dates (according to article 5 of the “Agreement on the Rules...”).

In view of the necessity to further improve financial and accounting activities within the framework of international railway traffic, the UZ’s proposal regarding the reduction of time for clearing-off was approved in principle but at the same time it was noted that not all the parties to the Agreement had adequate technological and technical means for introduction of such changes. BC, KZH, RZD and UZ called upon the parties to the “Agreement on the Rules...” to speed up tackling technological and technical issues, which facilitate the reduction of accounting time. Meanwhile, it should be noted that measures taken to reduce the accounting time do not concern the time of payment.

This issue needs further discussions due to the necessity to develop proposals on the corresponding amendments and updates into the “Rules on Accounting...” concerning the accounting time reduction, with the railways’ information on their possible effective date to be taken into consideration.

In pursuance of the decision taken by the XXII CGD meeting to continue cooperation with the UIC in the field of financial-accounting issues an OSJD/UIC international seminar was held to discuss UIC Leaflet 311 O+R “Financial relations between railway undertakings – Principles and terms of application” and the BCC activities. In order to converge and standardize the OSJD accounting legal systems, the experts continued studying the UIC experience of multilateral debt-clearance on the principle of mutual compensation as well as possible introduction of their method within the OSJD.

Due to the necessity of producing a mutual accounting mechanism, which could enable to optimize financial resources, payments volumes and accounting periods, draft Regulations of Work of the OSJD Bureau of Compensations (hereafter, BoC) was proposed for consideration. The draft contained eventual functions and fields of its activities, as well as those connected with the organization of multilateral clearings between the ways participating in the “Agreement on the Rules ...”. Possible variants of BoC organizational and legal forms were envisaged, to include the one as a structural unit within OSJD and as an independent entity (e.g., a company with limited liabilities). The issue reached the stage of draft Concept of OSJD BoC foundation, in view of the each OSJD railway’s possibilities to participate in its activities according to the national law.

In connection with the revision of all the OSJD normative documents and the split of the PPW Agreement, members of the Expert group from BC, BDZ EAD, MAV, LDZ, PKP, CFR Marfa, ZSSK Cargo, UZ, CD and EVR repeatedly made their proposals to discuss possibilities of changing the OSJD numeraire from Swiss franc to euro. However, this kind of decision-making is not within the capacity of the PWG FA, therefore the issue was officially addressed to other OSJD working bodies (Commissions II, III and IV) by means of the OSJD Committee.

With taking the amendments and updates made into consideration, actions were taken to streamline the texts of the “Rules on Accounting...” in order to publish their updated version as of 31.01.2008. The “OSJD Information Directory on Mutual Accounting in International Passenger and Freight Railway Traffic” was reissued.

The total debts amounted to CHF 268.18 million as of 31.01.2008. As compared with the level of 31.01.2007 the total debts reduced by 3.42%.

2. Activities of the OSJD Governing Bodies

2.1. OSJD Ministers Conference

The XXXV OSJD Ministers Conference session was held in Warsaw in June 2007, at which the main issues of OSJD activities were considered and the corresponding decisions were made:

- Complex Plans for Transportation and OSJD Transport Corridors (No. 2, 3, 4, 5, 6, 10 and 12) Development were approved for the period up to 2010;
- OSJD Commission on Transport Policy and Development Strategy was entrusted to speed up

the development of the Complex Plans of other corridors in order to submit them for the approval by the OSJD Ministers Conference session;

- AWG on the OSJD basic legal documents revision was entrusted to continue its work and develop a draft Convention structure with annexes, which should become a guideline of activities concerning the SMPS and SMGS revision, and ensure coordination of work on updating the OSJD basic documents together with the OSJD Committee Chairman;
- standing principles of the membership fees distribution, which were approved by the XXV OSJD Ministers Conference session (Tashkent, June 1997), remained;
- the main principles of the SMPS revision were approved and the OSJD Commission on Transport Law was entrusted to continue the SMPS revision in view of the decisions concerning the further updating of the OSJD basic legal documents;
- progress of work on the SMPS revision was approved and the OSJD Commission on Transport Law was entrusted to continue their work on the SMPS revision in view of the decisions taken in respect to the continuation of updating of OSJD basic legal documents;
- the progress of introduction of the CIM/SMGS consignment note was approved;
- promotion of wider introduction of the CIM/SMGS consignment note in international freight traffic between the countries, which use CIM/SMGS consignment notes, was recommended.

The MC session confirmed the Report on OSJD Activities for 2006 and Report of the Revision Commission for 2006, as well as OSJD Committee budget (final – for 2007 and preliminary – for 2008) and OSJD Programme of Work for 2008 and the years to follow.



Presidium of XXXV Ministers Conference session (June 2007, Warsaw)

2.2. Conference of General Directors (Authorized Representatives) of OSJD Railways

The XXII meeting of General Directors Conference was held in Tbilisi in April 2007. The representatives of the OSJD observers and affiliated enterprises were invited and participated in the meeting.

The Conference listened to the information, delivered by the Georgian Railway on its achievements and future prospects of development.

Discussed were the results of work of the OSJD working bodies operating in the field of Conference activities, as well as papers and documents to be submitted for the Ministers Conference session.

The Conference adopted the updated texts of PPW and GNG agreements and it also approved the results of work concerning two joint UNESCAP/OSJD projects on



Protocol signing procedure of the XXII General Directors Conference (23-27 April 2007, Tbilisi, Georgia)



Joint meeting of plenipotentiary representatives of OSJD Ministers Conference and Conference of General Directors (authorized representatives) of OSJD railways (Warsaw, 11-14 December 2007)

“Planning and organization of demonstration runs of container block trains along the Northern Corridor of the Trans-Asian Railway” and on “Developing Euro-Asian transport routes with special attention paid to the landlocked countries of Asia and Caucasus region.

Asserted was the implementation of the XXI CGD meeting decision on drafting two separate agreements, dealing with the use of passenger and freight wagons in international traffic, by means of splitting the PPW Agreement (in effect since 1992), but in spite of it they were not signed at the XXII CGD meeting due to disagreements.

Therefore the Conference decided to entrust the AWG, set up to accomplish this mission, to finalize two draft agreements, with the proposals of the parties to the PPW Agreement (1992) taken into account, and present those two draft agreements at the XXIII CGD meeting.

Therefore the Conference decided to

A significant number of Leaflets in the field of tracks, rolling stock and IT were confirmed at the Conference. Much attention was paid to the issue of updating of OSJD Web-site.

It was decided to continue discussing within the framework of the OSJD PWG FA the issues relating to the establishment of the Commission on settlement of mutual accounting of the parties to the “Agreement on the Rules for Accounting in International Passenger and Freight Railway Traffic” as well as updating of the effective “Agreement on the Rules for Accounting...” and the very “Rules for Accounting...” in view of modern economic conditions of the OSJD railways operation and each country’s legislation.

As a result of consideration of the situation concerning debts between railways, the Conference both invited participants the debtors to clear their debts, and entrusted to continue analyzing the tools for mutual debts reduction.

The Conference addressed the heads of the OSJD railways, which had long-standing debts, to inform at the next meeting on the measures taken to clear their debts.

Discussed and adopted was the report of the AWG Chairman on updating the basic OSJD documents, with the directions of the group’s activities being approved.

The OSJD Programme of work for 2008 on passenger and freight traffic, infrastructure and rolling stock, finance and accounting, coding and IT was approved by the Conference.

Therefore the Conference decided to

At the Conference status of OSJD affiliated enterprise was granted to the following companies:

- “MKT Group” LLC, company engaged in restoration of power storage batteries (Moscow, Russia);
- “CTM” LLC, which is engaged in developing computer programmes for railway traffic and customs procedures (St. Petersburg, Russia);
- “PLASKE”]closed joint stock company, engaged in passenger, freight



Meeting of AWG for updating OSJD fundamental documents

intermodal transport services (Odessa, Ukraine);

- “Railway Research Institute” JSC (Prague, Czech Republic);
- “EWRZ” “Electro Wagon Repair Works” (Tbilisi, Georgia).

The information to be presented at the Ministers Conference session was discussed at the Conference meeting, and recommendations concerning that information were prepared for the session, in particular, those related to the Report on OSJD activities in 2006 and the Committee’s budget.



ERA-OSJD Contact Group meeting (06.02.2008, Warsaw)

3. Participation of Observers and Affiliated Enterprises in the OSJD Activities

3.1. Cooperation with Observers

Representatives of the Railways of Finland (VR) attended the meetings on the Regulations concerning the International carriage of Dangerous goods and SMGS. Representatives of DB AG and VR took part in the annual meeting of the OSJD Commission on Freight Traffic. Representatives of the OSJD observers - DB AG, SNCF, GySEV JSC, Serbian Railways (ZS) and VR - participated in the activities on the following subjects, respectively:

- “Updating of ETT Agreement and ETT Tariff”;
- “Updating of the Agreement on International railway transit tariff (MTT) and MTT Tariff”;
- “Upgrading of the Agreement on organizational and operational aspects of the combined transportation in traffic between Europe and Asia”;
- “Modification of PPW Agreement and Updating of the Rules for Use of Wagons in international traffic (PPW)”;
- “Development of the complex measures to facilitate border crossing procedures for international railway passenger and freight traffic between Europe and Asia”;
- “Interaction between 1435 and 1520-mm railway systems”;
- “Study of experience and conditions for use of infrastructure in railway passenger and freight traffic”;

as well as took part in the OSJD International Conference “Competitive Environment in Railway Freight Traffic”.

The observers’ input played a positive role in a qualitative performance of OSJD activities.

3.2. Cooperation with Affiliated Enterprises

In the accounting period the list of the companies - affiliated enterprise has altered. Some of the companies have denounced the agreement due to the changes in structure and strategy; some others have been granted such a status. In 2007 the number of affiliated enterprises amounted to over 20.

Cooperation between OSJD and affiliated enterprises was determined by their activity and their interest in certain projects. In most cases the affiliated enterprises took part in the activities of the Commission on

Infrastructure and Rolling Stock, in drawing up technical regulations regarding track facilities and rolling stock.

At the expert meetings the affiliated enterprises were afforded an opportunity to present their products. They attended the meeting of General Directors Conference as guests.

4. Cooperation with International Organizations

4.1. Cooperation with UNECE

Recognizing the important role of the UNECE activities in the development of the Euro-Asian transport links, increase in effectiveness of the railway transport performance, facilitation of border crossing in international railway traffic, improvement of the combined transport and carriage of dangerous goods by rail, the OSJD took active part in the activities of a number of working groups engaged in railway transport, customs issues, development of the combined transportation, updating of the rules for the transportation of dangerous goods.

Mr. Tadeusz Szozda, Chairman of OSJD Committee, participated in the 69th meeting of the UNECE Inland Transport Committee and presented detailed information on the current tasks and activities carried out by OSJD in the framework of cooperation with UNECE. The major aspects of cooperation were concentrated to bringing the OSJD corridors in conformity with the requirements of the European Agreement on main International Railway Lines (AGC), as well as joint actions to facilitate border-crossing procedures for international railway traffic, being signified by the joint preparation for an international conference on facilitation of border crossing procedures for railway traffic with the participation of governments, customs and border authorities, railways and other organizations concerned. In the course of this work, draft Annex 9 on railway transport to the 1982 International Convention on Harmonization of Frontier Controls of Goods was developed and Convention on facilitation of border-crossing procedures for railway passenger traffic were drafted, as well as Programme of Actions for the OSJD member countries to facilitate border-crossing procedures. It is worth mentioning the active work done by the representatives of the OSJD Committee and OSJD member states when confirming these documents at the meetings of the UNECE ITC Working Party on Customs Questions affecting Transport (WP 30).

In February 2007 a Convention on International Customs Transit Procedures for the Carriage of Goods by Rail under cover of SMGS consignment note was adopted at the UNECE ITC meeting. However, despite the UNECE and OSJD Committee's appeal towards the OSJD member states to take steps for this Convention to be signed before 31 December 2007, it had not happen due to a number of technical reasons.

In 2007 an OSJD representative working in this field took part in the meetings of the UNECE ITC Working Party on the transport of dangerous goods (WP 15) to coordinate the activities carried out by OSJD in relation to the harmonization of the transportation of dangerous goods.

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4.2. Cooperation with UNESCAP

CIM-SMGS unified consignment note

In 2007 the OSJD and UNESCAP continued their cooperation within the framework of the two joint projects:

- Organization of demonstration runs of container block-trains along the Northern Corridor of the Trans-Asian Railway (Project 1) (hereafter, TARW NC);
- development of Euro-Asian railway routes, with special attention to the landlocked countries of Asia and Caucasus Region (Project 2).

The recommendations of the 4th Steering Committee meeting on the planning and implementation of container block-trains along the Trans-Asian Railway Northern Corridor in regard to the first project were supported by the decision of the XXII CGD meeting (April 2007). In order to increase the freight traffic volumes and attract additional flows of goods to the TARW NC, the parties to the joint Project developed competitive through tariff rates, provided services of good quality for container block trains and arranged flexible measures of management in the course of the Project implementation. Demonstration runs of container trains along the TARW NC within the framework of the joint OSJD/UNESCAP Project contributed much to the development and operation of container block trains along not only TARW NC, but also along other Euro-Asian transport corridors, which caused considerable increase in the number of container trains moving along the OSJD railways in 2007. At present the railways mastered the technique of the container block trains traffic organization with the participation of operators and forwarding companies. The UNESCAP considered possible demonstration runs of container block trains in the following directions: Moscow – Bender-Abbas (Iran), Central Asia corridor – Persian Gulf and Nahodka – Lokot’ - Kazakhstan.

UNESCAP sent to the OSJD Committee the following documents regarding Project 2:

- draft Plan of Work on the second stage of the joint Project for 2007-2008;
- “Main Components of Implementation Methodology for the Second Stage of the Project: the Euro-Asian routes to Kazakhstan and through Kazakhstan into other countries of Central Asia”;
- Diagram of the main freight routes in communication between Europe and Central Asia.

The UNESCAP Secretariat and OSJD Committee established active working contacts. The UNESCAP consultant on transport and the representatives of the Kazakhstan National Railway Enterprise (KZH), leading duty holder at the second stage of the Project), conducted consultations on joint activities. The latter drew up a Plan of Work to be accomplished at the second stage of the joint Project, which was sent out to all the railways concerned. “Main Components of Implementation Methodology at the Second Stage of the Project: the Eurasian routes to Kazakhstan and through Kazakhstan into other countries of Central Asia”, proposed by the UNESCAP, were discussed and agreed upon at the OSJD meeting.

4.3. Cooperation with OTIF

In the accounting year a Programme of Cooperation was agreed upon on the basis of the document titled “Common Point of View”, signed in 2002 by the OSJD and



15th CIM-SMGS expert group meeting (26-27.02.2008, Mainz, Germany)



Joint CIT-OSJD meeting (May 2008, OSJD Committee, Warsaw)

OTIF, and the Joint Declaration, adopted at the Conference of Railway Transport Law (Kiev, 21-22 October 2003), which is aimed at harmonization of two legal systems, increase in traffic volume, development of transport corridors, facilitation of border-crossing procedures, better quality of rendering transport services and technical fitting of rolling stock.

One of the first priorities was the solution of the problems relating to the facilitation of border crossing procedures in international freight traffic at the interface between the two transport law systems -

SMGS and CIM.

In 2007 OSJD, OTIF and CIT continued their activities on the development of ancillary documents to the CIM/SMGS consignment note, which was adopted and came into force since 1 September 2006.

In the reporting year the following documents were developed in respect of the carriage of goods by rail by means of the CIM/SMGS consignment note, namely: CIM/SMGS wagon brief and container brief; CIM/SMGS factual report; functional specifications for the electronic CIM/SMGS consignment note; procedures of coordination of new routes, on which CIM/SMGS consignment notes are applied; provisions for liabilities at the time of reconsignment in case the place of endamagement was not ascertained.

The above-mentioned documents were agreed upon at the meeting of the OSJD Commission on Transport Law (9-12 October 2007) with their entry into force since July 1, 2008.

4.4. Cooperation with UIC

The problems considered in 2007 in cooperation with UIC, are included into the plans of work of the OSJD working bodies in regard to the programmes and plans of work of the working bodies of both organizations.

The basic concepts of cooperation are as follows:

- introduction of a global approach to the Eurasian railway transport system in view of the interests of the railways;
- harmonization of operational and technical specifications with the railway industry to be involved in this process for the interoperability to be improved and railway transport efficiency to be increased.

The cooperation is conducted in various forms, starting with the information and documentation exchange and ending up with joint developments.

The works done in 2007 concerned the



Joint UIC-OSJD meeting on coding and IT (18-21.09.2007, OSJD Committee, Warsaw)

harmonized commodity, booking and ticketing systems, technical specifications and rolling stock, gauges, financial and accounting issues and any other business.

Joint OSJD/UIC group on Coding and IT continued its activities.

5. OSJD Committee Activities

5.1. General Issues

The OSJD Committee fulfilled different tasks within the scope of the OSJD executive body's functions, stipulated by the OSJD fundamental documents and decisions of the OSJD governing bodies, to include the development coordination of the Plan of Work and the OSJD working bodies' Plans.

The OSJD Committee acted as a Secretariat to prepare and conduct the XXII CGD meeting in Tbilisi, as well as the XXXV Ministers Conference session in Warsaw as it was not feasible to hold it in Ukraine as planned. It's worth noting, that due to this precedent the OSJD Committee as a host of the XXXV Ministers Conference session had to perform a very hard and comprehensive work to organize and successfully conduct it.

In 2007 six meetings of the OSJD Committee members were held, at which the results of work were considered, performed by the Commissions and PWGs within the year, to include the draft decisions on the issues to be submitted for the approval by the OSJD governing bodies in the field of transport policy, transport law, combined traffic, etc., as well as reports on the meetings of the OSJD working bodies and other international organizations, in which the OSJD Committee members took part.

Among the major issues solved within the OSJD framework were: development of uniform CIM/SMGS consignment note, revision of the Agreement on International Freight Traffic (SMGS) and Agreement on International Passenger Traffic (SMPS), as well as harmonization of OSJD fundamental documents.

On the basis of concluded agreements and mutually beneficial grounds the OSJD Committee cooperated with international organizations, observers and affiliated enterprises. In accordance with the decision of the XXII CGD meeting the OSJD Committee signed five agreements with affiliated enterprises.

In 2007 the representatives of 23 OSJD member states worked at the Committee.

On 14 September 2007, after five years' absence, the representative of Tajikistan began his work at the OSJD Committee. Romania and Turkmenistan still were not represented at the Committee. Therefore, the OSJD Committee leadership took every effort to negotiate so that the representatives of those countries be sent to the Committee.

2007 saw rotations of the representatives of the OSJD member states from the Republic of Kazakhstan, Republic of Moldova and Slovak Republic. On 31 December 2007 the OSJD Committee members from the Korean People's Democratic Republic, Republic of Latvia and Ukraine completed their office.

Two staff members underwent rotation, too.



OSJD Committee members, July 2008, Warsaw



OSJD Committee representatives at XXXVI Ministers Conference session in Kiev (June 2008)

In 2007 93 meetings of the OSJD working bodies were conducted, with 46 of them – within the OSJD Committee premises. Like in the previous years, the OSJD Committee analyzed the OSJD member states' participation in the activities of the OSJD Commissions and Permanent Working Groups in order to optimize of the OSJD performance.

In 2007 the OSJD Committee representatives took part in a number of various international events on railway transport such as conferences, exhibitions, fairs, as well as meetings of the working bodies of the following international organizations:

UNECE, UNESCAP, OTIF, UIC, CIT, ERA and CCTST.

In May 2007 the meeting with Mr. Liu Zhijun, Minister of Railways of China took place at the OSJD Committee, at which issues of current interest were discussed.

Many representatives of international organizations attended the meetings in the OSJD Committee, in particular, Mr Stefan Schimming, OTIF Secretary General, Dr Thomas Leimgruber, CIT Secretary General, Mr Gennady Bessonov, CCTST General Secretary and Mr Vladimir Timofeev, UNESCAP Advisor on Transport.

5.2. Publishing Activities

In 2007 the journal was published as scheduled. Four single issues and one doubled issue (issue No.5-6) of the OSJD Bulletin journal were brought out in Russian, Chinese and German languages. The translation into German was backed up by DB AG.

In 2007 the number of journal copies of each issue amounted to 2920, 1800 copies of which were published in Russian, 690 – in German and 430 – in Chinese.

The Bulletin was supplied to all the OSJD member states, OSJD observer railways, OSJD affiliated enterprises and such international organizations as European Commission, TINA, UNECE, UIC, TER, OTIF, UNESCAP and CIT free of charge. It was also supplied to some other organizations and individual subscribers. Besides, on a free-of-charge exchange basis, the OSJD Bulletin was delivered to 25 states of the world, including railway periodical publishers of Railway Gazette, European Railway Review, Rail Transport International, Technika transportu szynowego, Eisenbahningenieur, Routes and Roads, Vasutvilag Szerkesztosege, Rail et Recherche, Railway Technical Research Institute (Tokyo), Rail Engineering International, Railway Transport (Zhelezoptyen Transport), Gudok, RZD-Partner, Eurasia, etc. Since 2005 the journal has been delivered through the post office. Besides, printed matters were distributed at railway exhibitions, conferences and other events.

The subjects of the printed matters included mainly the basic decisions of the OSJD Ministers Conference session, CGD meeting, OSJD Commissions and Permanent Working Groups, as well as recommendations and proposals made by the expert and working groups. The journal pages first of all were made available to the railways of the OSJD member countries, observers and affiliated enterprises.

In 2007 the journal published articles of the authors from Belarus, Bulgaria, Germany, Georgia, Kazakhstan, China, Latvia, Lithuania, Moldova, Poland, Russia, Slovakia, Uzbekistan, Ukraine and the

OSJD Committee.

Also published was information relating to the development and reforms of the railways, being OSJD members and observers, updating of the SMGS and SMPS Agreements, major events in the activities of OSJD and railways, railway conferences, exhibitions, congresses and many other materials, including reference and statistical ones received from the OSJD Commissions.

Authors of the articles published in the OSJD Bulletin were ministers of transport of the OSJD member states, heads of railway branches and enterprises, leading scientists, railway transport experienced staff and experts, members of the OSJD Committee.

Two issues of the journal had been released prior to the Ministers Conference session and General Directors Conference and were distributed on the very first day of those most significant events.

In the reporting year negotiations were conducted and an agreement was signed between the OSJD Committee and “Deine Bahn” branch journal concerning cooperation between the OSJD Bulletin and “Deine Bahn” editorial staff.

Working meetings were held and a preliminary agreement was reached between the OSJD Committee and publishing houses of such periodicals as Gudok, RZD-Partner and Eurasia on mutual cooperation in the field of railway transport information exchange.

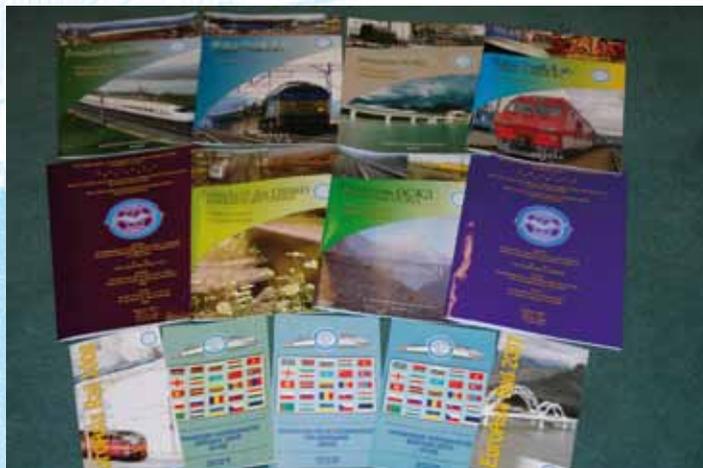
Some requests to republish our articles in various journals were received.

Besides, the OSJD Bulletin journal editing staff carried out the following activities:

- a stand was developed and drawn up devoted to OSJD;
- printed information and photographs were prepared for the publication of the EuroAsia Rail 2008 International Passenger Train Schedule;
- work on development of proposals and data for the OSJD Web-site was in progress.

Completed and issued in 2007 were:

- OSJD Information Directory in Russian, Chinese, German and English;
- Report on OSJD Activities for 2006 in 4 languages;
- Main Statistical Data on Railway Transport for 2006 in 4 languages;
- stands of the Ministers Conference session and General Directors Conference participants;
- calendars with the OSJD meetings timetable for 2008;
- maps of the OSJD international railway transport corridors;
- annual filing of the journal was accomplished.



OSJD printed matters

SUMMARY

on Participation of OSJD Members in Agreements and Treaties in Force within the OSJD Framework (as of 31.01.2008)

No.	Country	Abridged titles of CGD members	Participation							
			SMPS	SMGS	MPT Agreement	MTT Agreement	ETT Agreement	PPW Agreement	Agreement on the Rules of Accounting	Agreement on Combined Transportation
1	2	3	4	5	6	7	8	9	10	11
1.	Azerbaijani Republic	AZ	Yes	Yes	No	Yes	No	No	Yes	No
2.	Republic of Albania		Yes	Yes	No	No	No	No	No	No
3.	Republic of Belarus	BC	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4.	Republic of Bulgaria	BDZ (EAD)	Yes	Yes	No	No	Yes	Yes	Yes	Yes
5.	Republic of Hungary	MAV	No	Yes	No	No	No	Yes	Yes	Yes
6.	Socialist Republic of Vietnam	VZD	Yes	Yes	Yes	No	Yes	No	Yes	No
7.	Georgia	GR	Yes	Yes	No	Yes	No	Yes	Yes	No
8.	Islamic Republic of Iran	RAI	No	Yes	No	No	No	No	No	No
9.	Republic of Kazakhstan	KZH	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
10.	People's Republic of China	KZD	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes
11.	People's Democratic Republic of Korea	ZC	Yes	Yes	Yes	No	Yes	Yes	Yes	No
12.	Kyrgyz Republic	KRG	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
13.	Republic of Latvia	LDZ	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
14.	Republic of Lithuania	LG	Yes	Yes	Yes	Yes	No	Yes	Yes	No
15.	Republic of Moldova	CFM (E)	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes
16.	Mongolia	MTZ	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
17.	Republic of Poland	PKP	Yes	Yes	No	No	No	Yes	Yes	Yes
18.	Russian Federation	RZD	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
19.	Romania	CFR	No	No	No	No	No	Yes	Yes	No
20.	Slovak Republic	ZSSK Cargo	Yes	No	No	No	No	Yes	Yes	Yes
21.	Republic of Tajikistan	TDZ	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No
22.	Turkmenistan	TRK	Yes	Yes	Yes	No	No	No	No	No
23.	Republic of Uzbekistan	UTI	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
24.	Ukraine	UZ	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
25.	Czech Republic	CD	Yes	No	No	Yes	No	No	Yes	No
26.	Republic of Estonia	EVR	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	total number of participants		23	23	15	15	15	20	23	15

XXIII meeting of the Conference of General Directors (authorized representatives) of the OSJD Railways (Islamic Republic of Iran, Teheran, 27 April – 1 May 2008)







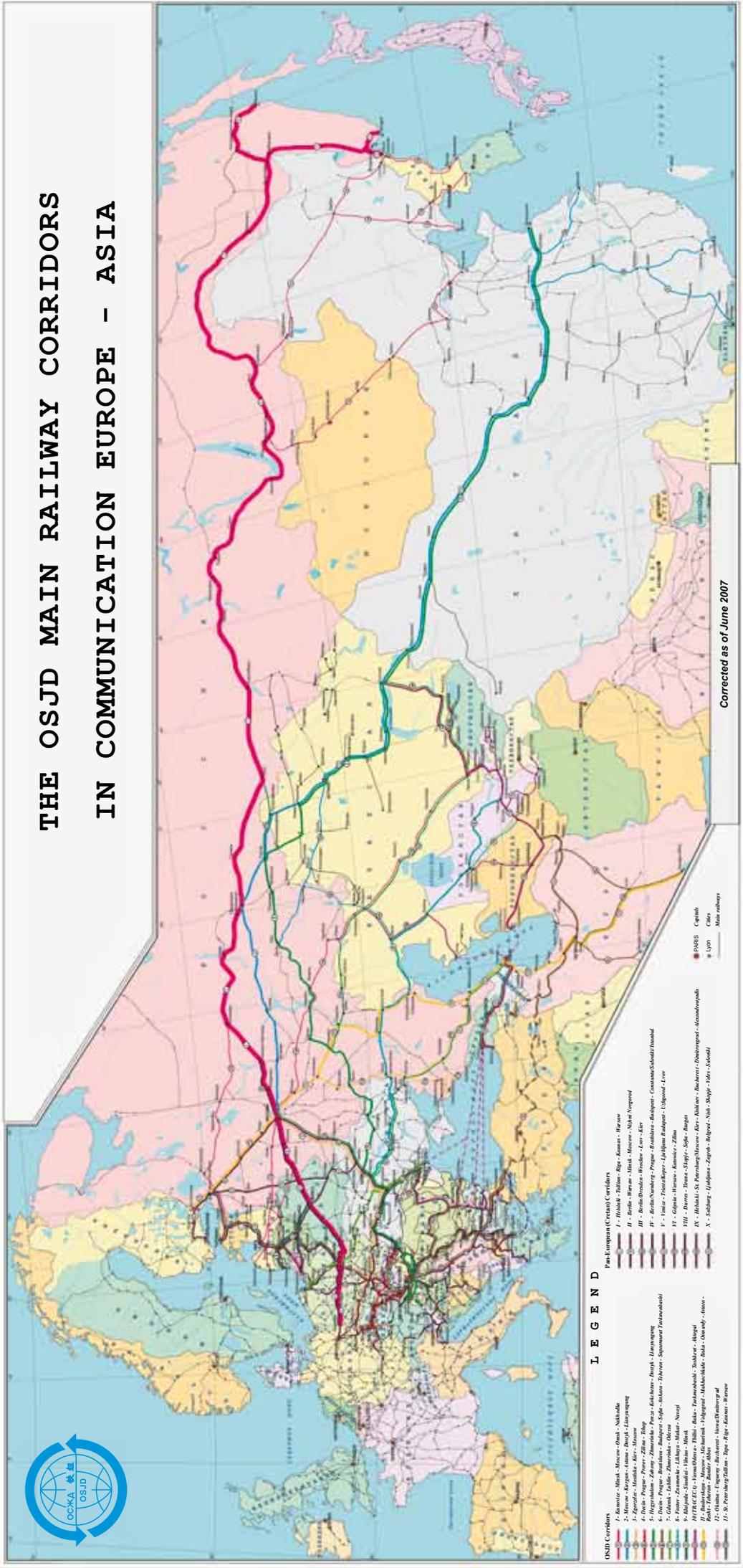
XXXVI session of the OSJD Ministers Conference
(Ukraine, Kiev, 10-13 June 2008)







THE OSJD MAIN RAILWAY CORRIDORS IN COMMUNICATION EUROPE - ASIA



LEGEND

- OSJD Corridors**
- 1 - Amsterdam - Minsk - Moscow - Omsk - Ashgabat
 - 2 - Moscow - Kyrgyz - Astana - Dushanbe - Lianyungang
 - 3 - Zaporizhzhia - Kyiv - Minsk - Moscow
 - 4 - Moscow - Minsk - Ashgabat - Bishkek
 - 5 - Warszawa - Zadar - Zhenyuzhaye - Paris - Ankara - Dushanbe - Dushanbe - Lianyungang
 - 6 - Berlin - Prague - Bratislava - Budapest - Sofia - Ankara - Dushanbe - Dushanbe - Lianyungang
 - 7 - Garmak - Ljubljana - Zhenyuzhaye - Omsk
 - 8 - Moscow - St. Petersburg - Ashgabat - Bishkek - Dushanbe - Lianyungang
 - 9 - Moscow - St. Petersburg - Ashgabat - Bishkek - Dushanbe - Lianyungang
 - 10 - Moscow - St. Petersburg - Ashgabat - Bishkek - Dushanbe - Lianyungang
 - 11 - Moscow - St. Petersburg - Ashgabat - Bishkek - Dushanbe - Lianyungang
 - 12 - Omsk - Lianyungang - Beijing - Shanghai - Hong Kong - Singapore - Jakarta - Medan - Palembang - Pekanbaru - Batam - Kuala Lumpur - Bangkok - Hanoi - Phnom Penh - Vientiane - Luang Prabang - Xi'an - Chengde - Hohhot - Urumqi - Kashgar - Kunming - Guiyang - Nanning - Haikou - Hong Kong - Macau - Taipei - Seoul - Busan - Osaka - Tokyo - Yokohama - Nagasaki - Fukuoka - Osaka - Tokyo - Yokohama - Nagasaki - Fukuoka
 - 13 - St. Petersburg - Moscow - Minsk - Warsaw - Berlin - Paris - London - Rome - Athens - Istanbul - Ankara - Dushanbe - Lianyungang
- Five European Corridors**
- I - Helsinki - Tallinn - Riga - Kaunas - Warsaw
 - II - Berlin - Warsaw - Minsk - Moscow - Ashgabat - Nurek
 - III - Berlin - Dresden - Prague - Bratislava - Budapest - Ankara - Dushanbe - Lianyungang
 - IV - Helsinki - St. Petersburg - Moscow - Ashgabat - Bishkek - Dushanbe - Lianyungang
 - V - Venice - Trieste - Rijeka - Ljubljana - Budapest - Ankara - Dushanbe - Lianyungang
 - VI - Garmak - Warsaw - Kaunas - Zadar
 - VII - Warsaw - Vienna - Stuttgart - Sofia - Beijing
 - VIII - Helsinki - St. Petersburg - Moscow - Ashgabat - Bishkek - Dushanbe - Lianyungang
 - IX - Salzburg - Linz - Prague - Budapest - Ankara - Dushanbe - Lianyungang
 - X - Salzburg - Linz - Prague - Budapest - Ankara - Dushanbe - Lianyungang
- Legend**
- PARIS Capital
 - LYON City
 - ◆ Main railway

Corrected as of June 2007

2007