

5th edition, January 2011

Original

UIC Internal Regulations

Règlements intérieurs de l'UIC
Geschäftsordnungen der UIC



UNION INTERNATIONALE DES CHEMINS DE FER
INTERNATIONALER EISENBAHNVERBAND
INTERNATIONAL UNION OF RAILWAYS



Documents

Document Sharing Hub

Leaflet to be classified in Volume:

0 - Statutes and Regulations

Application:

With effect from 01.01.2011

All members of the International Union of Railways

Record of updates

1st edition, June 2003	Publication of a compendium of the A series of Internal Regulations, publication of Internal Regulation A10 and up-dates to Internal Regulations A2, A4, A5, A6, A7, A14, A15, A18 and A19.
2nd edition, May 2004	Up-date to Internal Regulations A2 and A14 as approved by the General Assembly on 19.11.2003.
3rd edition, February 2007	New lay-out and update of Regulations R1, R2 and R3 as approved by the General Assembly on 07.12.2006.
4th edition, September 2009	Publication of the new Internal Regulations IR1 to IR4 as approved by the General Assembly on 31.03.2009.
5th edition, January 2011	Amendment to IR2 as approved by the General Assembly on 05.12.2010

The person responsible for this leaflet is named in the UIC Code

Contents

1 - New Internal Regulation 1	1
2 - New Internal Regulation 2	15
3 - New Internal Regulation 3	19
4 - New Internal Regulation 4	32

1 - New Internal Regulation 1

Defines the terms of application of Part 1 of the UIC Statutes.

1. Membership
2. Budget
3. Costs and Fees
4. Votes

1. Membership (applying Art. 2 of the Statutes)

1.1 - Membership Year (applying Art. 2.1)

The membership year is the same as the calendar respectively the business year.

1.2 - Application for membership (applying Art. 2.3)

The DGS shall inform the potential Member of the receipt of its application for membership either by fax or email, specifying in more detail the entrepreneurial data required for a decision by the General Assembly.

The Executive Board, the Chair, the responsible Regional Director and the SRG concerned shall be informed of the application.

After receipt of the related documents, the next General Assembly shall decide on the admission. The DGS shall inform the Member of that decision not later than 5 days after the meeting and by registered post.

If the new Member has already expressed a wish to become a Member of (an) other SRG(s), the DGS shall inform the SRG(s) concerned as well via the responsible Regional Director(s).

1.3 - Provisional membership (applying Art. 2.3)

If an application is directed to a SRG (via the responsible Regional Director and on basis of his / her recommendation), this SRG may grant provisional membership subject to the decision of the next General Assembly.

The Executive Board, the Chair and the DGS shall be informed of the application not later than 5 days after receipt.

If provisional membership is granted, the new Member shall not be entitled to vote until after the final approval of the General Assembly.

1.4 - Derogation from Member category

Companies or entities, public or private, which meet all the conditions of Article 2.2 may not become associate or affiliate Members.

However, companies or entities, public or private, that do not fulfil the conditions of Article 2.2 may be accepted as active Members if their membership is of particular interest to UIC.

1.5 - Change of category

Should a Member no longer fulfil the stipulated conditions for its category, the DGS shall, if relevant, propose a new category of membership to the Member concerned and shall request an answer within 3 months.

The DGS shall inform the General Assembly, the SRG(s) concerned and the UIC Chair of the proposal.

In the absence of a response from the Member concerned within a period of 3 months, the General Assembly shall decide unilaterally on the new membership category.

Should the Member concerned disagree with the DGS' proposal or the General Assembly's decision, an appeal may be made to the General Assembly within 3 months of the date of notification of the Member. The appeal shall suspend application of the decision.

1.6 - Resignation of a Member (applying Art. 2.4)

A notice of resignation, sent by registered post at least three months before the end of the year, shall automatically terminate both the global and all regional memberships of the Member concerned on 31 December of the year in course. The DGS shall inform the Member of the receipt of the notice of resignation as well as the Steering Committee, the UIC Chair and the SRG(s) concerned.

When receiving this notice, the DGS will check whether there are any outstanding amounts due by the Member and whether there are other claims against the Member.

Within one month of receiving the notice, the DGS will confirm receipt of the notice by registered post and specify any claim or outstanding amount which must be paid by the Member before acceptance of its resignation. The next General Assembly will then be informed.

1.7 - Exclusion (applying Art. 2.4)

If a Member

1. does not meet its financial obligations towards the Association in accordance with the Statutes (membership fees, project contributions, other sums due), or
2. no longer fulfils the conditions of belonging to any of the categories, or
3. does not comply with the provisions of the Statutes and the related Internal Regulations, or
4. does not support UIC in fulfilling its objectives and, in this context, fails to provide information¹ - in particular statistics - with the exception of confidential data,

1. Reference to the latest information available on the UIC website

the DGS shall request from the General Assembly notification of the cancellation of the UIC membership of that Member.

Any Member coming under rule of court (bankruptcy proceedings) must immediately inform the DGS accordingly, indicating the provisions of its national law that apply in such cases. Provided the provisions of its national law so allow, the Member concerned shall cease automatically to belong to UIC.

However, regarding the matters referred to under point 1 - page 1, the Member concerned has three months after the final reminder has been issued to take action before losing all its rights. In exceptional circumstances however, the General Assembly may decide not to apply this measure, provided there are suitably justified reasons for such a decision (to be presented by the Member concerned).

Should the Member concerned disagree with the decision, an appeal may be made to the General Assembly within 3 months of the date of notification of the Member. The appeal shall suspend application of the decision.

Failing an appeal, the Member shall be excluded automatically.

2. Budget (applying Art. 3.2 of the Statutes)

2.1 - The budget

2.1.1 - Composition of the budget

The budget of the Association for the following business year shall be composed in accordance with the French law in force and shall consist of three parts containing

1. the Operational HQ Budget - showing the planned operating costs and expected revenues of UIC HQ only, in accordance with Article 3.2,
2. the Operational Budget of each SRG established - showing the planned operating costs and expected revenues of the SRG office concerned only, in accordance with Article 3.2,
3. the Project Budget of each SRG established - including the planned costs and expected revenues of all regional projects to commence in the business year concerned of that SRG only, in accordance with Article 3.2.

2.1.2 - Presentation of budget

All budgets mentioned under point 2.1.1 shall follow an identical format and layout.

The project-related part of the budget shall contain in addition:

1. **Projects commencing in the business year concerned:** The completed project sheet with the commitments in writing of all participating Members attached.
2. **Projects to be closed in the business year concerned:** Year of approval, overall budget approved, amount spent, surplus / deficit with proposal on utilisation / coverage to be presented to GA for decision.
3. **Already approved / ongoing (running) projects - for information only:** Year of approval, overall budget approved, per running year: amounts (to be) spent, cost allocation by participant for the business year concerned.

2.1.3 - Approval of budget

A budget shall be approved by the responsible body only if

1. expenditures and revenues are balanced, and
2. all required documents are attached, and
3. it is presented in due time.

The General Assembly shall ratify a regional budget only after and if it has been approved by the SRG Assembly concerned.

However, if a regional budget is not approved or is not in a position to be ratified by the General Assembly, the DGS shall be authorised by the General Assembly to prepare a preliminary budget in order to safeguard the regional base services only (which shall specifically not include project work). The DGS shall further be authorised to initiate and implement further necessary remedial measures in order to immediately present a complete budget.

2.1.4 - Budget as a basis for work

No work shall commence without an approved budget.

In urgent circumstances however, Regional Projects may exceptionally commence prior to budget approval being given, with the reservations that the Members concerned have given a binding commitment in writing on the basis of a completed project sheet, and that the related budget is subject to approval and ratification at the next meeting of the responsible bodies. Each SRG shall specify in its Internal Regulation the reasons for which such a procedure is admissible.

2.2 - Accounting principles

All expenditures shall require strict budget controlling by a responsible financial controller, who shall be designated for the individual budget of each technical / administrative department and for each project with its own budget. This financial controller shall not be either one of the persons authorising payments or the person initiating the actual payment.

The IT procedures shall provide information on the current status of a budget in real time.

The annual closing of the accounts shall be executed within the legally applicable period; project accounts shall be closed within two weeks after the last project-related invoice has been paid.

2.3 - Annual statement of accounts

2.3.1 - Composition of the annual statement of accounts

With regard to the annual statement of accounts, the provisions of point **2.1- page 3** apply, except for the provisions on projects.

2.3.2 - Surplus, deficit, closed projects

In addition, the annual statement of accounts

1. shall specify a surplus and/or shall clearly justify a deficit in an operational budget:

A surplus shall be considered to be all revenues, and a deficit all expenditures, which have not been included in an approved operational budget for the business year concerned, and consequently have not been taken into consideration for the calculation of the related fees.

Surplus:

After due consideration of the law in force (with regard to necessary reserve funds, for example), a remaining surplus shall be reimbursed to the Members in proportion to their number of votes. If the resources are to be earmarked for a specific purpose

- at global level, the General Assembly shall decide on and approve the item on the basis of a written proposal presented by the DGS,
- at regional level, the SRG Assembly concerned shall decide on and approve the item on the basis of a written proposal presented by the Regional Director concerned (to be ratified by the next General Assembly).

Deficit:

A deficit for a global-level activity may be covered either by resources from the Reserve Fund of the Association or by a "Special Base Fee" on the condition that neither a specific individual (Member, staff) nor a UIC body can be held liable for the deficit. Both measures require the decision and approval of the General Assembly.

A regional deficit shall be covered as decided on and approved by the SRG Assembly concerned. The necessary resources shall not be provided from contributions by Members of other SRGs or from the Association's general resources.

In the event that an SRG does not cover a deficit within the next two years, the General Assembly shall decide on the dissolution of the SRG and the exclusion from UIC membership of the Members of that SRG. Independently of their exclusion, the Members concerned shall be required to pay all the sums due originating from their membership (including the coverage of the deficit proportional to their number of votes).

2. shall definitively close the project accounts:

Surplus:

In the event of called but non-utilised financial resources, the surplus shall be reimbursed to the participants in proportion to their payment (Members, third parties).

If, however, a new project is linked to the closed project, the surplus may be allocated to the new project after all sums owed to third parties are paid, subject to the approval of the Members participating in the closed project.

- With regard to multiregional projects, the DGS shall then present a written proposal as a basis, which the SRG Assemblies concerned decide on and approve, and which the General Assembly ratifies.
- With regard to regional projects, the responsible Regional Director shall present a proposal, which the SRG Assembly concerned decides on and approves, and which the General Assembly ratifies.

Deficit:

In the event of a deficit, all participants in the closed project concerned shall be required to pay in proportion to the contributions they have paid.

3. Costs and fees (applying Art. 3 of the Statutes)

3.1 - Cost calculation principles

Articles 3.1 and 3.2 define the costs and the financial contributions of Members, and also specify which costs shall be covered by which financial contribution.

The expenditure expected for a business year shall be the sole basis for the calculation of the respective overall yearly costs. These overall costs shall determine the yearly revenues from fees and contributions which are necessary to achieve a balanced budget in the business year concerned (other revenues may be included only if they depend on reliable data and must be explicitly noted as representing a risk).

3.2 - Fees

3.2.1 - Principles

There are two types of UIC fee:

- the Core Fee, which covers the operating costs of UIC,
- the Regional Fees, which fund the operating costs of the regional entities (SRGs).

The Core Fee and the Regional Fees shall be paid by all Members. Each fee is separate.

The Core Fee shall be revised annually by the General Assembly.

The Regional Fees shall be revised annually by the respective Regional Assemblies.

For active Members, the Core and Regional Fees shall develop firstly in line with the decisions of the Regional and General Assemblies, and secondly depending on their activities.

As a transitional measure, the fees of non-European active Members shall be lump sums. Gradually, and as a function of their level of involvement in UIC, the calculation method will be applied to them until the end of 2010.

The fees of associate and affiliate Members are lump sums. Each year the General Assembly shall determine the changes in these lump sums in the same manner as the fees.

3.2.2 - Method of calculating fees

3.2.2.1 - Active Members

These methods apply in the same manner to both the fees paid by active Members, where C is the fee considered (Core Fee, Regional Fee).

3.2.2.1.a - Apportionment of the fee C according to type of business

The fee C to be apportioned among active Members shall be divided as follows:

- 25 % representing the fixed contribution,
- 25 % representing infrastructure,
- 15 % representing the volume of passenger traffic,

- 15 % representing passenger traffic revenue,
- 10 % representing the volume of freight traffic,
- 10 % representing freight traffic revenue.

3.2.2.1.b - Fixed contribution (c_f)

The fixed share of the fee c_f of each Member shall be calculated by dividing the total share allocated to this fixed contribution by the number N of Members, as follows:

$$c_f = 0,25 C / N$$

The fixed contribution c_f shall be the same for all active Members.

3.2.2.1.c - Element relating to infrastructure (c_i)

The share of the fee c_i of each Member shall be calculated on the basis of the weighted length in kilometres of the lines operated by that Member at the end of year Y - 2 (see point 1.3 -page 1).

$$c_i = (0,25 C) \times k_p / K_p$$

3.2.2.1.d - Element relating to the volume of passenger traffic (c_{vv})

The volume of rail passenger traffic of each Member shall be expressed in millions of passenger-kilometres recorded during the year Y - 2.

This traffic volume (vk) shall be weighted according to thresholds (see point 1.3 -page 1).

VK_p is therefore the sum of the millions of weighted passenger-kilometres recorded by all active Members.

The share of the fee c_{vv} payable by each Member is calculated by sharing 0,15 C pro rata to the weighted passenger-kilometres, as follows:

$$c_{vv} = (0,15 C) \times vk_p / VK_p$$

3.2.2.1.e - Element relating to passenger traffic revenue (c_{rv})

The passenger traffic revenue for the year Y - 2 of each Member shall be expressed in thousand euros. It shall include tariff products as well as the tariff and product compensation resulting from contracts (contracts with governing authorities, management contracts, service contracts, etc).

The exchange rate adopted shall be that of 30 June of the year Y - 2.

This revenue (r_v) shall be subject to the same weighting as the volume of traffic.

The weighted revenue (r_{vp}) adopted shall be as follows:

$$r_{vp} = r_v \times vk_p / vk$$

R_{vp} therefore is the sum of weighted revenue in thousand euros recorded by all active Members. The share of the fee payable by each Member shall be calculated by sharing 0,15 C pro rata to the weighted passenger revenue, as follows:

$$c_{rv} = (0,15 \text{ C}) \times r_{vp} / R_{vp}$$

3.2.2.1.f - Element relating to the volume of freight traffic

The volume of freight traffic (tk) concerns revenue-earning railway traffic. It is expressed in millions of tonne-kilometres recorded during the year Y - 2. It is weighted in the same way as for passenger traffic, according to thresholds (see point 1.3 - page 1).

TK_p is therefore the sum of weighted kilometre tonnages recorded by all active Members.

The share of the fee c_{vm} payable by each Member is calculated by sharing 0,10 C pro rata to the weighted kilometre tonnage, as follows:

$$c_{vm} = (0,10 \text{ C}) \times tk_p / TK_p$$

3.2.2.1.g - Element relating to freight traffic revenue (c_{rm})

The freight traffic revenue for the year Y - 2 of each Member shall be expressed in thousand euros. It shall include tariff products as well as the tariff compensation and products resulting from contracts (contracts with governing authorities, management contracts, service contracts, etc).

The exchange rate adopted shall be that of 30 June of the year Y - 2.

This revenue (r_m) shall be subject to the same weighting as the volume of traffic.

The weighted revenue (r_{mp}) adopted shall be as follows:

$$r_{mp} = r_m \times tk_p / tk$$

R_{mp} is therefore the sum of weighted revenue recorded by active Members.

The share of the fee c_{rm} payable by each Member is calculated by sharing 0,10 C pro rata to the weighted revenue, as follows:

$$c_{rm} = (0,10 \text{ C}) \times r_{mp} / R_{mp}$$

3.2.2.1.h - Calculation of the fee of each active Member

The fee (c) of each active Member shall be obtained by adding together the six contributions c_f , c_i , c_{vv} , c_{rv} , c_{vm} and c_{rm} , calculated above, as follows:

$$c = (0,25 \text{ C}/N) + (0,25 \text{ C}/K_p) \times k_p + (0,15 \text{ C}/VK_p) \times vk_p + (0,15 \text{ C}/R_{vp}) \times r_{vp} + (0,10 \text{ C}/TK_p) \times tk_p + (0,10 \text{ C}/R_{mp}) \times r_{mp}$$

which gives : $c = c_1 + c_2 \times k_p + c_3 \times vk_p + c_4 \times r_{vp} + c_5 \times tk_p + c_6 \times r_{mp}$

where	the fixed contribution is:	$c_1 = c_f = (0,25 \text{ C}/N)$
	the infrastructure coefficient is:	$c_2 = (0,25 \text{ C}/K_p)$
	the passenger traffic coefficient is:	$c_3 = (0,15 \text{ C}/VK_p)$
	the passenger revenue coefficient is:	$c_4 = (0,15 \text{ C}/R_{vp})$
	the freight traffic coefficient is:	$c_5 = (0,10 \text{ C}/TK_p)$
	the freight revenue coefficient is:	$c_6 = (0,10 \text{ C}/R_{mp})$

When a Member is an association under the terms of Article 2.2 of the Statutes, they may be

- either an active Member in accordance with a derogation accepted by the General Assembly, in which case its fees are calculated on the basis of all its members' activities,
- or an affiliate Member with a fee calculated as a lump sum decided by the General Assembly.

The activity referred to here above in the first bullet point takes into account: the infrastructure element (k_p), the traffic elements (vk_p , tk_p) and the revenue elements (r_{vp} , r_{mp}) on the basis of the line kilometres, the traffic volume and the amount of revenue of all the companies and entities in the association.

3.2.2.1.i - Calculation of the fees of a new active Member

When a new active Member joins the association at the start of or during the year, the fees of that Member are calculated by application of the formula under point **3.2.2.1.h**.

3.2.2.1.j - Transitional provision concerning non-European active Members (until 2010)

The fees of non-European active Members shall temporarily be lump sum fees. Each fee may evolve separately from the other.

Fees shall be set at the time when the Member joins the association, and shall take account of its infrastructure and traffic parameters.

The annual revision of each fee shall be the same for all Members of this category.

However, the fees of a non-European active Member may be re-evaluated individually in the event of a major change in its infrastructure and traffic parameters, or by agreement with the Member concerned.

These new fees will have to be decided by the General Assembly.

3.2.2.2 - Associate and affiliate Members

Associate and affiliate Members shall pay a Core Fee and a Regional Fee.

The fees of associate and affiliate Members shall be set at the time when they join the association.

The annual revision of each fee shall be the same for all Members of this category.

3.2.3 - Method of weighting and threshold required to qualify for active Member status

3.2.3.1.a - Weighting of network length

The weighting factors shall be as follows:

- electrified lines with two or more tracks (length in kilometres k_1) : factor = 1,2
- non-electrified lines with two or more tracks (length in kilometres k_2) : factor = 1,0
- single-track electrified lines (length in kilometres k_3) : factor = 0,6
- non-electrified single-track lines (length in kilometres k_4) : factor = 0,5

Before weighting the total network length k is broken down as follows:

$$k = k_1 + k_2 + k_3 + k_4$$

After this initial weighting, the weighted network length (k') is as follows:

$$k' = 1,2 k_1 + k_2 + 0,6 k_3 + 0,5 k_4$$

3.2.3.1.b - Weighting of network length according to thresholds

The weighted length in kilometres (k_p) is calculated as follows. Below 10 000 km, a weighting of 50 % is applied. Beyond 32 500 km, the network length is no longer taken into account.

- where $k' < 10\,000$ $k_p = k'$
- where $10\,000 \leq k' < 32\,500$ $k_p = 10\,000 + (k' - 10\,000)/2 = 5\,000 + k'/2$
- where $32\,500 \leq k'$ $k_p = 5\,000 + 32\,500/2 = 21\,250$

3.2.3.2 - Weighting of passenger traffic

Passenger traffic (vk) shall be expressed in millions of passenger-kilometres and weighted according to thresholds. Below 10 000, a weighting of 50 % is applied. Beyond 65 000, the traffic is no longer taken into account. The weighted value (vk_p) shall be calculated as follows:

- where $vk < 10\,000$ $vk_p = vk$
- where $10\,000 \leq vk < 65\,000$ $vk_p = 10\,000 + (vk - 10\,000)/2 = 5\,000 + vk/2$
- where $65\,000 \leq vk$ $vk_p = 5\,000 + 65\,000/2 = 37\,500$

3.2.3.3 - Weighting of freight traffic

Freight traffic (tk) shall be expressed in millions of tonne-kilometres and weighted by threshold. Below 10 000 km, a weighting of 50 % is applied. Beyond 65 000 km, the traffic is no longer taken into account. The weighted value (tk_p) shall be calculated as follows:

- where $tk < 10\,000$ $tk_p = tk$
- where $10\,000 \leq tk < 65\,000$ $tk_p = 10\,000 + (tk - 10\,000)/2 = 5\,000 + tk/2$
- where $65\,000 \leq tk$ $tk_p = 5\,000 + 65\,000/2 = 37\,500$

3.2.3.4 - Threshold required to qualify for active Member status

The threshold for the volume of railway business required to be an active Member shall be determined on the basis of a combination of all or part of three elements:

- the network length expressed in weighted network length k' (cf. point 3.2.3.1.a),
- revenue-earning passenger traffic vk expressed in millions of passenger-kilometres,
- revenue-earning freight traffic tk expressed in millions of net tonne-kilometres.

This threshold shall apply to:

- infrastructure managers, in which case only the element relating to network length (k') shall apply,
- rail transport companies in the strict sense of the term, in which case only the element relating to passenger traffic and/or freight traffic (vk and/or tk) shall apply,
- integrated railway companies, in which case the three elements (k' , vk and tk) shall apply.

A Member shall automatically hold the status of active Member if:

$$k' + vk + tk > 1\,000$$