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Analysis of existing international modal transport conventions (rail, road, air, inland water and maritime transport) and related agreements – What exists at present, what is addressed and how is it done?

Agreement on International Railway Freight Transportation (SMGS)

Submitted by the Organization for Cooperation between Railways (OSJD)

Mandate

1. In accordance with (a) the Joint Declaration on the promotion of Euro-Asian rail transport and activities towards unified railway law, particularly paragraph 2 (b) (ECE/TRANS/2013/2), signed on 26 February 2013 at Geneva by 37 UNECE member countries during the Ministerial session of the seventy-fifth Inland Transport Committee (ITC) and (b) the terms of reference of the Group of Experts towards Unified Railway Law (ECE/TRANS/2013/9) adopted by ITC at the same session (ECE/TRANS/236, paras. 14 and 29), work towards unified railway law requires analysis and comparison of the two existing rail conventions: The Convention Concerning International Carriage by Rail (COTF) and its Uniform Rules Concerning the Contract of International Carriage of Goods by Rail (CIM) and the Agreement on International Railway Freight Transport (SMGS).

2. Against this background and in order to facilitate work towards unified railway law, the Organization for Cooperation between Railways (OSJD) has submitted the SMGS Agreement dated 1 July 2013 as contained in the annex; it is reproduced as submitted, without formal editing.

Annex

Agreement on International Railway Freight Communications (SMGS)

In force since 1 November 1951, as amended on 1 July 2013

For the purpose of organizing freight traffic in direct international railway communications, the ministries* responsible for railways in the following countries, through their duly authorized representatives, have concluded the Agreement set out below:

- Republic of Albania;
- Republic of Azerbaijan;
- Republic of Belarus;
- Republic of Bulgaria;
- People's Republic of China;
- Republic of Estonia;
- Georgia;
- Hungary;
- Islamic Republic of Iran;
- Republic of Kazakhstan;
- Democratic People's Republic of Korea;
- Kyrgyz Republic;
- Republic of Latvia;
- Republic of Lithuania;
- Republic of Moldova;
- Mongolia;
- Republic of Poland;
- Russian Federation;
- Republic of Tajikistan;
- Turkmenistan;
- Ukraine;
- Republic of Uzbekistan;
- Socialist Republic of Viet Nam.

* For Hungary, the Agreement was entered into by the Government of Hungary.

Section I

General provisions

Article 1

Object of the Agreement

This Agreement shall establish direct international railway communications for freight transport between the railways of the following countries:

- Republic of Albania;
- Republic of Azerbaijan;
- Republic of Belarus;
- Republic of Bulgaria;
- People's Republic of China;
- Republic of Estonia;
- Georgia;
- Hungary;
- Islamic Republic of Iran;
- Republic of Kazakhstan;
- Democratic People's Republic of Korea;
- Kyrgyz Republic;
- Republic of Latvia;
- Republic of Lithuania;
- Republic of Moldova;
- Mongolia;
- Republic of Poland;
- Russian Federation;
- Republic of Tajikistan;
- Turkmenistan;
- Ukraine;
- Republic of Uzbekistan;
- Socialist Republic of Viet Nam.

The interests of these railways shall be represented by the ministries responsible for them which have entered into the Agreement.*

* For Hungary, the Agreement was entered into by the Government of Hungary.

Article 2

Application of the Agreement

§ 1. The Agreement shall set out the conditions for freight transport by direct international railway communications between the stations indicated in article 3, § 2, according to the consignment notes provided for by the Agreement, and only on the network of railways covered by the Agreement.

The Agreement is binding on railways, consignors and consignees, regardless of the nationality of the parties to the contract of carriage.*

§ 2. The transport of cargo from (or to) countries whose railways are covered by the Agreement in transit through countries whose railways are also covered by the Agreement to (or from) countries whose railways are not covered by the Agreement shall be governed by the procedures and conditions of the transit tariff used by the railways concerned for the international freight route in question, unless another agreement on direct international rail freight transport applies.

§ 3. The Agreement shall not apply to freight traffic:

(1) If the dispatching station and the destination station are in the same country, and the traffic through another country's territory is limited to transit in trains of the railways of the country of dispatch;

(2) Between the stations of two countries, with transit through the territory of a third country in trains of the railways of either the country of dispatch or the destination country;

(3) Between stations situated in two neighbouring countries, if the freight is transported along the entire route in trains of the railway of one of the countries in accordance with the internal regulations in effect on that railway.

Transport operations falling under subparagraphs 1, 2 or 3 above shall be performed on the basis of separate agreements concluded by the railways concerned.

§ 4. The railways of countries which are also parties to other international agreements may conduct freight operations with each other on the basis of those agreements.

Article 3

Obligation of railways to provide transport services

§ 1. Every railway¹ covered by the Agreement is obliged to transport all goods, with the exception of those listed in article 4 below, subject to the conditions of the Agreement, provided that:

(1) The dispatching railway has scheduled the shipment in its freight plan, unless the internal regulations applicable on that railway provide for a different procedure;

(2) The means of transport available to the railway are adequate for the goods to be transported;

(3) The consignor meets the conditions set out in the Agreement;

* On the railways of Hungary, the Agreement applies only to the transport of goods across the country's border with Ukraine.

¹ "Railway" means all the railways of a country.

(4) Transport is not hindered by any circumstances beyond the railway's ability to prevent or control.

§ 2. Freight transport shall be carried out between all stations² that are open for domestic freight transport in countries whose railways are covered by the Agreement:

- (1) Without transshipment at border stations having the same rail gauge;
- (2) With transshipment, or the transfer of wagons onto bogies of the required gauge at the border stations where the railways of different gauges meet, or the use of adjustable-gauge bogies. The railway shall determine the procedure in the event that transshipment is to be performed, wagons are to be transferred onto bogies of the required gauge, or adjustable-gauge bogies are to be used, on the basis of agreements between the railways of the neighbouring countries having different railway gauges.

Cargo intended for the railway of the People's Democratic Republic of Korea shall be transported only as far as one of the designated stations that the railway of that country shall communicate to all other railways covered by the Agreement, and which these railways shall publish in accordance with their own internal regulations.

The transport of wagon-load and containerized cargo to or from the railways of the People's Republic of China or the People's Democratic Republic of Korea requires the prior agreement of the railway authorities of those countries and any transit railways involved in such transport.

§ 3. On the instruction of the relevant government authorities, a railway may:

- (1) Temporarily suspend all or part of the traffic;
- (2) Temporarily suspend the consignment of certain types of cargo, or accept them only subject to certain conditions;
- (3) Temporarily give preference to the consignment of certain types of cargo.

A railway may also take any of the above measures, if necessary, in connection with circumstances that are beyond its ability to prevent or control (for example acts of God and other cases of force majeure).

Any railway on which such measures are taken is to notify all concerned railways covered by the Agreement immediately thereof by telegraph or fax. The railways are also to be informed immediately when the measures are discontinued.

If required, the measures shall be published in accordance with the internal regulations in effect on the railways.

Article 4

Items not accepted for carriage

§ 1. The following shall not be accepted for carriage in direct international rail freight traffic:

- (1) Items that are prohibited for transport in any of the countries whose railways would be involved in transport;
- (2) Items that are subject to a monopoly of the postal authorities (annex 1) in any of the countries whose railways would be involved in their transport;

² Cargo transport pursuant to annex 22 shall be performed only along the routes indicated therein.

- (3) Dangerous goods for which no provision for transport is made in SMGS, annex 2;
- (4) Small consignments weighing less than 10 kg per item, unless their volume per item exceeds 0.1 m³;
- (5) Cargo weighing more than 1.5 tonnes in covered wagons with fixed roofs, requiring transshipment;
- (6) Small consignments weighing less than 100 kg each carried in an open wagon and requiring transshipment; this restriction does not apply to cargo for which annex 2 specifies a maximum mass of less than 100 kg per item.

§ 2. If it is discovered during the performance of the contract of carriage that items not accepted for carriage have been consigned, regardless of whether they were correctly labelled or not, the items shall be detained and dealt with according to the laws and regulations of the country in which they were detained.

Article 5

Items accepted for carriage under special conditions

§ 1. Railway rolling stock (including railway cranes) may be consigned for transport on its own wheels, on condition that the dispatching railway has determined that it is suitable for such movement and certified its finding with an entry to that effect in the consignment note under "Description of the goods", indicating the maximum authorized speed and any other conditions of transport, if necessary.

In cases where rolling stock is to be consigned for transport on its own wheels over tracks of various rail gauges, the agreement of the railways having a different gauge must be obtained in advance without fail. In such cases the consignor is to furnish spare bogies of the appropriate gauge on which the rolling stock can be mounted. If the railway of a different gauge is a transit railway, the agreement may stipulate that the bogies required for the transit will be provided by the transit railway.

For any locomotives, tenders, underground railway carriages, power cars or railway cranes consigned for transport on their own wheels, the consignor is to provide attendants in accordance with the provisions of annex 3.

§ 2. Consignments of livestock shall in all cases be accompanied by attendants, with the exception of small consignments of small animals or poultry transported in secure cages, boxes, baskets or other similar enclosures without transshipment.

The consignor is to ensure that livestock is accompanied in accordance with the provisions of annex 3.

The consignor is to ensure compliance with the animal health and hygiene regulations of the country of dispatch, the destination country and any transit countries.

§ 3. Perishable goods may be consigned for transport subject to the provisions of annex 4. Transporting perishable goods to the Socialist Republic of Viet Nam or in transit over its railways requires the prior agreement of those railways.

§ 4. The following may be consigned for transport subject to the prior agreement of all the railways involved in the transport:

- (1) Loads with an individual mass exceeding 60 tonnes, or 20 tonnes in the case of cargo being transported to the Socialist Republic of Viet Nam requiring transshipment;

(2) Loads exceeding 18 m in length, or 12 m for cargo being transported to the Socialist Republic of Viet Nam;

The following may be consigned without prior agreement, except in the case of traffic to the Socialist Republic of Viet Nam:

- For traffic not requiring transshipment, cargo items exceeding 18 m but less than 25 m in length, provided they can be loaded onto one wagon. For all out-of-gauge loads the consignor shall provide drawings showing how they are to be stowed and secured, except in the cases specified in annex 14.1;
- Railway rails and bar stock for concrete reinforcement measuring up to 30 m in length, or 36 m in the case of European railways with a gauge width of 1,435 mm.

(3) Cargo that exceeds the loading gauge shown in annex 5 for any of the railways involved in the transport (out-of-gauge cargo);

For traffic requiring transshipment, the height of the wagon floor above rail level may be assumed to be 1,300 mm for the purpose of evaluating loads. For the railways of the Socialist Republic of Viet Nam, 1,100 mm should be assumed. It should also be assumed that the wagon is standing on straight and level track and that the longitudinal axis of the wagon lies directly above the centre line of the track.

- (4) Goods consigned on specialized transporter units and requiring transshipment;
- (5) Chemicals consigned in special tanks and requiring transshipment;
- (6) All liquid goods consigned in tanks to the Socialist Republic of Viet Nam.

In order to reach agreement on the conditions of transport for such loads, the consignor shall, no later than one month before the cargo is presented for consignment, or two months if transshipment is required, provide the dispatching station with information about the type of packaging or transport container and the mass of the individual items, and, in addition, for loads falling under subparagraphs 1, 2 or 3 above, information about load dimensions and stowage drawings where necessary. The consignor is obliged to provide stowage drawings whenever loads are out of gauge.

For out-of-gauge loads being transported via transit railways by any route other than the most direct route, the consignor is to indicate the route in the consignment note under "Consignor's remarks".

§ 5. For asymmetric out-of-gauge loads, cargo weighing more than 3 tonnes per item, equipment and machinery, and goods consigned in boxes exceeding 1 m in height, the consignor is to mark the location of the centre of gravity on all four sides of each item with a sign reading "Centre of gravity", using the symbol stipulated in annex 6, in indelible paint or by some other means that will ensure the information remains legible during transport, and indicating the gross mass of the item.

For out-of-gauge loads consigned on the railways of the Republic of Bulgaria, the People's Republic of China, the Republic of Hungary, the Islamic Republic of Iran, the Democratic People's Republic of Korea, Mongolia, the Republic of Poland or the Socialist Republic of Viet Nam, the consignor is to make a marking or affix a sign (with a red border) along both sides of the load with the words: "Caution! Load is out of gauge on ... (the abbreviations for the SMGS railways in question are to be given)". The notice is to be written in the language of the country of dispatch, with a Russian translation, or, if travelling on the railways of the People's Republic of China, the Democratic People's Republic of Korea or the Socialist Republic of Viet Nam, a Chinese or Russian translation.

For out-of-gauge loads consigned on any other railways having a gauge width of 1,520 mm, other than those mentioned above, the consignor or the station where

transshipment to wagons of that gauge width takes place is to use bright, indelible paint to mark the floor and the load with reference lines and indicate in writing or by affixing a sign along both sides of the load that the load is out of gauge and the conditions under which it may be routed through a shunting yard, if such conditions are shown in the drawing accompanying the contract, as follows: “Out-of-gauge load ... (the degree to which it is out of gauge is to be indicated)”, “Not to be loose shunted”, or “Not to be hump shunted”. The text shall be in the working language (Russian), with a translation if required.

§ 6. Mechanized equipment may be consigned for transport subject to compliance with the conditions set out in annex 7.

§ 7. Dangerous goods may be consigned for transport subject to compliance with the conditions set out in annex 2.

§ 8. Human remains consigned for transport shall be subject to the following conditions:

(1) Any human remains shall be accepted for transport only in a solid, hermetically sealed metallic coffin, or in a wooden coffin sheathed in light-gauge sheet metal. The coffin shall be packed in a wooden case and secured;

(2) The consignor is to attach to the consignment note a certificate from the medical authorities, indicating that they have no objections to the transport;

(3) Human remains shall be accepted for transport only by wagon-load express consignment;

(4) Items accompanying the remains, with a total mass of up to 500 kg, may be loaded onto the wagon carrying the coffin with the remains. Such items shall be carried free of charge, with no responsibility for them on the part of the railway;

(5) Human remains shall be transported only if accompanied by an attendant provided by the consignor in accordance with annex 3. However, at the request of the consignor and with the consent of all railways involved, they may be transported without an attendant.

§ 9. If it is discovered during the performance of the contract of carriage that any of the loads mentioned in §§ 1–8 of this article and accepted for carriage under special conditions have been consigned without meeting those conditions, the loads shall be detained and dealt with according to the provisions of article 21. If the condition of the packaging or transport container for a cargo of dangerous goods is such as to preclude further transport, the cargo shall be detained and dealt with according to the laws and regulations of the country in which it was detained.

§ 10. In exceptional cases, where circumstances make it impossible to transport a particular load on the basis of the SMGS provisions, the consignor and consignee may jointly establish, with the agreement of the railways involved in the transport, a procedure for carrying that load under special conditions.

Article 6

Special provisions for certain traffic

§ 1. The transport of dangerous goods shall be governed by the provisions of annex 2 (Rules for the transport of dangerous goods).

§ 2. The transport of cargo accompanied by attendants shall be governed by the provisions of annex 3 (Rules for the transport of cargo accompanied by attendants of the consignor or consignee).

§ 3. The transport of perishable goods shall be governed by the provisions of annex 4 (Rules for the transport of perishable goods).

§ 4. The transport of mechanized equipment shall be governed by the provisions of annex 7 (Rules for the transport of mechanized equipment).

§ 5. The transport of container cargo shall be governed by the provisions of annex 8 (Rules for the transport of containers).

§ 6. Reserved.

§ 7. The transport of wagons, whether laden or not, that are not the property of the railway or that have been hired from the railway, shall be governed by the provisions of annex 10 (Rules for the transport of third-party wagons).

§ 8. The transport of cargo in overpacks shall be governed by the provisions of annex 11 (Rules for the transport of cargo in overpacks).

§ 9. The intermodal* transport of laden road trains, motor vehicles, trailers, semi-trailers and dismountable automotive cargo boxes and their transport in unladen condition prior to or following their utilization for transporting freight by rail shall be governed by the provisions of annex 21 (Rules for the transport of road trains, motor vehicles, trailers, semi-trailers and dismountable automotive cargo boxes).

§ 10. Special conditions for the transport of cargo using e-consignment notes as described in article 7 may be agreed on by two or more railways covered by the Agreement.

§ 11. A CIM/SMGS consignment note may be used to transport cargo to or from countries that apply the Uniform Rules concerning the Contract of International Carriage of Goods by Rail (CIM), contained in appendix B to the Convention concerning International Carriage by Rail (COTIF). The specific rules for its use are given in annex 22 (Guidelines for CIM/SMGS consignment notes).

Section II

Conclusion of the contract of carriage

Article 7

Consignment note

§ 1. A common consignment note shall be used to execute contracts of carriage. The consignment note shall consist of the sheets listed below:

- (1) Original;
- (2) Waybill;
- (3) Duplicate of the consignment note;
- (4) Delivery note;
- (5) Arrival note.

* Intermodal transport is the movement of cargo in one and the same transport unit or road vehicle, which uses successively two or more modes of transport without transshipment of the cargo in changing modes.

The consignment note shall conform to the specimens in annex 12.1 and 12.2 and shall include the required number of copies of the waybill, conforming to the specimens in annex 12.3 and 12.4, namely:

- Two copies for the dispatching railway;
- One copy for each transit railway involved in the carriage.

The consignor may attach additional copies of the waybill in order to comply with customs rules along the journey or on the destination railway.

Upon consigning the cargo for transport, the consignor is to provide the dispatching station with a duly completed and signed consignment note for each separate consignment. The consignment note is to be completed strictly in accordance with the SMGS consignment note instructions (annex 12.5), or, in the case of shipments to a country whose railways are not covered by SMGS and do not apply the SMGS rules, in accordance with annex 12.6 to SMGS.

The internal regulations in effect on the dispatching railway may require additional copies of the dispatching station's waybill to be made, as necessary, or stipulate a different number of copies for the dispatching railway.

Sheets 1, 2, 4 and 5 of the consignment note shall accompany the shipment to the destination station. Sheet 3 (the consignment note duplicate) shall be returned to the consignor after the contract of carriage is concluded. It shall not have effect as an original consignment note (sheet 1 of the consignment note).

§ 2. The blank form of the consignment note shall be printed and completed in one of the OSJD working languages (Chinese or Russian), as follows:

- Russian, for carriage to or from the Republic of Azerbaijan, the Republic of Belarus, the Republic of Bulgaria, the Republic of Estonia, Georgia, Hungary, the Islamic Republic of Iran, the Republic of Kazakhstan, the Kyrgyz Republic, the Republic of Latvia, the Republic of Lithuania, the Republic of Moldova, Mongolia, the Republic of Poland, the Russian Federation, the Republic of Tajikistan, Turkmenistan, Ukraine and the Republic of Uzbekistan;
- Chinese or Russian, for carriage to or from the People's Republic of China, the Democratic People's Republic of Korea and the Socialist Republic of Viet Nam.

The consignment note form and all or any information entered in the form may be translated into another language. The version in the SMGS working language shall be used to address any difference in interpretation.

§ 3. The consignment note form shall be in A4 format and shall be printed as follows:

- (1) For non-express freight, in black on white paper;
- (2) For express freight, in black on white paper, with red stripes of 1 cm in width running across the top and bottom edges, on the front and back of the sheet.

If the internal regulations in effect on the dispatching railway so require, the consignment note duplicate (sheet 3) may be printed on paper of another colour.

The consignor's choice of a white consignment note form or consignment note form with red stripes shall indicate that the shipment is to be handled throughout the journey, respectively, as non-express or express freight.

The blank consignment note forms may be printed on paper with watermarks. The forms may also bear printed consignment numbers, microprint, holograms or lightly coloured raster images that do not affect the basic white background of the paper.

§ 4. By agreement among the railways concerned, cargo may be accepted for transport by a passenger train as a wagon-load consignment or, for traffic not requiring transshipment, as a container consignment, by one or more of the railways covered by the Agreement. The consignor shall inform the dispatching railway of such shipments no later than eight days before consignment.

Upon receipt of the authorization to transport cargo with passenger trains, the consignor is to enter in the consignment note, under “Consignor’s remarks”: “Cargo will be transported by passenger train on the railways of ... (abbreviations for the railways)”. An express consignment note form shall be used for such shipments.

§ 5. The information entered in the consignment note shall be written legibly in ballpoint ink (if the internal regulations in effect on the dispatching railway so permit), typewritten, computer processed, printed by typographic means or stamped. Red ink shall be used only where specifically required under the Agreement.

The consignor or the railway shall enter all necessary information in the appropriate boxes in the consignment note.

Abbreviations may not be used, with the exception of those indicated in annex 12.5, and the cases enumerated in § 7 of this article and article 15, § 2. Any stamps used on the consignment note must be distinct and legible. The information entered by the consignor shall not be corrected (by crossing out, using correction paper, etc.), nor shall it be erased or overwritten.

On an exceptional basis, the consignor may make a correction to no more than one entry of the consignment note, or two if they are related. In such a case the correction is to be mentioned under “Consignor’s remarks” and certified with a signature or stamp.

Any changes or additions to the information entered in the consignment note by the railway shall be confirmed with the signature of the relevant official from the railway in question and certified with the railway’s stamp.

§ 6. The consignor shall indicate in the consignment note the border stations for the exit from the country of dispatch and transit countries. If it is possible for a shipment leaving a country at a given border station to enter the neighbouring country via any of several border stations, the consignment note shall also indicate which of those stations is to be used.

Wherever possible the consignor shall select border stations so as to form the shortest possible route from the dispatching station to the destination station. For transit railways, the consignor is to indicate only the border stations included in the transit tariff used for the international freight route in question.

For shipments to the Democratic People’s Republic of Korea, the consignor is to enter in the consignment note, under “Destination railway and station”, and for shipments from the Democratic People’s Republic of Korea, under “Dispatching station”, not only the name of the station but also the code number of the station and the railway.

§ 7. The consignor or consignee of the goods may be only one natural or legal person. The information entered in the consignment note under “Consignor, postal address” must in all cases include the name and the postal address of the consignee, unless otherwise provided in the transit tariff for the international freight route in question.

For shipments to (or from) the People’s Republic of China, the Democratic People’s Republic of Korea and the Socialist Republic of Viet Nam, the short form for addresses accepted for use in those countries (e.g. “6DM-12”) may be used in the consignment form under “Consignor, postal address” or “Consignee, postal address”.

§ 8. Cargo is to be referred to in the consignment note as follows:

(1) Cargo to be transported under article 5, § 7, is to be designated in accordance with annex 2 and the provisions specified in subparagraphs 2 to 4 of the present paragraph;

(2) Cargo in transit on participating railways is to be designated using the nomenclature of the transit tariff for the international freight route in question;

In addition to the specified nomenclature, the consignor may also give, in parentheses, the designation of the cargo using the nomenclature of the internal tariffs in effect on the dispatching railway or the destination railway, or both.

(3) In the case of two neighbouring countries having an agreed through tariff, cargo being transported between them shall be designated using the through tariff nomenclature;

(4) In all other cases, the cargo shall be designated using the nomenclature of the internal tariff in effect on the dispatching railway, or on the dispatching railway and the destination railway, and the consignment note shall furthermore indicate the condition and nature of the cargo for tariff purposes.

§ 9. When consigning timber or lumber, the consignor may indicate in the consignment note under “Description of the goods” the number of stacks, along with their height in centimetres or the volume in cubic metres, for example.

§ 10. If a wagon being used for a wagon-load consignment has been marked with an “ABC” stencil, the entry in the consignment note under “Load limit (t)” shall include the letter “C”, along with the mass limit shown under the “C”.

§ 11. The mass of the load and the manner of determining it shall be indicated in the appropriate boxes of the consignment note in accordance with the internal regulations in effect on the dispatching railway.

§ 12. If there is not enough space in the consignment note for entering the required cargo information in boxes 9 to 13, or the information on containers and transport materials in boxes 18 and 19, an extra sheet, of the same size as the consignment note, shall be attached to each of sheets 1 to 5 of the notice and to each additional copy of the waybill. The extra sheets shall be used to record the required information for each of those boxes separately. The words “See extra sheet” shall be written in boxes 9 to 11 or boxes 18 and 19, as appropriate. Boxes 12 and 13 of the consignment note shall be used to record the total number of items and the total mass of the cargo.

If there is not enough space in the consignment note for entering the wagon information required in boxes 27 to 30, the information shall be entered on an extra sheet. A copy of this extra sheet shall be attached to each of sheets 1 to 5 of the consignment note and to each additional copy of the waybill. The words “Continued on extra sheet” shall be written at the bottom of boxes 27 to 30.

The consignor may also attach extra sheets for the information to be entered under “Consignor’s remarks” and “Documents attached by the consignor”.

The consignor shall sign all extra sheets and indicate the total number of such sheets in the consignment note under “Documents attached by the consignor”.

If the internal regulations in effect on the dispatching railway stipulate that the dispatching station is to produce extra copies of the waybill, the consignor is to provide the dispatching station, at its request, with the required number of the extra copies to be attached to the waybill copies.

Extra sheets may be completed in any of the languages stipulated in § 2 of this article.

§ 13. In the consignment note under “Optional information, not binding on the railway”, the consignor may make remarks on the shipment that are intended for the consignee’s information only and do not place any obligations or responsibilities on the railways, such as:

- “Pursuant to contract No ...”;
- “Job order No.” (or “Instalment No.” or “Order No.”);
- “For forwarding to ...”.

§ 14. The contract of carriage may be executed with an electronic consignment note.

The electronic consignment note is an electronic data record which, like a paper consignment note, serves as a contract of carriage.

The procedure for entering data into the electronic consignment note is to be negotiated between the railway and the consignor.

If necessary, a paper copy of the electronic consignment note and its additional sheets may be printed out in conformity with the specimens in SMGS, annexes 12.1, 12.2, 12.3 and 12.4 and in accordance with § 12 of this article. For express consignments, the red stripe at the top of the paper note shall be replaced in the printout of the electronic consignment note by the word “Express”.

In the event of any changes to the data entered into the SMGS electronic consignment note, the original data shall be retained.

§ 15. A common CIM/SMGS consignment note may be used to execute the contract of carriage. An example of such a consignment note and instructions for completing it are to be found in appendix 22 (“CIM/SMGS Consignment Note Manual”).

Article 8

Consignment of freight

§ 1. A consignment is a collection of freight accepted for transport under a consignment note from a consignor at a dispatching station to a consignee at a destination station. Consignments may be of the following types: wagon-load consignment, small consignment, container consignment or piggyback consignment.

A wagon-load consignment is freight consigned under a single consignment note which, due to its volume or nature, requires a separate wagon for transport.

A small consignment is freight with a gross mass not exceeding 5,000 kg, consigned under a single consignment note and not requiring a separate wagon for transport due to its volume or nature. On agreement between the railways involved in the transport, freight with a gross mass exceeding 5,000 kg may be consigned as a small consignment if its volume does not necessitate a separate wagon for its transport.

A container consignment is freight consigned under a single consignment note for transport in a standardized intermediate-tonnage container or in a heavy-tonnage container; the term may also refer to an unladen standardized intermediate-tonnage or heavy-tonnage container.

A piggyback consignment is a laden road train loaded piggyback fashion (on one or two wagons) and consigned for transport under a single consignment note, or any motor vehicle, trailer, semi-trailer or dismantlable automotive cargo box, or unladen road train, motor vehicle, trailer, semi-trailer or dismantlable automotive cargo box, prior to or subsequent to its use for transporting freight by rail.

In the consignment note under “type of consignment”, the consignor shall indicate if the goods are to be consigned as a wagon-load consignment, small consignment or container consignment. When presenting a piggyback consignment for transport, the consignment type is not indicated in the consignment note.

The following shall not be consigned for transport in one wagon:

- Two or more wagon-load consignments jointly;
- A wagon-load consignment jointly with consignments of other types;
- A container consignment jointly with consignments of other types;
- A piggyback consignment jointly with consignments of other types.

§ 2. Wagon-load consignments under a single consignment note may be used for:

- Cargo not exceeding the wagon’s load limit and volume restrictions;
- Cargo requiring two or more coupled wagons for its transport.

At the written request of the consignor, wagons and containers laden with a uniform cargo, having the same destination station and the same consignee and travelling as a group, may be consigned under a single consignment note, on condition that all of the railways involved in the transport have given their consent.

In such a case the consignor is obliged to provide the required information, as follows:

- Waybills for wagons travelling under a single consignment note as a group (annex 13.1) shall be completed in accordance with annex 13.2;
- Waybills for containers travelling under a single consignment note as a group (annex 13.3) shall be completed in accordance with annex 13.4;
- Waybills for CIM/SMGS wagons or containers shall be completed in accordance with annex 22;
- The necessary number of copies of the waybill pursuant to annex 13.2, 13.4 or 22, as appropriate, shall be submitted together with the consignment note.

One copy of the waybill shall be retained by the consignor, along with the duplicate of the consignment note.

When transporting wagons as a group under a single consignment note, the consignor shall make the entry “See attached waybill”, as follows:

- In the case of an SMGS consignment note, the entry shall be made under “Wagon”, “Load limit (t)”, “Number of axles” and “Tare weight”;
- In the case of a common CIM/SMGS consignment note, the entry shall be made under “Wagon number” and “Description of the goods”.

When transporting containers as a group under a single consignment note, the consignor shall make the entry “See attached waybill” as follows:

- In the case of an SMGS consignment note, the entry shall be made under “Wagon”, “Load limit (t)”, “Number of axles”, “Tare weight”, “Type, category” and “Owner and No.”;
- In the case of a common CIM/SMGS consignment note, the entry shall be made under “Wagon No.” and “Description of the goods”.

When transporting wagons as a group under a common CIM/SMGS consignment note, the consignor shall enter the words "See attached waybill" under "Wagon No."

If the dispatching station is part of a narrow-gauge railway (gauge width less than 1,435 mm) that is open for domestic freight transport, freight may be consigned for transport in two or more wagons under a single consignment note, if the internal regulations in effect on the dispatching railway so allow.

§ 3. The axle load shall not exceed 20 tonnes for international freight on 1,435 mm gauge railways, with the exception of the railways of the Republic of Bulgaria, for which the maximum authorized axle load is 22.5 tonnes,² and those of the Socialist Republic of Viet Nam,³ for which the maximum authorized axle load for transport on 1,000 mm gauge railways is 14 tonnes.⁴

For transport on 1,520 mm gauge railways the maximum authorized axle load shall be 23.5 tonnes.

Individual railways may on a temporary basis further reduce the authorized axle load below the limits stipulated above, if technical circumstances so require; such reductions shall apply only to specific border crossings.

§ 4. The following shall not be transported together in the same wagon, either under the same consignment note or under separate consignment notes:

- (1) Perishable goods with other perishable goods requiring different handling;
- (2) Perishable goods with non-perishable goods, if the former require a controlled temperature environment or other form of special handling pursuant to annex 4, § 6;
- (3) Any of the goods mentioned in article 5, § 7, with other goods, if they may not be transported in the same wagon under annex 2;
- (4) Goods loaded by the consignor with goods loaded by the railway;
- (5) Any goods that, under the internal regulations in effect on the dispatching railway, may not be transported together in the same wagon;

² The 20 tonne limit for the authorized axle load and the 7.2 tonne limit for the load per metre of track apply to the following stations of the railways of the Republic of Bulgaria: Asenovgrad, Bolshevik, Boyanovo, Bratsigovo, Cherkvitsa, Dolna Mitropoliya, Dolni Chiflik, Elkhovo, Hisarya, Kurtovo Konare, Milkovitsa, Novi Pazar, Panagyurishte, Petrich, Pomorie, Sarafovo, Somovit, Staro Oryakhovo, Strelcha, Suedinenie, Tenevo and Vacha.

For the Vidin – Calafat Port route:

- The axle load limit is 18 tonnes;
- The limit of the load per metre of track is 3.6 tonnes;
- The exchange of wagons with more than four axles requires prior agreement, between the railways of Romania and those of the Republic of Bulgaria.

³ The 20 tonne limit on the axle load and the 6.0 tonne limit on the load per metre of track apply to the following 1,435 mm gauge and mixed-gauge sections of the railways of the Socialist Republic of Viet Nam: Yen Vien – Dong Dang and Dong Dang – Uong Bi.

⁴ The 14 tonne limit on the axle load and the 4.2 tonne limit on the load per metre of track apply to the following 1,000 mm gauge sections of the railways of the Socialist Republic of Viet Nam: Giap Bat – Lao Cai (via Hanoi or Ha Dong), Yen Vien – Hai Phong, Yen Vien – Dong Dang, Hanoi – Vinh.

For the Vinh – Da Nang route:

- The axle load limit is 14 tonnes;
- The limit of the load per metre of track is 4.1 tonnes.

(6) Goods transported in bulk with other goods.

§ 5. The contract of carriage shall be deemed to be concluded as soon as the dispatching station accepts the cargo and consignment note for carriage. Consignment shall be certified by the dispatching station's date stamp on the consignment note. The dispatching station shall also place a date stamp on the extra sheets attached to the consignment note in accordance with article 7, § 12.

The date stamp shall be made immediately once the consignor has handed over all the cargo listed in the consignment note and made all due payments, in accordance with the internal regulations in effect on the dispatching railway.

§ 6. A duly stamped consignment note shall be considered proof that a contract of carriage has been concluded.

§ 7. Otherwise, goods are to be accepted and transported as a wagon-load consignment, small consignment, container consignment or piggyback consignment in accordance with the SMGS provisions, and the internal regulations in effect on the dispatching railway if the necessary regulations are lacking in SMGS.

Article 9

Containers, packaging, labelling, loading, determination of mass and quantity of cargo items

Sealing

§ 1. Goods requiring a container or packaging to protect them from loss, damage, spoilage or any deterioration in the course of transport, to prevent damage to the vehicles or other loads, or to prevent any harm or injury to people, shall be presented for consignment in a suitable container or packaging that fully meets these requirements. The consignor shall be liable for all the consequences of the absence or unsatisfactory condition of such a container or packaging, and shall, in particular, compensate the railway for any damage sustained as a result.

If such goods are consigned without the container or packaging, or if the container or packaging is defective, or unsuitable for the cargo in question, or does not allow for its transfer from one wagon to another, the railway shall decline to accept the cargo in question, if a visual inspection reveals that the container or packaging does not meet the requirements, or is incompatible with safe transport of the cargo, or is defective. The railway has an obligation to conduct a visual inspection of the cargo container or packaging only in those cases where the cargo is to be loaded by the railway, or by the consignor under the supervision of a railway official.

If the railway declines to accept some cargo, it is to make, at the consignor's request, a written record thereof and provide a copy of the record to the consignor.

§ 2. Dangerous goods shall be packaged in accordance with annex 2.

§ 3. The consignor shall mark each item of cargo clearly and indelibly, or attach a label or tag to the cargo item, with the following information from the consignment note:

- (1) Signs (marks) and numbers of the cargo items;
- (2) The dispatching station and railway;
- (3) The destination station and railway;
- (4) The consignor and consignee;

(5) The number of cargo items, for small consignments.

In the case of small consignments, each item shall be marked individually.

When consigning household effects, the consignor shall also include a card bearing the above information with every separate item of cargo.

In the case of wagon-load consignments, other than cargo loaded as bulk, at least 10 items per wagon shall be labelled, from among those stowed near the wagon doors.

In the case of goods requiring special precautions due to their properties, the consignor shall also, in accordance with annex 6 regarding due care in handling the cargo, individually mark or label the cargo items with "Handle with caution" or "This side up", for example.

The labels provided for in annex 6 shall also be affixed to the wagons, unless such labelling is performed by the dispatching railway in accordance with the internal regulations in effect on that railway.

The marking shall be made in the language of the country of dispatch, with a translation into one of the OSJD working languages (Chinese or Russian) as follows:

- Into Russian, if the destination is any of the following: Republic of Azerbaijan, Republic of Belarus, Republic of Bulgaria, Republic of Estonia, Georgia, Hungary, Islamic Republic of Iran, Republic of Kazakhstan, Kyrgyz Republic, Republic of Latvia, Republic of Lithuania, Republic of Moldova, Republic of Poland, Russian Federation, Republic of Tajikistan, Turkmenistan, Ukraine or Republic of Uzbekistan;
- Into Chinese or Russian, if the destination is any of the following: People's Republic of China, Democratic People's Republic of Korea or Socialist Republic of Viet Nam;
- Into Russian, if the destination is Mongolia, or if Mongolia is a country of transit.

For shipments to (or from) the People's Republic of China, the Democratic People's Republic of Korea and the Socialist Republic of Viet Nam, if the generally accepted short form for the name and postal address of the consignor (or consignee) has been entered in the consignment note under "Consignor, postal address" and "Consignee, postal address", the consignor shall also make a marking showing the same short form on the cargo items.

In addition, for shipments to (or from) the Democratic People's Republic of Korea the consignor is to make a marking indicating next to the name of the destination (or dispatch) railway and station the code number of the railways and stations.

The consignor shall ensure that any labels that are no longer valid have been removed or obliterated, as required.

The consignor shall be responsible for the accuracy of the inscriptions, labels or tags shown on or affixed to cargo items and for the accuracy of the labels attached to the wagons by the consignor. The consignor shall be responsible for all the consequences of providing incorrect, incomplete or inaccurate information on inscriptions, labels or tags and also improper marking.

§ 4. Cargo loading, stowing and securing operations at dispatching and transshipment stations shall be governed by the following:

(1) The internal regulations in effect on the railway where loading takes place, for covered wagons of 1,435 or 1,000 mm rail gauge, thermally controlled wagons and tank-wagons; the rules for stowing and securing cargo in wagons and containers (annex 14) for all-purpose covered wagons of 1,520 mm gauge width;

(2) The rules for stowing and securing cargo in wagons and containers (annex 14) or the rules for stowing and securing road trains, motor vehicles, tractors, trailers, semi-trailers and dismountable automotive cargo boxes with platforms of type 13-9009, 13-4095 and 13-9004M having a rail gauge width of 1,520 mm (annex 14.1), for transport using open rolling stock without transshipment, involving railways using various gauges;

(3) The rules for stowing and securing cargo in wagons and containers (annex 14), the rules for stowing and securing road trains, motor vehicles, tractors, trailers, semi-trailers and dismountable automotive cargo boxes with platforms of type 13-9009, 13-4095 and 13-9004M having a rail gauge width of 1,520 mm (annex 14.1) or other rules agreed on by the railways involved, for transport in open rolling stock involving railways of the same gauge width, or railways of different gauge widths with transshipment.

If a cargo requiring transshipment is being transported in open rolling stock exclusively on the railways of a single country throughout the entire portion of a journey prior to transshipment or after transshipment at a border station, it may be loaded in accordance with the internal regulations in effect on the railways of that country.

The internal regulations in effect on the dispatching railway shall be used to determine whether cargo is to be loaded by the railway or the consignor. If it is the consignor, then the consignor shall have responsibility for determining the suitability of the wagon for transporting the cargo in question.

The consignor is to indicate who is to load the cargo or container onto the wagon in the consignment note under "Loading by".

If it is the consignor who is loading the cargo, then the consignor shall be responsible for any consequences of improper loading, and shall compensate the railway for any damage sustained as a result.

§ 5. Railways may require consignors to consolidate piecemeal cargo items, the reception, loading and transshipment of which would otherwise result in a significant loss of time, into larger transport units, by means of bundling or packaging.

§ 6. Wagons may not be loaded beyond their maximum load limit, taking into consideration also the authorized axle loads in accordance with article 8, § 3.

The maximum load limit shall be determined as follows:

(1) If the wagon is labelled with only one load limit figure, the maximum shall be the limit indicated plus one tonne, for a dual-axle wagon, or plus two tonnes, for a wagon having four or more axles. On the railways of the People's Republic of China and the Democratic People's Republic of Korea, the maximum shall be obtained by increasing the limit indicated by 5%. If the wagon is of 1,520 mm gauge width, the limit shall be as indicated on the wagon;

(2) If the wagon is labelled with two load limit figures, the maximum shall be taken to be the higher of the two (the lower figure being the minimum load limit);

(3) If the wagon has been marked with an "ABC" stencil, the maximum shall be taken to be the figure shown under "C".

If a wagon is loaded beyond the maximum load limit, this shall be considered overloading.

§ 7. The mass and the number of items shall be determined in accordance with the internal regulations in effect on the dispatching railway.

However:

(1) Cargo that is to be transported in open rolling stock with unsealed tarpaulin covering or no covering at all may be consigned, with the mandatory indication by the consignor in the consignment note of the following:

- The number of cargo items and their mass if the total number of items does not exceed 100;
- The cargo mass only if the number of cargo items exceeds 100. In this case the consignor shall write “bulk cargo” for quantity in the consignment note.

(2) Small articles without packaging shall be accepted for transport by total mass, without indicating the number of such articles, under “Number of items” in the consignment note the consignor shall write “bulk cargo”;

(3) It is not necessary at the time of consignment to determine the mass of packaged items whose mass has been determined during packaging and individually labelled; nor that of items having a single, standard mass;

In such cases, the consignor shall indicate the number of items and the total cargo mass in the consignment note and, under “Manner of determining the mass”, the method used to determine the total mass: either using the standard mass (“According to standard mass”) or using the mass shown on the cargo item (“According to inscription”).

(4) If an entry is made in the consignment note both under “cargo mass (in kg) as determined by the consignor” and “cargo mass (in kg) as determined by the railway”, the mass determined by the railway shall be deemed the reference mass, except in the cases stipulated in article 23, § 4, paragraphs 1 to 3.

§ 8. For all laden wagons that have fittings to receive seals, doors and all openings in the body shall be protected by means of a seal or a sealing/locking mechanism, with the exception of vents and similar openings that are protected from the inside by grates or other means. For tank wagons, all inlet and outlet fittings shall be sealed. However, the lower outlet fittings do not need to be sealed if their construction is such that they cannot be opened separately from the upper inlets.

Any existing seals or sealing/locking mechanisms left over from previous shipments shall be removed from wagons and containers, either by the consignor or by the railway, depending on which of them is responsible for placing the new seals.

Sealing shall be done using seals or sealing/locking mechanisms that cannot be removed without sustaining damage. They shall be placed in such a way as to make it impossible to gain access to the cargo without damaging them.

Unless otherwise agreed among the railways involved in a shipment, the seals of the wagon or container placed by the consignor are to be clearly marked with the following:

- (1) Name of the station (abbreviated if necessary);
- (2) The date on which the seal was placed, or its code number;
- (3) Abbreviation for the consignor.

Consignor-placed seals may also bear the abbreviation for the dispatching railway.

Unless otherwise agreed among the railways involved in a shipment, the seals of the wagon or container placed by the railway are to be marked in the same way; however, instead of the abbreviation for the consignor, they are to bear the abbreviation for the dispatching railway along with the number of the sealing tool, if the seals do not have a code number.

Regardless of whether it is the consignor or the railway that places them, sealing/locking mechanisms shall in all cases show:

- The abbreviation for the dispatching railway;
- The seal's code number.

In addition, sealing/locking mechanisms may show the name of the dispatching station and consignor of the cargo, in abbreviated form if necessary.

If a wagon or container is protected by two or more sealing/locking mechanisms, they shall not have the same code number.

For covered and thermally controlled wagons equipped with additional seal fittings for the upper part of the wagon doors, only the main fittings shall have sealing/locking mechanisms fitted.

The dispatching railway shall, not later than two months in advance, provide all railways involved in the transport with instructions regarding the use of the security seals in question and the procedure for opening them. If it is intended to use mechanisms that can be opened only using special tools (such as seal pullers or keys), the dispatching railway shall obtain the agreement of the other railways involved.

For the transport of cargo that does not require transshipment and comes from countries that are not SMGS parties, for the transport of containers, road trains, motor vehicles, trailers, semi-trailers and dismantlable automotive cargo boxes that have arrived by waterway, and for intermodal transport, cargo may be accepted for further shipment even though the seals or sealing/locking mechanisms that secure it are identified in a manner other than that described in the present article.

For covered wagons of 1,520 mm gauge width that are protected by seals, the door latches shall in addition be protected with a cable lock.

Otherwise, sealing shall be governed by the SMGS provisions, and the internal regulations in effect on the dispatching railway if the necessary regulations are lacking in SMGS.

§ 9. For small consignment freight transport to the Socialist Republic of Viet Nam, the consignor may seal the individual items of cargo. In that case a note should be made in the consignment note under "Nature of the packaging".

Article 10

Declaration of value of goods and interest in delivery

§ 1. For any of the following types of goods, the consignor shall record the value of the cargo being consigned in the consignment note under "Declared value":

- (1) Gold, silver and platinum and articles made of them;
- (2) Precious stones;
- (3) Valuable furs, including beaver, blue fox, ermine, martin, mink, otter, astrakhan, fur seals, silver fox, skunk, sable and also articles made of these furs;
- (4) Exposed film;
- (5) Paintings;
- (6) Statues;
- (7) Works of art;

- (8) Antique objects;
- (9) Household effects.

Unvalued household effects may only be accepted for consignment if the consignor has made an entry in the consignment note under "Consignor's remarks" reading "No value declared" and confirmed it with a signature.

When consigning household effects, the consignor shall provide an inventory in quadruplicate giving the designation, quantity and value for each item of cargo (box, etc.). The inventory shall further indicate the total number of such cargo items and the total value of household effects, which must correspond to the value declared in the consignment note. If household effects are being transported without any value declared, it is not necessary to indicate a value in the inventory. The first copy of the inventory shall remain with the dispatching station, the second with the consignor, the third is to accompany the household effects, and the fourth shall be attached to the consignment note for forwarding to the destination station.

§ 2. The value of other goods being consigned may be declared at the consignor's discretion.

§ 3 The consignor shall indicate the total value of the goods, in the currency of the country of dispatch, in the consignment note under "Declared value". The figure shall not exceed the cost of the goods according to the invoice, in the case of a foreign supplier, or the official price established by the State.

At the time of consignment the dispatching railway may verify whether the declared value corresponds to the worth of the cargo. In the event of any dispute between the railway and the consignor regarding the declared value, it shall be resolved by the official in command of the dispatching station. Should the consignor not agree with the decision taken by the official, the consignor may, at his or her own cost, invite an expert from a State for trade or industry body. The expert's decision shall be binding on both parties.

§ 4. Goods having a declared value shall be subject to surcharges by the dispatching railway and destination railway, calculated, for transport on those railways, in accordance with their internal regulations and the applicable tariffs; or, for transport on a transit railway, in accordance with the applicable international freight transit tariff.

For the purpose of determining the amount of the surcharges that is due the transit railways and destination railway, the dispatching station shall convert the total value of the goods as declared by the consignor in the currency of the country of dispatch into the tariff currency at the current exchange rate for the country of dispatch on the day that the conversion is made, and enter this figure in the consignment note under "Settlement payments". This figure in turn shall be converted into the currency of the country of the transit railway or the destination country at the exchange rate current in those countries on the day the conversion is made.

§ 5. At the time of consignment the consignor may declare an interest in the delivery of the cargo, subject to the agreement of the railways involved in the transport.

Article 11

Accompanying documents required by customs or other regulations

§ 1. The consignor shall attach to the consignment note such accompanying documents as may be required for the purpose of complying with customs or other regulations along the entire route followed by the cargo, along with any certificate or specifications that may be required. The documents must pertain to the goods declared in the consignment note.

The consignor shall list the accompanying documents in the consignment note under "Documents attached by the consignor" and ensure that they are attached to the consignment note securely to prevent separation en route.

If the export authorization is not among the attachments, the consignor shall indicate in the consignment note under "Consignor's remarks" the title, reference number and date of issue of the authorization document, as well as the customs office to which the document was sent.

If the certificate or specification is not among the attachments, the consignor shall indicate in the consignment note under "Documents attached by the consignor" that there is no requirement to do so.

If the consignor fails to comply with the provisions of the present section, the dispatching station must refuse the consignment.

§ 2. The railway is not obliged to verify that the documents that the consignor has attached to the consignment note are accurate and complete.

The consignor is liable to the railway for any consequences arising from the fact that any accompanying documents are missing, incomplete or inaccurate.

If cargo shipment or delivery is delayed as a result of the consignor's failure to provide the necessary accompanying documents or due to the fact that the documents provided, as recorded under "Documents attached by the consignor", are incomplete or inaccurate, penalties or surcharges may be levied, for example for storage or demurrage. If the delay occurs on the dispatching railway or the destination railway, the size of the penalty shall be calculated in accordance with the internal regulations in effect on the railway. If the delay occurs on transit railways, the size of the penalty shall be calculated in accordance with the transit tariff used by the railways involved for the international shipment in question, or, if the transit tariff does not provide for compensation for storage and demurrage in such cases, in accordance with the internal regulations in effect on these transit railways.

Penalties and surcharges, for example for storage and demurrage, are to be recorded in the consignment note. They shall be collected from either the consignor or the consignee, depending on which of them is responsible for paying the freight charges for the transit railway in question. Should the railway lose the accompanying documents listed by the consignor in the consignment note under "Documents attached by the consignor", no penalties or surcharges shall be charged in connection with any delay in the shipment thereby occasioned.

If the consignor or consignee is paying the transit railway freight charges through a payment agent (freight forwarder, freight agent, etc.) having a contract with the transit railway for the payment of freight charges, any penalties or surcharges incurred on the transit railways shall be collected from the agent (freight forwarder, freight agent, etc.) in accordance with the internal regulations in effect on the transit railways.

§ 3. Should the consignor wish to have the consignee return transport materials (tarpaulin sheets, panels for transporting cereals, barriers for livestock, metal cables, furnaces, iron partitions for horse stalls, partitions for transporting fruit, etc.) or empty packaging (canvas bags, metal barrels and drums, etc.) that are not railway property from the destination station to the dispatching station, the consignor must make an entry in the consignment note under "Optional information, not binding for the railway" indicating that they are to be returned. In such cases the customs office shall issue a certificate to authorize their return. The return authorization shall be attached to the consignment note for delivery to the consignee, and shall entitle the consignee within a period of three months from the day the cargo arrives at the destination station to return the transport materials or empty packaging.

Transport materials and empty packaging being returned to the consignor shall be shipped via the same border stations as those used as on the outgoing voyage.

Article 12

Responsibility for the information entered in the consignment note. Penalties

§ 1. The consignor shall be liable for the correctness of all information and declarations that the consignor makes in the consignment note. The consignor shall be liable for any consequences arising from incorrect, inaccurate or incomplete entries of all such information and declarations, or from any entries made in the wrong sections of the consignment note.

§ 2. The railway may verify the correctness of any information or declaration that the consignor makes in the consignment note.

If upon consignment at the dispatching station the consignment note is found to contain inaccuracies, and correction is not permitted under article 7, § 5, the consignor shall be required to submit a new consignment note.

While en route, the cargo contents may only be inspected if customs or other rules so require, or in order to ensure the safety of train movements and protect the cargo while en route.

If an inspection of the cargo conducted en route or at the destination station reveals that the information provided in the consignment note is inaccurate, the station that conducted the inspection shall make an official report in accordance with article 18 and register the report in the consignment note under "Official report".

In such a case the total sum of all the expenses related to the inspection shall be recorded in the consignment note and recovered from the consignor, if the inspection was conducted by the dispatching railway, or from the consignee, if it was conducted by the destination railway. If the inspection was conducted on a transit railway, then the costs shall be recovered from either the consignor or the consignee, depending on which of them is responsible for paying the freight charges for the transit railway in question. If the consignor or consignee is paying the transit railway freight charges through a payment agent (freight forwarder, freight agent, etc.) having a contract with the transit railway for the payment of freight charges, the costs shall be recovered from the agent (freight forwarder, freight agent, etc.) in accordance with the internal regulations in effect on the transit railways.

If it is discovered that the cargo has been incorrectly designated in the consignment note, the freight charges for the entire route shall be calculated according to the tariff class of the cargo actually carried, and collected in accordance with article 15.

§ 3. Penalties may be charged for incorrect, inaccurate or incomplete or imprecise information or declarations shown in the consignment note that result in:

- (1) The consignment of goods that are prohibited for transport under article 4, § 1, paragraphs 1 to 6;
- (2) The consignment of goods that, under article 5, § 7, are only authorized for transport subject to special conditions, without the applicable conditions being respected;
- (3) The consignor allowing the wagon to be overloaded beyond its maximum load limit (art. 9, § 6).

Penalties covered by paragraphs 1 and 2 above shall be charged on the basis of article 15, in an amount equal to five times the freight charge on the railway on which the infraction was discovered.

Penalties covered by paragraph 3 above shall be charged on the basis of article 15, in an amount equal to five times the freight charge for the excess mass on the railway on which the discrepancy was discovered. However, no such penalty shall be charged if the consignor has made an entry in the consignment note under "Consignor's remarks" regarding the necessity for the railway to weigh the wagon in its laden condition, in accordance with the internal regulations in effect on the dispatching railway.

The railway shall be entitled to charge the penalties provided for by this section, independently of any other compensation for damage or other penalties paid by the consignor or consignee pursuant to the Agreement.

§ 4. In the event of an overload of a wagon beyond its maximum load limit:

(1) Any excess cargo discovered on the dispatching railway shall be unloaded and made available to the consignor;

(2) Any excess cargo discovered on a transit railway or on the destination railway shall be unloaded by the railway and forwarded to the destination station under a supplementary consignment note with the necessary number of copies at the same time as the main shipment, if possible;

(3) Freight charges and fees for unloading the excess cargo and for loading and forwarding it shall be charged in the same way as for a separate shipment, and shall be recorded in the main consignment note.

The same rules shall apply in cases where, due to an incorrect indication of the mass by the consignor in the consignment note, the maximum authorized axle load is exceeded (art. 8, § 3).

Article 13

Fees

Calculation of freight charges and penalties

§ 1. Freight charges, i.e. payment for the transport of freight, the travel of any attendants or road train drivers, any surcharges or other expenditure arising between the time a shipment is consigned and the time it is handed over to the consignee, shall be calculated according to the tariffs in force on the day the contract of carriage is concluded, as follows:

(1) For services between stations of the railways of neighbouring countries, the freight charges for transport on the railways of the country of dispatch and the destination country shall be calculated according to the tariffs used by the railways of these countries for such shipments;

(2) For services that include a transit segment, the freight charges for transport on the railways of the country of dispatch and the destination country shall be calculated according to the tariffs used by the railways of these countries for such shipments; the freight charges for the transit shall be calculated according to the transit tariff applicable for the international shipment in question.

§ 2. Freight charges shall be calculated on the basis of the shortest distance, as determined by the applicable tariff via the border stations that the consignor has specified in the consignment note.

If the shipment has been transported via other border stations, along a shorter route than that specified by the consignor in the consignment note, the freight charges shall be calculated on the basis of the shortest distance as determined by the applicable tariff via these border stations.

§ 3. Freight charges and penalties for transport on the railways of the country of dispatch and the destination country shall be calculated in the local currency; those connected with transport on the transit railway segment shall be calculated in the currency of the transit tariff used by the railways involved for the international shipment in question.

§ 4. Railways shall be entitled to compensation for other freight-related expenditures, including costs for which no provision exists in the applicable tariff, for example those related to rectification of the freight stowage, any shifting of the cargo that may be required to that end, rectification of the transport container or packaging, if needed to protect the cargo, or coverage of the cargo with tarpaulins, including the tarpaulin rental, if coverage is not part of the railway's obligations. The costs are to be recorded separately for each consignment and confirmed by the relevant documents.

The railway shall record the above costs in the consignment note and collect compensation from the consignor, if they were incurred on the dispatching railway, or the consignee, if they were incurred on the destination railway. If the costs were incurred on the transit railway, either the consignor or the consignee shall be liable to pay compensation, depending on which of them is responsible for paying the freight charges for the transit segment. If the consignor or consignee is paying the transit railway freight charges through a payment agent (freight forwarder, freight agent, etc.) having a contract with the transit railway for the payment of freight charges, compensation for such expenditures shall be collected from the agent (freight forwarder, freight agent, etc.), in accordance with the internal regulations in effect on the transit railways.

§ 5. If, for reasons beyond the railway's control, it becomes necessary while the cargo is en route to tranship it from its wagon into another wagon or wagons having the same rail gauge, the railways on which the cargo is transported following transhipment shall be entitled to charge freight for each wagon of transhipped cargo on the same basis as for a separate shipment, and transhipment fees shall apply. If transhipment en route becomes necessary for reasons that lie with the railway, no charge shall be made for transhipment of the cargo, and the freight charge shall be calculated as for a single consignment in the wagon in which the cargo was loaded at the dispatching station.

§ 5a. If a wagon-load consignment is being transported in accordance with SMGS, article 3, § 2, paragraph 2, with transhipment at a border station located at the junction between railways of different gauge width, and transhipment is made from a wagon of one gauge width into two or more wagons of a different gauge width for reasons involving, for example, differences between the dimensions of the wagon from which the cargo is being unloaded and those of the wagon onto which it is being loaded, the incommensurability between the dimensions of the hold of the wagon onto which the cargo is being loaded and the dimensions of the cargo items, or compliance with the provisions of annex 14 to SMGS regarding the stowage and securing of cargo, then the railways on which the cargo is to be transported following transhipment shall be entitled to calculate their freight charges for each of the new wagons as for a separate wagon load.

The station performing transhipment shall make an entry in the consignment note under "Settlement payments" recording the date and the number of wagons into which transhipment was made and specifying the reasons, from among the following:

- The use of wagons with a smaller-volume hold (shorter, narrower or lower) (specify);

- The use of wagons with a lower load-carrying capacity (specify);
- Transshipment from an articulated wagon or wagon unit composed of several elements (specify how many);
- Incommensurability between the dimensions of the cargo items and the wagon hold (specify);
- Compliance with the provisions of SMGS, annex 14 (e.g. regarding limitations on stacking, number of rows, mass or number of cargo items set out in the detailed drawings of SMGS, annex 14 or, in the case of a cargo stowing and securing plan, regarding any means of securing the cargo that require additional space or floor area in the wagon, overloading of any wagon component due to the load or the fastenings, requirements for the location of the overall centre of weight of the cargo within the wagon or of the wagonload with respect to the rail head height, compliance with the loading gauge, maximum allowable area of the wagonload exposed to the wind, etc.);
- Other reasons (specify).

The entry shall be certified with the signature of the official and the official stamp of the station.

The station performing transshipment shall make an entry for the abovementioned remarks if the railways on which the cargo is to be transported following transshipment so require; the railways in question shall inform the railways performing transshipment accordingly.

§ 6. Surcharges for the transshipment of cargo onto a wagon of different gauge width or for a bogie change at the border station (including the railway’s expenditure in connection with the provision of equipment and material for securing the cargo being transhipped, such as braces, wire, nails, padding, etc.) shall be calculated in accordance with the tariffs used for such shipments by the railway performing the transshipment.

Article 14
Delivery times for cargo

§ 1. The delivery time shall be calculated for the complete journey on the basis of the following rules:

(1) For express shipments:

- 1.1 Period for consignment..... 1 day
- 1.2 Period for carriage in a small consignment or in a medium-capacity container, for each tariff segment of 200 km or portion thereof and for each railway involved in the transport..... 1 day
- 1.3 Period for carriage in a wagon-load consignment, piggyback consignment or large-capacity container, for each tariff segment of 320 km or portion thereof and for each railway involved in the transport..... 1 day
- 1.4 Period for carriage in a wagon-load consignment transported with a passenger train (art. 7, § 4) for each tariff segment of 420 km or portion thereof and for each railway involved in the transport..... 1 day

(2) For non-express shipments:

- 2.1 Period for consignment..... 1 day

2.2 Period for carriage in a small consignment or in a medium-capacity container, for each tariff segment of 150 km or portion thereof and for each railway involved in the transport..... 1 day

2.3 Period for consignment in a wagon-load consignment, piggyback consignment or large-capacity container, for each tariff segment of 200 km or portion thereof and for each railway involved in the transport..... 1 day

The cargo delivery time shall be considered to begin at midnight at the end of the day on which the cargo and consignment note are accepted for shipment. If cargo is accepted and temporarily stored pending dispatch, the delivery time shall be considered to begin at midnight at the end of the day on which the cargo is scheduled to be loaded. The date on which the cargo is loaded shall be recorded in the consignment note.

§ 2. The delivery time shall be calculated on the basis of the distance actually travelled by the cargo between the dispatching station and the destination station.

§ 3. The delivery time shall be prolonged by 48 hours in the following cases:

- (1) If cargo is transhipped to wagons of a different gauge width;
- (2) If wagons are moved onto bogies of a different gauge width;
- (3) If wagons are moved by ferry.

§ 4. When transporting out-of-gauge loads, the delivery time calculated in accordance with §§ 1 and 3 above shall be doubled.

§ 5. The delivery time shall be extended for:

- (1) Delays for completing customs and other formalities;
- (2) Interruptions in the journey for which the railway is not responsible, and which temporarily delay shipment or travel;
- (3) Delays resulting from a change in the contract of carriage;
- (4) Delays for verification of the correctness of the information given in the consignment note about the cargo or verification of the applicable precautions for items subject to special conditions, if the verification reveals any discrepancy;
- (5) In-station delays caused by the watering of livestock or the removal of livestock from the wagon for a veterinary inspection;
- (6) Unloading of excess mass, rectifications to the cargo or its packaging or containers, transhipment, or rectification of the freight stowage, if the consignor is at fault;
- (7) Other delays for which the consignor or consignee is at fault.

The railway shall record in the consignment note under "Extension of transit period" the reasons for any delays resulting in an extension of the cargo delivery deadline and the length of the extension.

§ 6. The delivery time shall be considered to have been respected if the cargo arrives at the destination station before the expiry of the delivery time and is ready to be made available to the consignee, the consignee being informed thereof by the railway. The procedure for so informing the consignee shall be that established in the internal regulations in effect on the destination railway.

If, under the internal regulations in effect on the destination railway, the cargo is to be delivered to the consignee at the address specified in the consignment note, the delivery time shall be considered to have been respected if the cargo has been delivered to the consignee before the expiry of the delivery time.

If part of the cargo is being transported under a supplementary consignment note, the delivery time shall be calculated for the portion of the cargo that is delivered under the main consignment note.

§ 7. The consignor and the railways involved in the transport may agree on other delivery times.

Section III

Performance of the contract of carriage

Article 15

Payment of freight charges

§ 1. Freight charges, calculated in accordance with article 13, shall be payable as follows:

(1) For transport on the dispatching railway: payable by the consignor at the dispatching station, or as determined pursuant to the internal regulations in effect on the dispatching railways;

(2) For transport on the destination railway: payable by the consignee at the destination station, or as determined pursuant to the internal regulations in effect on the destination railways;

(3) For transport on the transit railway: payable by the consignor at the dispatching station or the consignee at the destination station. If transport involves several transit railways, it may be possible for payment to be made by the consignor for transport on one or more transit railways, and by the consignee for transport on the others. Such an arrangement for the payment of freight charges requires the existence of an agreement to that effect between the railways in question;

(4) For transport on transit railway: payable by the consignor or the consignee through a payment agent (freight forwarder, freight agent, etc.) having a contract with each of the transit railways in question for the payment of freight charges.

§ 2. If the consignor assumes the responsibility of paying the freight charges for transport on transit railways, the consignor shall enter the abbreviated names of those railways in the consignment note under “Consignor pays for transit via the following railways”, in accordance with annex 12.5.

If the consignor does not assume the responsibility of paying the freight charges for transport on any of the transit railways, the consignor shall enter “No” in the consignment note under “Consignor pays for transit via the following railways”. Any freight charges for transport on transit railways that are declined by the consignor shall be considered to be transferred to the consignor, and shall be collected from the consignor by the destination station.

Should the consignor fail to enter “No” in the consignment note under “Consignor pays for transit via the following railways” as required, the responsibility for paying freight charges for transport on transit railways shall be considered to be transferred to the consignor, and shall be collected from the consignor by the destination station.

The responsibility for paying freight charges for transport on transit railways may not be transferred to the consignee if the transit tariff applicable for the international shipment in question stipulates that it is the consignor who must pay those charges. Likewise, payment by the consignor for such transport shall not be permitted if the transit

tariff applicable for the international shipment in question stipulates that it is the consignee who must pay those charges.

If freight charges for transport on transit railways are to be paid through a payment agent (freight forwarder, freight agent, etc.), the consignor shall make an entry in the consignment note under "Consignor pays for transit via the following railways" giving the abbreviated name of the transit railway for which payment is to be made, the name of the payment agent through whom payment for transport on that transit railway is to be made and the agent's reference number. A separate entry giving the above information shall be made for each transit railway involved.

§ 3. When transporting cargo under article 3, § 2, paragraph (2), fees for the transshipment of cargo onto wagons having the required different gauge width or for the transfer of wagons onto bogies having the required gauge width at the border station shall be payable as follows:

(1) If the work is being done by the dispatching railway: payable by the consignor or as determined pursuant to the internal regulations in effect on the dispatching railway;

(2) If the work is being done by the destination railway: payable by the consignee or as determined pursuant to the internal regulations in effect on the destination railway;

(3) If the work is being done by the transit railway: payable by the consignor, consignee or payment agent (freight forwarder, freight agent, etc.), depending on which of them is responsible for paying the freight charges for the transit railway performing the transshipment (in accordance with § 1, subparagraphs 3 and 4, of this article).

§ 4. If the consignor declines to receive the cargo, the consignor shall pay all freight charges and penalties relating to the transport of the cargo in question.

§ 5. In the event that a tariff is applied incorrectly, freight charges are miscalculated, or charges are not levied, any shortfall in payments shall be made up, and any overpayment made shall be reimbursed.

Shortfalls and overpayments for freight shall be calculated using the tariff rates that were applicable at the time the contract of carriage was concluded.

The railway settling accounts with the consignor or consignee shall collect shortfalls or reimburse overpayments in accordance with the internal regulations applicable on that railway.

No shortfalls need to be collected or overpayments reimbursed for sums of less than five Swiss francs per consignment note.

§ 6. Freight charges and penalties shall be collected by the railways in the currency of the country in which payment is made.

If freight charges are not in the currency of the country in which the claim for payment is to be made, they shall be converted into that currency using the local daily exchange rate.

§ 7. The provisions of the present article shall not apply if a through tariff between stations of the railways of two neighbouring countries has been established which provides for another procedure for collecting freight charges.

Article 16

Cash on delivery and payment by instalment

Cash on delivery and payment by instalment are not permitted.

Article 17

Release of cargo. Cargo tracing

§ 1. The railway is under the obligation, upon arrival of the cargo at the destination station, to release it to the consignee, along with the original of the consignment note and the arrival note (sheets 1 and 5 of the consignment note), as soon as the consignee has settled all freight charges due to the railway according to the consignment note; the consignee is under the obligation to pay the freight charges and receive the goods.

If the internal regulations in effect on the destination railway so allow, the cargo may be released before the consignee has paid the freight charges.

The consignee may decline to receive the cargo only if damage, deterioration or other factors have changed their condition to such an extent that no possibility exists to use them, wholly or in part, for the purpose originally intended.

§ 2. The consignee shall make all payments due to the railway under the consignment note in full, even if a portion of the cargo listed therein is missing. In that case the consignee shall be entitled to make a claim in accordance with article 29 for reimbursement of that portion of the freight payment in the consignment note that corresponds to the missing portion of cargo.

§ 3. Packaged goods that are weighed at the time of packing and that have their mass shown on each item, and items of identical, standard mass, shall be released without weighing as long as the package or container is intact.

§ 4. Otherwise, the cargo shall be released in accordance with the SMGS provisions and the internal regulations in effect on the destination railway if the necessary regulations are lacking in SMGS.

§ 5. If a cargo has not been released to the consignee within 30 days following the delivery date, the consignor or the consignee shall have the right to file with the railway a request for the cargo to be traced.

The tracing request shall be filed with the dispatching station by the consignor, or with the destination station by the consignee, using the blank form provided in annex 15 in duplicate, presenting at the same time the duplicate consignment note (sheet 3 of the consignment note) or the original of the consignment note and the arrival note (sheets 1 and 5 of the consignment note) no later than three months after the expiry of the delivery time.

The dispatching or destination station shall confirm receipt of the tracing request with a date stamp and the signature of the station official registering the request on the original and duplicate of the tracing request, and return one copy of the request to the requester.

A tracing request does not constitute a claim under article 29.

§ 6. The consignor shall be entitled to consider the cargo as lost if it has not been released to the consignor within 30 days following the delivery date as calculated pursuant to article 14 and the destination station has made an entry reading "Goods not arrived" under "Description of the goods" in the duplicate of the consignment note (sheet 3) or the original of the consignment note and the arrival note (sheets 1 and 5 of the consignment

note) presented by the consignee. The entry must be certified with the date stamp of the destination station.

Should the cargo arrive at the destination station after the expiry of the delivery time, the consignee is to be notified thereof. The consignee is to receive the cargo, if it arrives not more than six months after the expiry of the delivery time, and reimburse the railway for the amount received from it by way of compensation for the loss of the cargo or reimbursement of freight charges and other shipping-related expenditures.

If the compensation for the loss of the cargo and the reimbursement of shipping-related expenditures was paid to the consignor, the latter shall reimburse the railway. In that case the consignee shall retain the right to demand a penalty for late delivery of the cargo from the railway, along with compensation for the partial loss of the cargo, diminished weight, damage, spoilage of the recovered goods or their deterioration for any other reason.

Article 18

Formal report

§ 1. Should the railway, in verifying the condition of the cargo, its mass or the number of items, and in checking for the presence of a consignment note while the cargo is being transported or released, discover any of the following, it shall draw up a formal report, including:

- (1) Total or partial loss of cargo, mass shortfall, damage, spoilage or deterioration for any other reason;
- (2) Discrepancies between the information in the consignment note and the cargo as regards the description, mass and number of items of cargo, the identification or numbers of the cargo items, or the name of the consignee and the destination station;
- (3) Missing sheets of the consignment note for the cargo in question, or absence of the cargo described in the consignment note;
- (4) Missing or incomplete transport materials belonging to the consignor, as listed in the consignment note.

A formal report shall also be drawn up if an unladen wagon, whether privately owned or hired from the railway, is discovered without an accompanying consignment note, or if a consignment note is discovered without the corresponding wagon.

Any station discovering one or more of the above irregularities shall draw up a formal report, using the blank form in SMGS, annex 16, for goods being transported on an SMGS consignment note or the blank form in SMGS, annexes 8.1 to 22, for goods being transported on a common CIM/SMGS consignment note. If the form of the formal report is printed on separate sheets of paper, all the sheets shall be numbered, signed by the persons stipulated in paragraph 6 of the present article and certified with the official date stamp of the station; the number of the formal report shall be printed at the top of each sheet. Once completed, the various sheets of such a formal report shall be fastened together. The blank form of the formal report may be printed on copy paper.

Notwithstanding the above, formal reports shall only be drawn up if it is established that the above irregularities must have taken place between the time the cargo was consigned and the time it was released to the consignee.

The station shall record the establishment of any formal report in the consignment note under "Formal report".

§ 2. If, upon receiving cargo, the consignee discovers any of the irregularities listed in § 1 of the present article without a formal report having been drawn up by the railway to record the matter, the consignee is to request the destination station immediately to draw up such a report.

The destination station may refuse to draw up a formal report in the following cases:

- (1) If it has been established that the irregularity could not have arisen between the time the cargo was consigned and the time it was released to the consignee;
- (2) If the shortfall in cargo mass is within the standards indicated in § 5 of the present article.

§ 3. If the internal regulations in effect on the destination railway allow for a formal report to be drawn up after the cargo has been released to the consignee, the consignee shall have the right to request that the destination station draw up such a report even after the cargo has been released, upon discovery of any of the irregularities listed in § 1 of the present article if the irregularity was of a nature to escape detection by means of a visual inspection at the time that the cargo was released. In such a case the consignee shall make his request to the destination station immediately upon discovering the irregularity, but in any event not later than 72 hours after the cargo was released. The consignee shall not alter the condition of the cargo until the destination station has drawn up the formal report, except as necessary to prevent further aggravation of the irregularity. The consignee shall return to the destination station any seals or sealing/locking mechanisms that the consignee may have removed from wagons, containers, road trains, dismountable automotive cargo boxes, trailers, semi-trailers, motor vehicles, tractors or other unit of mechanized equipment following the release of the cargo.

The destination station may refuse to draw up a formal report in the following cases:

- (1) If the internal regulations in effect on the destination railway do not provide for the possibility of drawing up such a report after the cargo has been released;
- (2) If the consignee fails to make the request immediately upon discovering the irregularity, or if the request was made more than 72 hours after the cargo was released;
- (3) If the consignee has altered the condition of the cargo although no such change was called for by the need to prevent aggravation of the irregularity;
- (4) If it has been established that the irregularity could not have arisen between the time the cargo was consigned and the time it was released to the consignee;
- (5) If the shortfall in cargo mass is within the standards indicated in § 5 of the present article;
- (6) If the consignee fails to give the destination station the seals and sealing/locking mechanisms removed from wagons, containers, road trains, dismountable automotive cargo boxes, trailers, semi-trailers, motor vehicles, tractors or other mechanized equipment.

§ 4. If the destination station, in verifying the consignee's request for a formal report to be drawn up, made in accordance with §§ 2 or 3 of the present article, determines that the request is unfounded, it shall have the right to demand compensation from the consignee for any costs involved in verifying the request and payment of any penalties for which the internal regulations in effect on the destination railway may make provision.

§ 5. If the mass of any cargo mentioned in article 24, § 1, that, due to its particular natural properties, is subject to mass wastage while being transported, is checked en route or at the destination station and is found to be less than the mass entered in the consignment note, a formal report on wastage shall be drawn up only if the shortfall exceeds the standard

stipulated in article 24, § 1. If the shortfall is less than the standard stipulated therein, no formal report shall be drawn up. In that case the information about the measured cargo mass shall be recorded in the consignment note under “Railway endorsements”.

If the mass of any cargo that, due to its particular natural properties, is not subject to mass wastage while being transported, is checked en route or at the destination station and is found to be less than the mass entered in the consignment note, a formal report on wastage shall be drawn up only if the shortfall is greater than 0.2%. If the mass of the cargo as measured during the verification differs from the mass recorded in the consignment note by 0.2% or less, the figure in the consignment note shall be deemed to be the correct mass. The same procedure shall be used to record any excess cargo mass measured in the course of verification.

§ 6. Formal reports shall be signed by the responsible officials of the station stipulated in the blank form in SMGS, annexes 16 or 8.1 to 22. Formal reports drawn up at the destination station shall also be signed by the consignee or his authorized representative for the reception of cargo.

If the consignee does not agree with any details entered in the formal report, he may record his own observations concerning those details, if that is permitted under the internal regulations in effect on the destination railway.

§ 7. To determine the origin and extent of the loss of cargo, mass wastage, or any damage, spoilage or deterioration of any origin whatsoever, and to assess the extent of the damages, a technical investigation may be conducted in accordance with the domestic laws and regulations of the destination country.

§ 8. One copy of the formal report shall be given to the consignee in accordance with the internal regulations in effect on the destination railway.

§ 9. The provisions of §§ 2–8 of the present article, relating to the consignee, shall apply to the consignor if the cargo is being returned to the consignor pursuant to article 20, § 2, paragraph 1, or if it is being forwarded to a third party and is being released to that party in accordance with the internal regulations stipulated in article 21, § 3.

Article 19

Lien of the railway

§ 1. The railway shall have a lien on the cargo for non-payment of any and all charges due under the contract of carriage. The lien shall remain in force for as long as the railway is in charge of the cargo.

§ 2. The legal force of the lien shall be determined by the domestic laws and regulations of the country in which the cargo is to be released.

Section IV

Modification of the contract of carriage

Article 20

Right of and procedure for modification of the contract of carriage

§ 1. Both the consignor and the consignee shall be entitled to make modifications to the contract of carriage.

For the carriage of goods to the Socialist Republic of Viet Nam, the People's Republic of China and the Democratic People's Republic of Korea, to consignees shown on the consignment note to be State organizations, reconsignment of the goods at border stations of the country of destination shall be carried out by those countries' foreign trade organizations.

§ 2. The consignor may modify the contract of carriage as follows:

- (1) To withdraw the goods from the dispatching station;
- (2) To change the destination station. In this case, where necessary, the border station through which the goods are to pass after modification of the contract of carriage should be indicated, as should the payer of any transit charges that arise from the modification to the contract of carriage, if such charges are to be paid by the payment agent (freight forwarder, freight agent, etc.);
- (3) To change the consignee;
- (4) To return the goods to the dispatching station.

§ 3. The consignee may modify the contract of carriage as follows:

- (1) To change the destination station within the borders of the destination country;
- (2) To change the consignee.

The consignee may modify the contract of carriage on the basis of the Agreement only at the border station of entry into the country of destination and only if the goods have not yet left that station.

In the event that the goods have already passed through the border station of entry into the country of destination, the consignee may modify the contract of carriage only in accordance with the internal regulations applicable on the destination railway.

§ 4. Any modification of the contract of carriage that would have the effect of splitting the consignment shall not be allowed.

§ 5. The contract of carriage may be modified by means of a written declaration by the consignor or the consignee using the form in annex 17. The destination railway may use a form drawn up in accordance with its own internal regulations for any modifications to the contract of carriage by the consignee.

The consignor shall complete a declaration of modification of the contract of carriage in accordance with the instructions in article 7, § 2, regarding translation into the working languages of the Organization for Cooperation between Railways (OSJD).

A separate copy of the declaration of modification of the contract of carriage must be made out for each consignment and presented by the consignor at the dispatching station and by the consignee at the border station of entry into the country of destination. The consignor shall enter the text of the declaration into the duplicate consignment note under "Description of the goods" (sheet 3 of the consignment note), which must be presented to the railway together with the declaration.

A declaration of modification of the contract of carriage by the consignee may be presented for several consignments if they are being transported in a group of wagons and if the modification of the contract of carriage for the goods concerns the same station and the same consignee.

The dispatching station shall acknowledge receipt of the declaration of modification of the contract of carriage by affixing an official date stamp on the duplicate consignment

note below the consignor's declaration, together with the signature of the station employee receiving the declaration; the duplicate consignment note is then returned to the consignor.

The consignee may present a declaration of modification of the contract of carriage without the duplicate consignment note.

§ 6. If the goods have already left either the dispatching station or the border station, the relevant station must, at the consignor's expense, inform intermediate stations and the destination station by telegram of the consignor's declaration of modification of the contract of carriage. The telegram must be confirmed by sending the original declaration of modification of the contract of carriage to the station where the goods have been stopped in accordance with the telegram. However, that station shall modify the contract of carriage on the strength of the telegraphic notification from the dispatching station, without awaiting receipt of the consignor's written declaration.

In such instances, the railway shall not be liable for any possible distortion of the consignor's declaration by the telegraph system.

§ 7. The consignor's right to modify the contract of carriage shall cease as soon as the consignee receives the consignment note or the goods arrive at the border station of entry of the destination railway if that station is in possession of a written declaration by the consignee or telegraphic notification from the destination station of a declaration of modification of the contract of carriage by the consignee.

§ 8. The consignor shall not be liable for consequences arising from any modification to a contract of carriage based on a consignee's written declaration or telegraphic notification from the destination station.

§ 9. A contract of carriage may be modified once by the consignor and once by the consignee.

§ 10. A railway shall be entitled to refuse to make a modification to a contract of carriage or delay its execution only if:

(1) Such modification is not feasible for the station of the destination railway that should make the modification at the time when it receives the written declaration or telegraphic notification from the dispatching station or the destination station;

(2) It might disrupt the railway's operations;

(3) It is contrary to the domestic regulations and legislation of the countries whose railways are participating in the carriage;

(4) Where, if the destination station is changed, the value of the goods does not cover all foreseeable charges for carriage to the new destination station, except where the amount of these charges is paid immediately or guaranteed.

§ 11. In the cases referred to in § 10 of this article, the railway shall, to the extent possible, immediately notify the consignor or the consignee of the circumstances that prevent modification of the contract of carriage.

If, having been unable to foresee such impediments, the railway modifies the contract of carriage, then either the consignor or the consignee, depending on who made the declaration of modification of the contract of carriage, shall be liable for all the consequences arising therefrom.

§ 12. In the event of a modification being made to the contract of carriage, the carriage charges shall be calculated and recovered in accordance with articles 13 and 15, taking into account the following factors:

(1) If the goods are to be delivered to a station en route, carriage charges shall be calculated and recovered for carriage only as far as that station. If the goods have already passed the new destination station and the railway returns them to that station, the railway shall calculate and recover, in addition to the charges for carriage to the station at which the goods are stopped, the amount corresponding to carriage from the station at which the goods are stopped to the new destination station;

(2) If the goods are to be forwarded to a new station situated beyond the original destination station or to a station not on the original route, the carriage charges shall be calculated and recovered separately for carriage to the original destination station or to the station at which the goods are being held and from there to the new destination station;

(3) If the goods are to be returned to the dispatching station, the carriage charges shall be calculated and recovered from the consignor for carriage to the station from which the goods will be returned and then separately for carriage from that station to the dispatching station.

§ 13. A fee shall be payable for modification of contracts of carriage. It shall be calculated in accordance with the internal regulations of the railway that modifies the contract of carriage, and shall be collected in accordance with the provisions of article 15.

If modification of a contract of carriage leads to a delay in the carriage or delivery of the goods through no fault of the railway, the surcharges, penalties and other expenses incurred during the delay for the storage of the goods, demurrage, etc., with the exception of any penalty for demurrage of wagons on transit railways, shall be calculated in accordance with the internal regulations and tariffs applicable on the railway where the delay occurs. For demurrage of wagons on transit railways as a result of modification of the contract of carriage, the penalty shall be calculated according to the transit tariff applicable to the international carriage in question.

Surcharges, penalties for demurrage of wagons and other expenses shall be confirmed by the appropriate documents and recorded in the consignment note for recovery from the consignor, the consignee or the payment agent (freight forwarder, freight agent, etc.), depending on which of them is liable for carriage charges under article 15.

Article 21

Circumstances preventing carriage and delivery

§ 1. If at the dispatching station or in the course of the journey circumstances arise that prevent carriage of the goods, the railway shall decide whether to request instructions from the consignor or to transport the goods to the destination station by a modified route. Unless the railway itself is liable, it is entitled to recover the carriage charge applicable to the modified route and to arrange an appropriate extension of the delivery time.

§ 2. If there is no alternative route or if carriage is not possible for other reasons, or if circumstances arise preventing delivery of the goods at the destination station, the consignor shall be immediately notified by telegram through the dispatching station and asked for instructions. In this case, the station shall provide the consignor with all the necessary information available to it.

However, the station shall not be obliged to request the consignor for instructions in the event of temporary circumstances caused as specified in article 3, § 1 (3).

The consignor may provide instructions in the consignment note to cover the event of circumstances preventing carriage or delivery, under "Consignor's remarks". If the

railway considers that those instructions cannot be followed, it must request further instructions from the consignor.

On receiving by telegram information concerning circumstances preventing carriage or delivery, the dispatching station shall promptly notify the consignor by means of the form provided or according to the procedure prescribed in its internal regulations. The consignor shall record on the reverse of the notification sheet instructions for dealing with the goods, and return the notification sheet to the station or communicate the instructions according to the procedure prescribed in the internal regulations.

When returning the notification sheet or communicating instructions according to the procedure prescribed in the internal regulations, the consignor must present the duplicate consignment note (sheet 3 of the consignment note) to the dispatching station for insertion of the relevant consignor's instructions. If the consignor does not present the duplicate consignment note, the instructions written on the reverse of the notification sheet or communicated according to the procedure prescribed in the internal regulations shall be considered null and void, and the dispatching station shall inform the station where the circumstances have arisen that there are no instructions from the consignor. In this case, the railway on which the goods are delayed shall deal with them in line with its internal regulations.

If the dispatching station receives notification of a modification to the route or the consignee's refusal to accept the goods, the consignor may provide instructions even without the duplicate consignment note.

The dispatching station shall notify the station where the circumstances have arisen of the consignor's instructions. The charges for notification of the consignor shall be recovered from the consignor by the dispatching railway in accordance with its own internal regulations.

If the circumstances that prevent carriage and delivery occur after the consignee has modified the contract of carriage, the railway shall notify the consignee who submitted the declaration of modification of the contract of carriage. The charges for notification of the consignee shall be recovered from the consignee by the dispatching railway in accordance with its own internal regulations.

§ 3. If a consignor who has been informed of circumstances preventing carriage or delivery forwards no instructions, or instructions that cannot be executed, within a period of eight days or, for perishable goods, within a period of four days from the time that notification is sent from the station at which the circumstances have arisen, the goods shall be dealt with according to the internal regulations of that railway.

If perishable goods are likely to spoil, the railway on which circumstances preventing carriage or delivery have arisen shall deal with the goods in accordance with its internal regulations, without waiting for the expiry of the four-day period.

§ 4. If the circumstances preventing carriage cease to exist before instructions are received from the consignor, the station where the circumstances arose shall send the goods to the destination station without waiting for instructions, and shall promptly notify the consignor.

§ 5. If the goods have been sold, the amount raised, less any charges due to the railway in accordance with article 13, § 1, as well as any penalties and expenses related to the sale of the goods, shall be issued to the consignor. If the amount raised from the sale of the goods does not cover those costs, the consignor shall be required to pay the difference.

§ 6. The provisions of §§ 1, 3, 4 and 5 of this article shall also apply to a consignee who modifies the contract of carriage in accordance with article 20.

§ 7. If circumstances arise that prevent carriage or delivery of the goods through the fault of the consignor or the consignee, all expenses incurred due to the resultant delay in carriage or delivery shall be paid to the railway. If circumstances arise that prevent carriage or delivery of the goods through no fault of the consignor or the consignee, all expenses incurred due to the consignor or the consignee not providing the instructions requested by the railway in respect of the above-mentioned circumstances within the periods set in § 3 of this article, or of those instructions being inexecutable, shall be paid to the railway.

If such circumstances arise on the dispatching railway or the destination railway, payment for the expenses shall be calculated in accordance with the internal regulations and tariffs applied by those railways for such carriage.

If such circumstances arise on transit railways, payment for the expenses shall be calculated in accordance with the transit tariff applied by the railway concerned for international carriage; if the transit tariff for such cases does not cover payment of such costs, the charges shall be calculated in accordance with the internal regulations and tariffs applied for such carriage by the transit railway concerned.

All charges for such expenses shall be recorded in the consignment note for recovery from the consignor, the consignee or the payment agent (freight forwarder, freight agent, etc.), depending on which of them pays for carriage charges under article 15.

§ 8. If the contract of carriage is modified because of circumstances preventing carriage or delivery, the provisions of article 20 shall apply. In such cases, the provisions of article 20, § 9, shall not apply.

Section V

Liability of railways

Article 22

Joint liability of railways

§ 1. A railway that accepts goods for carriage under a SMGS consignment note shall be responsible for execution of the contract of carriage for the whole length of the route to the destination station or, on reconsignment of the goods to countries whose railways are not covered by the Agreement, until registration of carriage in a consignment note under another agreement on direct international rail transport of goods; or, in the case of reconsignment of goods from countries that are not covered by the Agreement, after registration of carriage of the goods in a SMGS consignment note.

§ 2. A railway that accepts goods for carriage under a CIM/SMGS consignment note shall be responsible for execution of the contract of carriage from the time of receipt of the goods for carriage until the official date stamp is affixed at the station of reconsignment or, in the other direction, from the moment that the official date stamp is affixed at the station of reconsignment until delivery at the destination station.

§ 3. Each subsequent railway that receives the goods for carriage under the consignment note enters into the contract of carriage and takes on the obligations arising from it.

Article 23

Limitation of liability

§ 1. Under the conditions set forth in this section, the railway is liable for any delay in the delivery of goods and for any damage resulting from total or partial loss, mass shortfall,

damage, deterioration or loss of quality of the goods for other reasons between their receipt for carriage and delivery at the destination station or, in the case of reconsignment to countries whose railways are not covered by the Agreement, until registration of carriage in a consignment note under another agreement on direct international rail transport of goods.

The railway is liable for the consequences of any loss through its own fault of the accompanying documents attached by the consignor or the customs agency to the consignment note in accordance with article 11, §§ 1 and 3, and listed in the note, as well as for the consequences of any failure on its own part to comply with a declaration of modification of the contract of carriage, filed in accordance with article 20, §§ 2 and 3.

In carrying goods under a CIM/SMGS consignment note, the liability of the railway as specified in this section shall commence at the time of receipt of the goods for carriage and shall continue until the CIM/SMGS consignment note is officially date stamped at the station of reconsignment or, in the opposite direction, shall commence when the CIM/SMGS consignment note is officially date stamped at the station of reconsignment and shall continue until delivery at the destination station.

§ 2. In any case, where the railway has liability, compensation paid for damages should not exceed the amount which would have been payable in the case of total loss of the goods.

§ 3. The railway shall not be liable for the total or partial loss of the goods, mass wastage, damage to, deterioration or reduction in quality for other reasons of the goods, if they have occurred for other reasons:

(1) As a result of circumstances that the railway could not prevent and the mitigation of which was beyond its control;

(2) As a result of goods, containers or packaging materials not being of suitable quality when received for carriage at the dispatching station or as a result of the special natural or physical features of the goods, containers or packaging materials that cause spontaneous combustion or breakage, including breakage or seal failure in glass, plastic, metal, wood, ceramic or other types of containers or packaging materials, rust, internal deterioration or similar consequences;

(3) Through the fault of the consignor or consignee or as a result of their requirements, for which the railway cannot be held to account;

(4) For reasons related to the loading or unloading of the goods, where carried out by the consignor or the consignee; if the goods were loaded into a wagon by the consignor, the consignor shall record such in the consignment note, under "Loading by", in accordance with article 9, § 4; if that entry contains no information indicating otherwise, it shall be considered that the consignor loaded the goods;

(5) As a result of carriage in open rolling stock, as permitted for such carriage under the internal regulations in effect on the dispatching railway;

(6) As a result of the consignor or the consignee or the designated attendants not complying with the provisions of annex 3, or the attendants not meeting the requirements of these provisions;

(7) As a result of the absence of containers or packaging necessary for carriage under article 9, § 1, for which reason the goods have not been properly protected throughout the journey;

(8) As a result of defects in the containers or packaging of the goods that could not be detected by the railway on external inspection at the time the goods were received at

the dispatching station, for which reason the goods have not been properly protected throughout the journey;

(9) As a result of the consignor depositing items not accepted for carriage under an incorrect, inaccurate or incomplete description;

(10) As a result of the consignor depositing goods normally accepted for carriage under special conditions, under an incorrect, inaccurate or incomplete description or not in compliance with the provisions of the Agreement;

(11) As a result of mass wastage due to the natural properties of the goods, if the loss does not exceed the standards set out in article 24, § 1;

(12) As a result of the consignor loading goods in a wagon or container unfit for carriage of such goods, where this should have been assessed in accordance with article 9, § 4, or annex 8, § 11, on visual inspection of the wagon or container; if the goods were loaded into the wagon by the consignor, the consignor shall record that fact in the consignment note, under "Loading by", in accordance with article 9, § 4; if that entry contains no information indicating otherwise, it shall be considered that the consignor loaded the goods;

(13) As a result of non-fulfilment or improper fulfilment of customs or other administrative regulations by a consignor, a consignee or an authorized person.

§ 4. Railways shall not be liable in the following cases:

(1) Mass shortfall in piecemeal cargo transported in containers or bound with rope, if the goods have been issued to the consignee in the full number of items, in proper containers or properly bound with ropes and with no sign of external interference with the content that could have caused the mass shortfall;

(2) For mass shortfall in piecemeal cargo transported without containers or ropes, if the goods have been issued to the consignee in the full number of items and with no sign of external interference with the content that could have caused the mass shortfall;

(3) For mass shortfall or shortfall in the number of items, if the goods were loaded by the consignor onto the wagon, container, road train cargo holder, vehicle, removable motor vehicle cargo holder, full trailer or semi-trailer, and were delivered to the consignee with the intact seals or seal-locks of the consignor or dispatching station, affixed in accordance with the provisions of SMGS, article 9, § 8, and annex 21, § 9, and with no sign of external interference with the content that could have caused the mass shortfall or shortfall in the number of items;

(4) For the total or partial loss of removable or spare parts from sealed road trains, removable motor vehicle cargo holders, full trailers, semi-trailers, motor vehicles, tractors or other self-propelled machines, if delivered to the consignee with intact seals or seal-locks affixed by the consignor in accordance with SMGS, annex 7, § 3, and annex 21, § 9, and without damage or any sign of external interference with the content that could have caused the total or partial loss of removable or spare parts.

If wagons, containers, road trains, removable motor vehicle cargo holders, full trailers, semi-trailers, motor vehicles and other self-propelled machines are opened for purposes of border control and customs clearance, or for public health, phytosanitary or other types of inspections and, as a result, the original seals or seal-locks of the consignor or dispatching station are removed, they shall be replaced by intact seals of the customs service, or seals or seal-locks of any participating railway affixed in accordance with SMGS, article 9, § 8, annex 7, § 3, and annex 21, § 9. If in the course of the journey, border or customs controls or other types of inspection are conducted on several occasions, the seals or seal-locks of the consignor or the dispatching station shall be replaced by intact

seals or seal-locks of the customs authorities or border stations at the time of the control or inspections.

The fact that wagons, containers, road trains, removable motor vehicle cargo holders, full trailers, semi-trailers, motor vehicles, tractors or other self-propelled machines have been opened and seals or seal-locks replaced shall be attested by a certificate of border control, customs clearance, public health, phytosanitary or other types of control or inspection on the form in annex 18, compiled by the railway, or a corresponding remark inserted by the railway in the consignment note under "Railway's remarks". The record of opening shall be certified by the signatures of those persons who carried out the control and of a representative of the railway, the official date stamp of the station at which the seals or seal-locks were replaced, and a notation to that effect made in the consignment note certified by the signature of the representative of the railway at the station at which the seals or seal-locks were replaced, together with the official date stamp of the station, as well as the signatures of the persons who carried out the control, if so required under the national laws and regulations of the country where the control or inspection was conducted.

The record of opening or notation in the consignment note concerning the opening and replacing of seals or seal-locks attests to the opening of wagons, containers, motor vehicles, tractors or other self-propelled machines, road trains, removable motor vehicle cargo holders, full trailers or semi-trailers for border and customs controls, as well as other types of inspections, but does not record whether the shipment is intact or the condition of the goods.

One copy of the record of opening shall be attached to the consignment note and issued to the consignee at the destination station together with the goods and sheets 1 and 5 of the consignment note.

For the carriage of goods in accordance with article 2, § 2, from countries whose railways are not covered by the Agreement to countries whose railways are covered by the Agreement, the seals or seal-locks on wagons, containers, road trains, removable motor vehicle cargo holders, full trailers or semi-trailers, under which they arrived at the border entry station of the first railway covered by the Agreement and which concern the previous carriage under a consignment note related to another agreement on direct international goods transport by rail, are considered equivalent to the seals or seal-locks that should be attached by the consignor or station of departure in accordance with SMGS, article 9, § 8, and annex 21, § 9.

§ 5. Railways shall not be liable for failure to comply with the timely delivery of the goods in the following circumstances:

(1) In the case of snow, floods, landslides and other natural phenomena for a period of up to 15 days, on the instructions of the national central railway authority;

(2) If there are other circumstances that have caused the suspension or restriction of traffic, on the instructions of the government concerned.

§ 6. Information given by the consignor in the consignment note concerning the mass and quantity of goods may serve as evidence against the railway:

(1) If the mass was checked by the railway and the information was recorded in the consignment note under "Mass (in kg)" to be inserted by the railway and certified by it in the column for the stamp and signature of the weighing station;

(2) If the quantity of goods was checked by the railway and information on the quantity of items was recorded in the consignment note under "Railway's remarks" and certified by an employee's signature and the stamp of the station.

This requirement does not apply in the cases provided for in § 4 of this article.

§ 7. In the event of partial loss, mass shortfall, damage, deterioration or reduction in quality of the goods for other reasons, the consignee or the consignor must prove that the damage occurred in the period between receipt for carriage and delivery of the goods, if the formal report referred to in article 18, § 3, was drawn up after delivery.

§ 8. It is the responsibility of the railway to provide evidence that the total or partial loss, mass shortfall, damage to, deterioration or reduction in quality of the goods for other reasons occurred as a result of the circumstances described in § 3, subparagraphs 1 and 3, of this article.

§ 9. If the circumstances of the case show that the total or partial loss, mass shortfall, damage to, deterioration or reduction in quality of the goods for other reasons may have occurred as a result of the circumstances set out in § 3 (2 and 4–13), of this article, it is considered that the damage occurred as a result of those circumstances, unless the consignor or the consignee proves otherwise. This assumption is not valid for the case referred to in § 3 (5) of this article, if whole items are lost.

§ 10. During the carriage of goods on a CIM/SMGS consignment note from countries not covered by the Agreement, if damage or partial loss of goods is noted after the CIM/SMGS consignment note is officially date stamped at the reconsignment point, and the railway that applies SMGS has taken on the consignment without any visible irregularities, it shall be assumed, unless proven otherwise, that the damage or partial loss of cargo occurred during fulfilment of the contract of carriage in the SMGS area.

During the carriage of the goods on a CIM/SMGS consignment note from countries covered by the Agreement, if damage or partial loss of goods is noted after the CIM/SMGS consignment note is officially date stamped at the reconsignment point, and the carrier that applies CIM has taken on the consignment without any visible irregularities, it shall be assumed, unless proven otherwise, that the damage or partial loss of cargo took place during the fulfilment of the contract of carriage in the CIM area.

This assumption is valid regardless of whether the cargo was reloaded into a wagon of a different track gauge.

Article 24

Limitation of liability in case of mass shortfall

§ 1. In the case of cargo with specific natural properties likely to lead to mass wastage during transport, the railway shall not be liable, regardless of the distance travelled, for such mass shortfall as does not exceed the following limits:

(1) 2% of the mass of goods in liquid form or given for carriage as raw (fresh) or wet goods, as well as the following goods:

- Manganese and chrome ore;
- Copper sulphate;
- Magnesium and other raw chemicals in bulk;
- Salts;
- Fresh fruits;
- Fresh vegetables;
- Dressed and wet-salted hides and skins;
- Tobacco;

- Fresh meat, chilled;
 - Citrus fruits and bananas, fresh berries.
- (2) 1.5% of the mass of the following goods:
- Firewood, timber, bamboo and charcoal;
 - Construction materials of mineral origin;
 - Fats;
 - Salted and dried fish;
 - Fertilizers.
- (3) 1% of the mass of the following goods:
- Mineral fuels;
 - Petroleum coke and coal coke;
 - Iron ore;
 - Tree bark;
 - Greasy wool;
 - Hops;
 - Soap;
 - Root vegetables;
 - Frozen meat;
 - Poultry;
 - Smoked meat products;
 - Frozen fish;
 - Seafood;
 - Frozen poultry;
 - Sausages and meat products.
- (4) 0.5% of the mass of all other dry goods prone to mass wastage during transport;
- (5) Where goods are carried in glass or other types of container with physical properties that include a tendency to fracture and break (art. 23, §. 3 (2)), the standard applied is a loss of 1% of the total.

For carriage of the above cargoes when requiring transshipment, in bulk or in tanks, the mass wastage limits listed in subparagraphs 1 to 4 of this paragraph are increased by 0.3 per cent for each transshipment of the consignment.

§ 2. Limitation of liability, as provided for in § 1 of this article, shall not apply if a consignor or a consignee can prove that the mass wastage was not due to reasons related to the special natural properties of the goods.

§ 3. If a number of items are being transported on a single consignment note, and the mass of each item is specified in the consignment note when the goods are received for carriage, the permitted mass wastage shall be calculated separately for each item.

§ 4. In the event of total loss of the cargo or loss of individual items, no deduction shall be made in calculating the compensation for mass wastage of the items lost.

Article 25

Amount of compensation in case of total or partial loss of cargo

§ 1. If a railway has to compensate a consignor or consignee under the Agreement for total or partial loss of the cargo, the amount of compensation shall be calculated on the basis of the price listed on the invoice of the foreign supplier, or on a docket from that invoice certified in the manner prescribed in the country where the claim is being made.

If the value of the cargo that is totally or partially lost cannot be determined by the above procedure, it shall be established by Government assessors.

In case of the total or partial loss of goods with a value declared in line with article 10, the railway shall pay the consignor or the consignee compensation in the amount of the declared value or a proportion of the declared value corresponding to the part of the cargo lost.

In case of the total or partial loss of household effects for which the consignor noted "No value declared" in the consignment note under "Consignor's remarks", the railway shall pay to the consignor or the consignee compensation of six Swiss francs per kilogram of the goods lost.

§ 2. In addition to the compensation provided for in § 1 of this article, the charges, customs duties and fees and other costs for the carriage of the cargo that has been lost or partially lost shall also be refunded, where these are not included in the price.

§ 3. Costs and losses to consignors or consignees that do not arise from the contract of carriage will not be reimbursed by the railway.

Article 26

Amount of compensation in case of damage to, deterioration or loss of quality of goods for other reasons

§ 1. If, in the event of damage to, deterioration or reduction in the quality of the cargo for other reasons, a railway has to compensate a consignor or consignee under the Agreement, the amount of compensation must correspond to the reduction in the value of the goods.

§ 2. In the event of damage, deterioration or reduction in quality for other reasons of goods of a value declared in accordance with article 10, the railway shall pay compensation in an amount corresponding to the proportionate reduction in the value of the goods resulting from the damage to, deterioration or reduction in quality for other reasons, together with compensation in an amount according to article 25, § 2.

§ 3. The compensation provided for in §§ 1 and 2 of this article shall be determined by the procedure provided for in article 25, §§ 1 and 2, and on the basis of the assessors' reports under article 18, § 7.

§ 4. The compensation provided for in §§ 1 and 2 of this article shall not exceed:

(1) The amount of compensation for the total loss of the goods, where due to damage, deterioration or loss of quality for other reasons that has caused depreciation in the entire cargo;

(2) The amount of compensation for the loss of the part of the cargo subject to depreciation, where only part of the cargo has suffered damage, deterioration or loss of quality for other reasons that has caused depreciation.

§ 5. Costs and losses to consignors or consignees that do not arise from the contract of carriage will not be reimbursed by the railway.

Article 27

Amount of compensation for delays in delivery

§ 1. For any delay in delivery of the cargo, the railway shall pay the consignee a penalty, the amount of which is determined on the basis of the carriage charges of the railway on which the delay took place, and the duration of the delay, defined as the delay (in days) compared to the total delivery time, as follows:

- 6% of the charges in the case of a delay of not more than one tenth of the total delivery time;
- 12% of the charges in the case of a delay of more than one tenth of the total delivery time;
- 18% of the charges in the case of a delay of more than two tenths, but not more than three tenths, of the total delivery time;
- 24% of the charges in the case of a delay of more than three tenths, but not more than four tenths, of the total delivery time;
- 30% of the charges in the case of a delay of more than four tenths of the total delivery time.

If the cargo is delayed on one railway and travels more quickly than planned on another, the delay should be determined by offsetting the delivery times against each other.

§ 2. If compensation is paid for total loss of the cargo, a penalty as provided for under § 1 of this article cannot be required.

In the event of partial loss of the cargo, a penalty for a delay in delivery, if such has occurred, shall be paid for that part of the cargo not lost.

In the event of damage to, deterioration or reduction in quality of goods for other reasons, a penalty for delay in delivery, if such has occurred, shall be added to the amount of compensation provided for under article 26.

The amount of the penalty provided for in § 1 of this article, together with the payments specified in articles 25 and 26, may not exceed the overall amount of compensation that would have been payable in the event of the total loss of the cargo.

§ 3. A penalty for a delay in delivery shall be paid only in the event that the total time limit for carriage from the dispatching station to the destination station, calculated in accordance with article 14, has not been met.

§ 4. If the consignee does not take delivery of the goods within one day of notification by the railway of their arrival and their availability for delivery, the consignee shall forfeit the right to receive payment of a penalty for delay in delivery of the cargo.

§ 5. Individual railways covered by the Agreement may agree between themselves on compensation for delays in the delivery of cargo other than that provided for in §§ 1 to 4 of this article. Each such agreement may apply only to carriage of goods exclusively on the participating railways.

Such agreements between individual railways may not affect the rights of the client to make claims in respect of amounts owed.

Article 28

Payment of compensation

Interest on compensation and overcharges for freight

§ 1. Payment of compensation in accordance with articles 25 and 26 and of the penalties provided for in article 27 shall be made in the currency of the country of the railway making the payments.

§ 2. If the amount is specified in the currency of one country, and the payment is made in another country, the amount shall be converted at the rate of the day and place of payment into the currency of the country of the railway making the payment.

§ 3. If, in response to a claim, overcharges for freight are reimbursed or compensation under articles 25 or 26 is paid more than 180 days from the date of the claim, interest in the amount of 4% per annum shall be paid on the amount due.

Interest is calculated on the day of the transfer or payment, beginning as follows:

(1) In the case of claims for the reimbursement of overcharges for freight: from the day the overcharges are levied;

(2) In the case of claims for compensation under articles 25 and 26: from the day the claim is submitted.

Interest is not calculated in the case of compensation on amounts of up to 100 Swiss francs; or for overcharges on carriage charges of up to 10 Swiss francs (inclusive).

§ 4. Interest on the amount of compensation for claims arising from contracts of carriage of goods submitted by railways to the consignors or consignees shall be paid by the latter in the same amounts and within the same periods as specified in § 3 of this article.

Section VI

Claims and actions

Claims and limitation of actions

Article 29

Claims

§ 1. The consignor and the consignee are entitled to make claims based on the contract of carriage.

§ 2. Claims must be submitted in writing, with the appropriate supporting documentation and indicating the amount of compensation, by the consignor to the dispatching railway or by the consignee to the destination railway. Claims shall be made for each consignment individually with the following exceptions:

(1) Claims for the reimbursement of overcharges for freight. Such claims may be made for several consignments;

(2) Cases when multiple dispatches are covered by a single formal report. In such cases, a claim shall be submitted in respect of all the consignments specified in the formal report.

§ 3. Claims for reimbursement of amounts paid under the contract of carriage may be submitted by the person who made the payment, and only to the railway that collected such amounts.

§ 4. Claims related to a single consignment note, with the exception of claims for non-fulfilment of the safe carriage of goods belonging to a private person, submitted in the case of total or partial loss, mass wastage, damage, deterioration or loss of quality of the goods for other reasons, for an amount of up to 23 Swiss francs, inclusive, are not allowed and may not be submitted. If such a claim is submitted for an amount of more than 23 Swiss francs but, on consideration, is found to concern an amount of less than 23 Swiss francs, inclusive, such compensation shall not be paid to the claimant.

Claims related to a single consignment note, submitted in the case of total or partial loss, mass wastage, damage, deterioration or loss of quality for other reasons of goods belonging to a private individual, for an amount of up to 5 Swiss francs, inclusive, are not allowed and may not be submitted. If such a claim is submitted for an amount of more than 5 Swiss francs but, on consideration, is found to concern an amount of less than 5 Swiss francs, inclusive, such compensation shall not be paid to the claimant.

Claims related to a single consignment note submitted in the case of delay in delivery of cargo or overcharges on carriage charges for an amount of up to 5 Swiss francs, inclusive, are not allowed and may not be submitted. If such a claim is submitted for an amount of more than 5 Swiss francs but, on consideration, is found to concern an amount of less than 5 Swiss francs, inclusive, such compensation shall not be paid to the claimant.

§ 5. Where a claim is submitted on behalf of the consignor or the consignee by an authorized representative, the right to submit the claim must be confirmed by a power of attorney from the consignor or the consignee. The power of attorney must comply with national laws and regulations in the country of the railway to which the claim is addressed. The power of attorney shall be retained by the railway to which the claim is addressed.

§ 6. The claim shall be submitted for consideration by the competent body of the railway, as specified in annex 19.

Information on any modifications or amendments to that annex shall be sent to the OSJD Committee and to the railways covered by the Agreement indicating the date of the modifications and amendments such as to ensure that the information is received by the OSJD Committee and all railways covered by the Agreement no later than 45 days prior to their entry into force. In such a case, the provisions of article 37 shall not apply.

Modifications and amendments shall be published by the railways in accordance with their internal regulations.

§ 7. Claims shall be submitted to a railway as follows:

- (1) In the event of the total loss of the cargo:
 - By the consignor, subject to presentation of the duplicate consignment note (sheet 3 of the consignment note);
 - By the consignee, subject to presentation of the duplicate consignment note (sheet 3 of the consignment note) or the consignment note and the notification of arrival of the goods (sheets 1 and 5 of the consignment note). The duplicate consignment note or the original consignment note and the notification of arrival of the goods must contain a notation concerning the

non-arrival of the goods, in accordance with article 17, § 6, certified by the official date stamp of the destination station;

(2) In the case of partial loss, damage, deterioration or reduction in the quality of the goods for other reasons:

- By the consignor; or
- By the consignee;

Subject to presentation of the original consignment note and the notification of arrival of the goods (sheets 1 and 5 of the consignment note) and the formal report issued to the consignor by the railway at the destination station;

(3) In the event of a delay in delivery:

- By the consignee, subject to presentation of the original consignment note and the notification of arrival of the goods (sheets 1 and 5 of the consignment note), together with the claim form for delay in the delivery of cargo contained in annex 20, in two copies;

(4) In the event of overcharges on carriage charges:

- By the consignor, for the amounts paid for carriage, subject to presentation of the duplicate consignment note (sheet 3 of the consignment note) or other document in accordance with the internal regulations of the dispatching railway;
- By the consignee, for the amounts paid for carriage, subject to presentation of the consignment note and the notification of arrival of the goods (sheets 1 and 5 of the consignment note).

The documents indicated in subparagraphs 1 to 4 of this paragraph, which are issued by the railway to the consignor or the consignee, must be presented by the claimant to the railway in the originals only, not in copies.

If the documents specified in subparagraphs 1 to 4 of this paragraph are lost during carriage, the consignee may submit a claim on the basis of replacement documents together with the formal report drawn up in accordance with article 18, § 1 (3).

Claims submitted in accordance with subparagraphs 1 and 2 of this paragraph must be accompanied, in addition to the aforementioned documents, by an invoice from the foreign supplier or other documents, as provided for in articles 25 and 26, and supporting evidence of the value of the goods or reduction in their value and, if necessary, other documents supporting the claim (specification of the contents of the consignment or the part thereof related to the claim, packing lists, assessors' reports, etc.).

Claims submitted in accordance with subparagraphs 1 and 2 of this paragraph by an authorized representative on behalf of the consignor or the consignee should be accompanied by a power of attorney from the consignor or the consignee, in accordance with § 5 of this article.

If the written claim submitted to the railway is not accompanied by all of the above-mentioned documents, or the documents referred to in subparagraphs 1 to 4 of this paragraph are submitted as copies, such incomplete or incorrect claims shall be returned to the claimant by the railway within 15 days of the day of receipt by the railway authority, in accordance with annex 19 to the Agreement, with a note to the effect that the documents that are missing or have been submitted as copies. In such cases, there is no suspension of the limitation period as provided for under article 31, § 3. If the railway returns such incomplete or incorrect claims after the 15-day period has expired, the period of limitation

shall be suspended from the day after it expires until the day on which the claimant receives the incomplete or incorrect claim. Return by the railway of such an application does not amount to a rejection of the claim in the terms of article 30, § 2, and does not entitle the claimant to bring action in court against the railway.

§ 8. The railway must, within 180 days of the date of submission of the claim, as attested by the postmark at the point of sending or a receipt from the railway if the claim is submitted directly, consider the claim, respond to the claimant and, if it accepts the claim either fully or partially, pay the amount calculated.

§ 9. Where, on delivery of goods of identical description and quality, shipped from a single consignor to a single consignee, that have been transhipped at a border station, some wagons contain too few goods and others too many, the excess shall be credited against the shortfalls in considering any claims.

§ 10. In carriage of goods under the rules set out in article 2, § 2, to countries whose railways are not covered by this Agreement, from countries whose railways are covered by this Agreement, but are not parties to international railway agreements with the countries to which the goods are being sent, claims shall be submitted by the consignee directly to the destination railway or other railways not covered by this Agreement, if the problem has occurred on those railways.

Claims in respect of the carriage of goods to countries whose railways are covered by this Agreement from countries whose railways are not covered by this Agreement, also under the rules set out in article 2, § 2, shall be submitted by the consignee directly to the destination railway. After considering claims concerning the liability of railways covered by the Agreement, the railway shall notify the claimant of the outcome. If it transpires that part or all of the claim concerns the liability of a railway that is not covered by the Agreement, the claim shall be rejected in full or in the relevant part. Any documents submitted with the claims, including those under a contract of carriage related to a different transport law, shall be returned to the claimant to be sent directly to the consignor specified in the consignment note, who shall then settle the claim with the railways that are covered by the other transport law.

§ 11. When informing a claimant of the partial or complete rejection of a claim, the railway must inform him or her of the basis for the rejection and, at the same time, return the documents submitted with the claim.

§ 12. If a railway recognizes a claim for the full amount, the railway settling the claim shall act in accordance with its internal regulations in respect of the documents submitted.

Article 30

Actions under the contract of carriage

Jurisdiction

§ 1. A person entitled to submit a claim to the railway is also entitled to bring proceedings in court based on the contract of carriage. This may be done only after a claim has been submitted in accordance with article 29.

§ 2. Legal action may be brought by a person so entitled, but only against the railway to which the claim was submitted, and only if the latter did not respect the time limit for consideration of the claim specified under article 29, § 8, or if it informed the complainant during that period that the claim was rejected in full or in part.

§ 3. Action may be brought only in the appropriate court in the country of the railway to which the claim was submitted.

Article 31

Limitation period for claims and actions

§ 1. Claims and legal action brought by the consignor or the consignee against railways under the contract of carriage, as well as demands and actions by railways against the consignor or the consignee concerning the payment of carriage charges or penalties, or compensation for damages, may be brought within a period of nine months, with the exception of claims and actions for delays in delivery, in which case a period of two months applies.

§ 2. The dates specified in § 1 of this article shall be calculated as follows:

(1) For claims for compensation for partial loss of the cargo, mass shortfall, damage, deterioration or loss of quality of goods for other reasons, or for delays in delivery: from the date of delivery to the consignee;

(2) For claims for compensation for total loss of the cargo: from the thirtieth day after the expiry of the delivery time, calculated in accordance with article 14;

(3) For claims for additional payment or the reimbursement of carriage charges, surcharges or penalties, or claims related to the correction of calculations due to the incorrect application of tariffs, as well as errors in calculating payments: from the date of payment or, if the payment has not been made, from the date of delivery;

(4) For all other claims and demands: from the date on which the circumstances that gave rise to such claims and demands were ascertained.

The starting date of the limitation period is not included.

§ 3. Presentation by the consignor or the consignee to the railway of a written claim under article 29 shall suspend the period of limitation provided for in § 1 of this article.

The period of limitation runs from the day that the railway informs the claimant of the full or partial rejection of the claim; the day of rejection is considered to be the date shown on the postmark at the place of sending, or the day on which the claimant confirms receipt of the information. If no answer is received to a claim, the period of limitation shall resume after expiry of the period set in article 29, § 8.

Responsibility for presenting proof that a claim has been sent to a railway or that a response to a claim has been sent, or that documents or an incomplete claim have been returned, in accordance with article 29, § 7, lies with the party making reference to those facts.

Repeat claims containing demands that have been submitted previously do not suspend the limitation period provided for in § 1 of this article.

§ 4. Claims and demands in respect of which the limitation period has expired may not also be submitted as actions.

Section VII

Transactions between railways

Article 32

Transactions between railways

§ 1. Each railway that charges for the dispatch or the delivery of cargo under a contract of carriage must pay to any railway that participates in the transport of that cargo the share of the carriage charges due.

§ 2. The dispatching railway shall be responsible to the other railways for the carriage charges owed to them that it has not collected from the consignor, if, according to the information in the consignment note, they were assumed or should have been assumed by the consignor under the consignment note in accordance with article 15.

§ 3. If the destination railway issues the cargo without collecting the carriage charges that it should have recovered under the contract of carriage from the consignee, it shall be responsible for the payment of those charges to those railways involved in the carriage.

§ 4. Transactions between railways arising as a result of the application of the Agreement shall be conducted in accordance with a special agreement concluded between the railways on transaction procedure.

Article 33

Requirements for inter-rail refund of compensation paid out

§ 1. A railway that pays compensation in accordance with this Agreement for the total or partial loss of or damage to goods, or for any delay in delivery, has the right to be reimbursed by the other railways involved in the carriage, as follows:

(1) The railway through whose fault the damage occurred shall bear exclusive responsibility;

(2) If the damage occurred through the fault of several railways, each of them shall bear responsibility for the damage it caused;

(3) If it cannot be proved that the damage occurred through the fault of one or several railways, the responsibility shall be apportioned between the railways for each consignment in proportion to the tariff distance actually travelled by the consignment on each railway, with the exception of those that can prove that the damage did not occur in their section.

§ 2. If delays in delivery occur on several railways, the ratio used to calculate the penalty shall be determined in accordance with article 27, § 1, based on the total delay on all the railways and paid from the carriage charges received by each railway that allowed the delay to occur.

§ 3. The delivery time, established in accordance with article 14, shall be distributed between the railways involved in the carriage, as follows:

(1) The period for forwarding shall be divided equally between the dispatching railway and the destination railway;

(2) The period for carriage shall be calculated on the basis of the distance travelled on each individual railway;

(3) The additional periods referred to in article 14, §§ 3 to 6, shall be added to the period for the relevant railway.

§ 4. Any railway to which a demand is made for reimbursement of compensation may not contest the payment of compensation by the railway submitting the demand if that compensation was determined by court decision and the railway to which the demand was made had been given adequate advance notice of the judicial summons.

§ 5. Demands for the return of compensation paid for claims must be filed within 75 days of the actual date of payment of the amount of the claim.

Demands for compensation in line with court decisions must be lodged within 75 days of the date of entry into force of the court decision. The period shall be calculated from the date of the postmark of the place of sending.

If the relevant period is not respected, liability for claims lies fully with the railway that did not respect the time limit.

§ 6. Demands for compensation that give rise to disputes between railways shall, on the request of an interested party, be subject to review by the OSJD Committee. The Committee's decision in respect of such demands shall be final.

§ 7. Two or more railways involved in the carriage of goods may conclude an agreement, on the basis of which compensation for amounts within agreed limits paid by one of the railways to a person so entitled will be divided in proportion to the tariff distance actually travelled by the cargo on the railways covered by the agreement.

In this case, proof of fault shall not be required as a basis for compensation for those railways entering into the agreement.

Section VIII

General provisions

Article 34

Currency for tariff calculation

§ 1. The currency used to calculate tariffs for the payment of carriage in transit shall be the Swiss franc.

§ 2. The procedure for announcing the exchange rate of the currency to the consignor and the consignee shall be determined by the national laws and regulations of the countries whose railways are covered by the Agreement.

Article 35

Staff Instructions for the Agreement

In accordance with the Agreement, the central bodies of the railways that are covered by it have adopted the Staff Instructions for the Agreement on International Railway Freight Communications (the SMGS Staff Instructions) as an SMGS document.

The Staff Instructions relate solely to the railways and do not govern the legal relationship between the consignor and the consignee on the one hand and the railways on the other.

Article 36

Application of domestic laws

In the absence of the necessary provisions in the Agreement, the applicable tariffs and the SMGS Staff Instructions, the decisions set out in the domestic laws and regulations of the corresponding countries whose railways are parties to the Agreement shall be applicable.

Article 37

Publication and amendment of the Agreement and its Staff Instructions

§ 1. The Agreement and its Staff Instructions, and also amendments thereto, shall be published in accordance with the internal regulations in effect on the railways covered by the Agreement. The date of entry into force is to be indicated in publications of the Agreement and its Staff Instructions and also of amendments thereto. Amendments are to be published no later than 15 days after they enter into force.

§ 2. The Agreement and its Staff Instructions may be modified if five years or more have elapsed since the last date of entry into force, with the exception of annex 2, which may be modified if two years have elapsed since the last date of its entry into force.

§ 3. The Agreement and its Staff Instructions may be amended within the time frames established in § 2 of this article with the mutual written consent of the railways that are covered by the Agreement, through the OSJD Committee, or through negotiations in the relevant Commission of the Committee, with subsequent confirmation of its draft decisions by the Committee.

§ 4. Proposals by railways for the amendment of the Agreement and its Staff Instructions shall be submitted to the OSJD Committee and at the same time to all the railways that are covered by the Agreement no later than two months before the relevant Commission is convened.

Proposals submitted by the OSJD Committee for consideration by this Commission shall be sent to the railways that are parties to the Agreement no later than one month before the Commission is convened.

§ 5. The date of entry into force of amendments shall be set by the OSJD Committee, with the exception of modifications introduced in accordance with § 6 of this article.

§ 6. If specific, especially important problems arise requiring a modification of the Agreement and its Staff Instructions, and observance of the five-year time frame is not possible, such a modification may be carried out with the following conditions:

(1) Proposals for modification shall be considered if no less than one third of the railways that are covered by the Agreement request them;

(2) Modifications drawn up by the relevant Commission shall be confirmed by the OSJD Committee and subsequently presented for information purposes at a session of the Meeting of Ministers.

Modifications that have been adopted shall enter into force on 1 July of the following year if, within two months after their communication to all the railways that are covered by the Agreement, no objections are raised by any of them.

§ 7. Communications introducing amendments to the Agreement and its Staff Instructions shall be sent out by the OSJD Committee in such a way as to ensure that they

are received by all the railways covered by the Agreement no later than 45 days prior to the entry into force of the amendments.

Article 38

Meetings of the OSJD Commission

To resolve problems arising from the application of the Agreement and its Staff Instructions and also to introduce amendments thereto in accordance with article 37, meetings of the relevant OSJD Commission shall be convened. The time, venue and duration of the Commission meetings shall be determined by the OSJD Committee.

The preparation of questions for Commission meetings and the implementation of the Commission's decisions and recommendations shall be governed by the OSJD Committee Regulations.

Article 39

Implementation

The implementation of the Agreement and its Staff Instructions and supervision thereof shall be the responsibility of the OSJD Committee, which shall carry out its activities on the basis of the Statute of the Organization for Cooperation between Railways, the rules of procedure for the sessions of the Meeting of Ministers and the OSJD Committee Regulations.

Article 40

Parties to the Agreement

The acceptance or refusal of new railways as parties to the Agreement shall be governed by the procedures set out in the OSJD Statute and the OSJD Committee Regulations.

Article 41

Duration of the Agreement and final provisions

The Agreement shall enter into force on 1 November 1951.

The Agreement has been concluded for an indefinite period of time.

The Agreement shall be drawn up in Chinese and Russian, both versions being equally authentic. The Russian version shall be used to clarify any differences in interpretation of the texts.

The Agreement has been signed by representatives of the Ministries or central State bodies responsible for the management of railways of the following countries:

- Republic of Albania;
- Republic of Azerbaijan;*

* The following joined the Agreement on 5 June 1992:

- Republic of Belarus;*
- Republic of Bulgaria;
- People's Republic of China;
- Republic of Estonia;*
- Georgia;*
- Hungary;*
- Islamic Republic of Iran;*
- Republic of Kazakhstan;*
- Democratic People's Republic of Korea;
- Kyrgyz Republic;*
- Republic of Latvia;*
- Republic of Lithuania;*
- Republic of Moldova;*
- Mongolia;
- Republic of Poland;

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- The central State agency of the Republic of Belarus responsible for the management of rail transport;
 - The Ministry of Transport and Communications of the Republic of Estonia;
 - The Ministry of Transport of the Republic of Latvia;
 - The Ministry of Transport of the Republic of Lithuania;
 - The central State agency of the Republic of Moldova responsible for the management of rail transport;
 - The State Administration of Railway Transport of Ukraine.

On 18 June 1993:

- The central State agency of the Republic of Azerbaijan responsible for the management of rail transport: Azerbaijan Railways;
- The central State agency of Georgia responsible for the management of rail transport: Georgian Railways;
- The Ministry of Transport of the Republic of Kazakhstan;
- The central State agency of the Republic of Uzbekistan responsible for the management of rail transport: Uzbek Railways.

On 17 June 1994:

- The central State agency of Turkmenistan responsible for the management of rail transport: Turkmenistan State Railways.

On 30 May 1995:

- The Ministry of Transport of the Kyrgyz Republic;
- The central State agency of the Republic of Tajikistan responsible for the management of rail transport: Tajik State Railways.

On 6 June 1997:

- The Government agency of the Islamic Republic of Iran responsible for the management of rail transport: Islamic Republic of Iran Railways.

On 1 January 2002:

- The Government of the Republic of Hungary (since 1 January 2012 known as Hungary).

- Russian Federation;
- Republic of Tajikistan;*
- Turkmenistan;*
- Ukraine;*
- Republic of Uzbekistan;*
- Socialist Republic of Viet Nam.

Annexes

**to the Agreement on International Railway Freight
Communications (SMGS)**

Annex 1

(Refers to art. 4, § 1)

List of items subject to a monopoly of the postal authorities

The following items are subject to a monopoly of the postal authorities:

- In the Republic of Albania:
- In the Republic of Azerbaijan: money transfers;
- In the Republic of Belarus: all forms of written correspondence, money transfers, postal parcels and print publications;
- In the Republic of Bulgaria: all letters that have been glued, sealed or bound, postcards and other postal items, newspapers and magazines sent or received from other countries;
- In the People's Republic of China: letters and items of a similar nature;
- In the Republic of Estonia: all forms of written correspondence, money transfers, postal parcels and print publications;
- In Georgia: all forms of written correspondence, money transfers, postal parcels and print publications;
- In Hungary: letters. The following are not considered letters: statements of account, waybills (consignment notes) and quality certificates. Such documents may be included in a dispatch if, apart from the address, date and signature, they contain only the description and weight of the consignment or other information relating to the shipment;
- In the Islamic Republic of Iran: the reception, carriage, exchange and delivery of all forms of written correspondence, postal parcels with or without a declared value, the reception and carriage throughout the country of money and accounts, postcards, print publications, commercial samples and the reception and carriage of passengers' consignments;
- In the Republic of Kazakhstan: all forms of written correspondence, money transfers, postal parcels and print publications;
- In the Democratic People's Republic of Korea: letters;
- In the Kyrgyz Republic: all forms of written correspondence, money transfers, postal parcels and print publications;
- In the Republic of Latvia: all forms of written correspondence and postal parcels;
- In the Republic of Lithuania: domestic correspondence with a weight of up to 50 grams, advertising mail and incoming international correspondence;
- In the Republic of Moldova: all forms of written correspondence, money transfers, postal parcels and print publications;
- In Mongolia: postcards, letters, and additionally postal parcels, packages and small packets, newspapers and magazines;
- In the Republic of Poland: postcards and letters;

- In the Russian Federation: all forms of written correspondence, money transfers, postal parcels and print publications;
- In the Republic of Tajikistan: all forms of written correspondence, money transfers, postal parcels and print publications;
- In Turkmenistan: all forms of written correspondence, money transfers, postal parcels and print publications;
- In Ukraine: all forms of written correspondence, money transfers, postal parcels and print publications;
- In the Republic of Uzbekistan: all forms of written correspondence, money transfers, postal parcels and print publications;
- In the Socialist Republic of Viet Nam: letters, newspapers, magazines and postcards.

Annex 2

(Refers to art. 4, § 1; art. 5, § 7; art. 6, § 1; art. 7, § 8; art. 8, § 4; art. 9, § 2; annex 6; and annex 8, § 6)

Rules for the transport of dangerous goods

(Published separately)

Annex 3

(Refers to art. 5, §§ 1, 2 and 8; art. 6, § 2; art. 23, § 3; annex 2, sect. 7.5.9; annex 4, § 6; annex 7, § 2; annex 12.5; and annex 21, §§ 4 and 5)

Rules for the transport of cargo accompanied by attendants of the consignor or consignee

§ 1. These rules shall be applicable to the transport of:

(1) Goods that must be accompanied under SMGS, §§ 1 and 2, article 5; annex 2, section 7.5.9; annex 4, § 6; annex 7, § 2; and annex 21, §§ 4 and 5;

(2) Human remains if they are transported with an accompanying attendant in accordance with SMGS, § 8, article 5;

(3) Goods that are not covered under paragraph 1 of this section, if they are accompanied at the request of the consignor. The request for the goods to be accompanied shall be issued by the consignor in accordance with the internal regulations in effect on the dispatching railway;

Goods to be accompanied by an attendant shall not be sent as small consignments.

The railways in question that take part in the transport may agree on an additional list of goods to be accompanied by the consignor's or the consignee's attendants.

§ 2. The consignor is obliged to provide the freight attendants. However, the consignor may agree with the consignee that the consignor's attendants will accompany the goods only up to the exit border station of the dispatching railway, the border station of a transit railway or the entry border station of the destination railway and that the goods will be accompanied from that station to the destination station by the consignee's freight attendants.

The goods may be transported, on the orders of the consignor or the consignee, between the border stations of bordering countries accompanied by freight attendants of a freight forwarder or in a freight forwarder's sealed wagons, on the basis of an agreement between the consignor or consignee and a freight forwarder. The consignee shall, prior to consignment of the goods, make the appropriate mention in the consignment note, in accordance with § 9 of these rules, of such an agreement with a freight forwarder. If during the course of the transport the need arises for the consignor or the consignee to agree to such an arrangement with a freight forwarder, the consignor or the consignee are to provide the information to the corresponding border stations. If no such information is forthcoming, then the railway is to deal with the cargo in accordance with SMGS, article 21.

The designation of freight attendants by the consignor and the consignee shall take place in accordance with these rules and the internal regulations in effect on the dispatching railway and the destination railway, respectively.

No more than two freight attendants shall be allowed for each freight wagon. However, the railway may require more than two for each wagon, in particular for carriage in through trains and for groups of wagons with goods requiring accompaniment.

§ 3. Only persons who are fully competent to perform the kind of work involved in accompanying goods and who can, in particular, properly supervise, maintain, attend to and care for the goods in question and avert or minimize in good time the danger inherent in or threatening the goods may be designated as attendants.

The consignor and the consignee are to:

(1) Instruct the attendants that they provide as to their duties, obligations and rights when they accompany goods and their conduct during the journey to enable them to be entirely equal to the work at hand and to maintain order, discipline and safety;

(2) Ensure all the conditions necessary for the freight to be accompanied and supply the attendants with the means, material and equipment required for them to do their work;

(3) Provide the attendants with the documentation required for the crossing of national borders.

§ 4. The consignor shall have the right to authorize its designated attendants to carry out the obligations and exercise the rights of the consignor stipulated in the contract of carriage if the carriage or delivery of the cargo is blocked.

§ 5. The attendants shall obey the customs, passport, railway and other regulations of the countries whose railways take part in the carriage.

§ 6. For each attendant, the railway shall issue a certificate conforming to the specimen in SMGS, annex 3.1, which shall entitle the attendant to accompany the freight. The issuing railway may include additional information concerning the attendant in the certificate, in accordance with the internal regulations in effect on the railway in question.

The languages used for the printing and filling in of the certificate shall be those specified in article 7, § 2, of the Agreement.

The application for the certificate shall be filed:

- By the consignor, with the dispatching station;
- By the consignee or a person authorized by the consignee, with the station where the attendants provided by the consignee will assume responsibility for accompanying the freight, in accordance with the internal regulations in effect on the railway in question.

The certificate shall be issued to the attendant in accordance with the internal regulations in effect on the railway issuing the document. Certificates are to be signed by the attendants, whose signatures shall attest to the fact that they have been informed by the consignor or the consignee of the duties, obligations and rights of attendants accompanying freight.

Attendants shall always carry their certificates with them during carriage and shall produce them upon request.

Attendants shall return the certificates to the railway at the station where the accompanied carriage ends.

§ 7. Wagons, containers and road trains with freight accompanied by attendants furnished by consignors or consignees shall not be sealed by the railway.

§ 8. If a separate wagon is required to accommodate the attendant during carriage, the consignor or the consignee shall issue a statement to that effect and the dispatching or destination railway shall provide such a wagon in accordance with the internal regulations in effect on that railway.

§ 9. The consignor is to indicate in the consignment note, under "Description of the goods", the names of the attendants, along with the numbers of their documents required for passing national borders. If the consignor and the consignee have agreed on replacements of attendants in accordance with § 2 of these rules, the consignor is also to

note under “Description of goods” the border station at which the attendants are to be replaced. The border station in question shall cross out the information on the attendants provided by the consignor and shall note the corresponding information about the attendants provided by the consignee.

If the goods are carried between the border stations of bordering countries with attendants from a freight forwarder or in a wagon sealed by such a freight forwarder, the consignor shall place the following entry in the consignment note under “Description of the goods”:

- “From (name of border station)
to (name of border station) the freight shall be carried with attendants of (name of the freight forwarder)”; or
- “From (name of border station)
to (name of border station) the wagon shall be transported under the seal of (name of the freight forwarder)”.

The railway shall not be liable for total or partial loss, mass wastage, damage, spoilage or loss of quality of the freight for other reasons if the freight is carried between the border stations in a wagon in proper condition, sealed by the freight forwarder, and with its seals intact.

If the consignor has authorized its attendant to carry out the obligations and exercise the rights of the consignor arising from the contract of carriage in accordance with § 4 of these rules, then the consignor shall enter a note under “Consignor’s remarks”, with a precise description of such authorizations.

If a separate wagon is provided for the accommodation of the attendants during carriage in accordance with § 8 of these rules, the consignor is to enter the appropriate information on the wagon in question in the consignment note under “Wagon”, “Load limit”, “Number of axles” and “Tare weight” and shall place the following entry below the information: “(Wagon for attendants)”.

§ 10. The fare for the attendants shall be calculated in accordance with SMGS, article 13, and shall be levied in accordance with SMGS, article 15.

The attendants’ personal effects required during the accompanying of the freight shall be carried free of charge.

Items shall not be accepted for carriage if they are not required by the attendant during the accompanying of the freight or not indicated in the consignment note, or if their export, import or carriage is prohibited under the customs or other regulations of the countries whose railways take part in the carriage.

§ 11. The initiation of the attendants’ work at the dispatching station or at a station en route and any related actions shall be subject to the internal regulations in effect on the railway where the freight accompaniment commences.

§ 12. The attendants are to supervise, maintain, attend to and care for the goods that they accompany and avert or minimize the danger inherent in or threatening the goods in question.

In particular, they shall:

- (1) Lubricate railway rolling stock running on its own wheels, and carry out all other inspection and servicing work required to ensure the safety of such railway vehicles while en route;
- (2) Provide food and water for accompanied live cargo, ensure proper care and clean out the wagons only at locations designated by the railway;
- (3) During the transport of perishable goods, attend to or maintain the goods in accordance with the type and characteristics of the cargo in question and ensure that the temperature is regulated (cooling, ventilation, heating) so as to preserve the goods;

In the event of an emergency or danger to the attendants, the accompanied freight or the railway, the attendants are to inform the railway immediately thereof and agree with the railway on the required actions to be taken by the attendants or the railway, or by them together.

§ 13. To ensure the safety of the attendants and others and the safe operation of the railway, and to ensure the safekeeping of the accompanied freight and other freight, the attendants shall, in particular:

- (1) Be especially attentive and cautious when boarding and alighting from the train, when it begins to move and comes to a stop, during the train's or the wagon's shunting and during the opening and closing of the doors;
- (2) Prevent open wagon doors from closing accidentally;
- (3) Remain in the wagon assigned for their accommodation or only in the wagons carrying the goods that they are accompanying;

The latter condition is not applicable to wagons with dangerous goods. In such cases, the attendants are to remain outside, but in the immediate vicinity of, the wagons containing the dangerous goods that they are accompanying;

- (4) In the event that the train stops between stations, leave the wagon only if called upon to do so by the railway employees or in case of danger;
- (5) Keep off the tracks, as far as possible;
- (6) If walking on the tracks is necessary, show a maximum of caution and prudence, including by:
 - Crossing the tracks only at a right angle, first ensuring that no rolling stock is approaching;
 - Not crossing the tracks near switching points or railway frogs;
 - Not crossing the tracks in the direct vicinity of parked rolling stock;
 - Not climbing beneath wagons;
 - Not crossing over or near automatic hitch devices or the buffers of coupled wagons;
- (7) When wagons are in motion, refrain from standing in or near open doorways and sticking or throwing any objects out of the wagons;
- (8) When wagons are in motion, not sit on or stand near a flat wagon if the railways taking part in the carriage allow the carriage on flat wagons of goods accompanied by attendants;
- (9) In darkness, carry a lamp that provides good lighting and is not a fire hazard;

- (10) Not use coloured lights, which may be similar to railway signals;
- (11) Prohibit unauthorized persons from entering the wagons accompanied by them and assigned to them under § 8 of these rules;
- (12) Immediately and forthwith provide all indications and notifications to the railway's staff and refrain from interfering in the operation of the railway.

§ 14. To prevent fires, the attendants shall in particular:

- (1) Not smoke or use open flames in wagons and on the loading docks of stations, and use only lighting and heating equipment authorized under the internal regulations in effect on the dispatching or destination railway;
- (2) When using heating equipment, comply with the internal regulations relating to fire safety applicable on the dispatching or destination railway;
- (3) Have at hand the required fire extinguishers in wagons containing straw, hay or other easily flammable substances or items.

§ 15. On electrified segments with overhead lines, attendants shall in particular:

- (1) Observe the safety distance from the electric lines set by the internal regulations applicable on the railways taking part in the carriage and show the appropriate caution when handling long objects;
- (2) Not climb on the roof of the wagons or on high cargos;
- (3) Not touch persons, animals and objects having to do with the electric lines or located in their immediate vicinity.

§ 16. In the event of circumstances preventing carriage and delivery of accompanied freight and the inclusion by the consignor of an entry in the consignment note in accordance with § 9 of these rules delegating to the attendant certain powers, the railway shall request the appropriate information from the freight attendant. If the freight attendant authorized by the consignor provides no instructions or incomplete instructions to the railway, the railway is to deal with the cargo in accordance with SMGS, article 21. The railway shall also deal with the cargo, with the exception of live cargo, if the attendants are absent, or are present but in insufficient numbers to continue carrying the cargo.

If during carriage of live cargo the attendants are absent or are present but in insufficient numbers, the railway is to deal with the cargo in accordance with the internal regulations in effect on the railway in question.

§ 17. In specific cases where additional prescriptions are required for the accompaniment of the cargo by attendants over and above the instructions in these rules, such prescriptions shall be agreed by the railways taking part in the carriage and shall be communicated to the consignor and the consignee.

§ 18. The consignor and the consignee shall be liable to the railways for loss caused by their failure to carry out the obligations arising from these rules, or the improper performance of such obligations, or owing to the fact that the attendants provided by them:

- (1) Have not met the requirements applicable to them under these rules;
- (2) Have not performed their obligations, or have performed them improperly, or have not carried out the instructions issued to them by the railways, or have carried them out improperly;
- (3) Have not taken all necessary measures to preserve the goods and to protect them in a timely manner from the danger either inherent in or threatening the goods in question;

(4) Or are otherwise at fault for causing loss to the railway.

If the circumstances are such that the loss to the railway may have resulted from the reasons above, it shall be considered that the loss occurred specifically for those reasons unless the consignor or the consignee demonstrates otherwise.

§ 19. For other questions, the SMGS provisions shall be applicable to the carriage of goods accompanied by the consignor's or consignee's attendants.
