Summary of

“The Impact of International Railways Organizations on International Relations”

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1. Introduction

International railways organizations are one of the types of international organizations. There are also important group of the participants of international relations and a form of the cooperation between states, showing that the cooperation in the railway domain is possible and may be a rational, self-interested strategy for states to pursue under certain conditions. Many international railways organizations overcome the uncertainty that undermines cooperation by establishing a set of rules, norms, practices and decision-making procedures. International railways organizations can also contribute greatly to solving these problems related to the network complexity.

The main subject of the research is international railways organizations as important instruments of international cooperation and participants of international relations. The research covers the period from the 19th century to the present. The reason for the choice of this time-period is that international railways organizations have changed a lot in historical process due to changes in the internal and external environment of railway traffic. An interpretation of developments in longer years can provide the basis for a better understanding of international railways organizations. In particular, after the First World War, many actors in international relations started to appreciate international railway cooperation as important for maintaining peace in Europe.

The list of international organizations to be analyzed is as follows, according to chronological order which of these organizations was established first: Verein Deutsche Eisenbahn Verwaltungen (VDEV), International Conference for Railway Technical Unity (UT), International Railway Congress Association (IRCA), International Association of Public Transport (UITP), International Rail Transport Committee (CIT), International Union of Railways (UIC), regional organs of United Nations (UNECE, UNESCAP), institution of European Union (EC), Organization for Cooperation between Railways (OSJD), European Committee for Standardization (CEN), Latin American Association of Railroads (ALAF), International Institute for Transport Law (IDIT), International Union of Combined Road-Rail Transport Companies (UIRR), Union of African Railways (UAR), European Committee for Electrotechnical Standardization (CENELE), Union of European Railway Industries (UNIFE), Intergovernmental Organization for International Carriage by Rail (OTIF), Community of European Railway and Infrastructure Companies (CER), Coordination Council on Trans-
Siberian Transportation (CCTT), RailNetEurope (RNE) and agency of the European Union (ERA).

The main objective of the research is to characterize the international railways organizations and other organizations which have competencies in the area of international rail transport to assess their influence on the development of international transport and international relations in many domains. The research also explains the reasons of international cooperation for rail transport of states and non-state actors and postulates tasks of analysing the historical background and classifying international rail organizations according to membership type, geographic, competency, functional scope, and institutional power. It looks into rule-making, rule-application of railway contract law, economic regulations, safety regulations, environment regulations, and technical orders concerning cross-border traffic and the functions of international governmental organizations, such as the League of Nations, European Union (EC, ERA), OSJD, OTIF, and United Nations (ESCAP, ECE). It include main functions of international non-governmental organizations like UIC, CIT, CEN, CENELE, UNIFE for providing the advanced knowledge and facilitating the standardisation of railway system and the interoperability among different countries.

Although the development of rail traffic was successfully achieved through international cooperation between the railway administrations themselves and between the governments concerned, it was evident that it was not enough to develop international transport to cross borders freely. If international traffic was to improve, there must be some grounds of international agreement upon technical standards, and at the same time some basis of agreed legislation outlining the obligation of the railways to one another and to the public. These works were beyond the scope of individual administrations or governments.

The results have shown that two basic motivations had the greatest impact on the establishment and development of international railways organizations in the beginning of international transport. Firstly, there was the effort to standardize physical factors in the exchange and through conveyance of rolling stock. Secondly, it was to make uniform commercial conditions for international rail transport.
2. **Main Content**

This dissertation is divided into seven chapters including the conclusion. The first chapter of “Genesis and Evolution of International Railways Organizations”, presents the research on the evolution of international organizations for rail transport. At a time when international railway cooperation started early in the 19th century, there were mainly the form of bilateral/multilateral agreements or even treaties between the states. Initially, these agreements affected the establishment of international organizations for rail transport.

Before the First World War, about six international instruments (VDEV, Berne Convention, UT, IRCA, UITP and CIT) for rail transport were established. After the First World War, the International Union of Railways (UIC) was established in 1922. While Germany played an important role in international rail traffic before First World War, this was because France and the newly created countries of central Europe wanted to reduce the influence of Germany in international rail transport.

After the Second World War, 13 international organizations were established and three were founded after the Cold War. In 1956, under the Soviet-led bloc, the socialist countries created the Organization for Cooperation between Railways (OSJD), based in Warsaw. Most of the OSJD member railways except for the USSR, North Vietnam, North Korea and Cuba were also members of UIC.

The second chapter of “Classification of International Railways Organizations”, is related to the classification of international organizations for rail transport. International railway organizations may be classified into several categories. This study classifies international organizations according to type of membership, geographic scope, competency scope, functional scope and institutional power.

First, the membership type of international organizations can be classified as international governmental organizations (IGOs) and international non-governmental organizations (INGOs). There are as VDEV, UT, LNTO, UN (ECE, ESCAP), EU (EC, ERA), OSJD, OTIF as IGOs and IRCA, UITP, CIT, UIC, CEN, ALAF, IDIT, UIRR, UAR, CENELE, UNIFE, CER, CCTT, RNE as INGOs.

Second, international organizations’ scope may be globally spread or may extend only to a particular region. There are universal organizations such as IRCA, UITP, CIT, UIC, UN (ECE), and IDIT. And international organizations like UN (ESCAP), OSJD, OTIF, and CCTT are
intercontinental organizations. Some organizations like VDEV, UT, IRCA, EU (EC, ERA), CEN, ALAF, UIRR, UAR, CENELE, UNIFE, CER, RNE are regional organizations.

Third, the competence of international organizations may either be universal or specialized in a certain scope. While universal organizations like UITP, UN (ECE, ESCAP), EU (EC), CEN, ALAF have a wide range of competencies, covering different spheres and areas, specialized organizations like EU (ERA), VDEV, UT, UIC, OSJD, OTIF have limited competence having specific functions in a particular area.

Fourth, international organizations for rail transport mainly perform special activities and functions such as making policy and legal standards, removing technical barriers and networking and exchanging opinions. While VDEV, CIT, UN (ECE), OSJD are responsible for making policy and legal standards, UT, CEN, CENELE, EU (ERA) are dealing with removing technical obstacles. Many INGOs such as IRCA, UITP, UIC, ALAF, IDIT, UIRR, UAR, UNIFE, CER, CCTT, and RNE are involved with networking and exchanging opinions between members.

Fifth, the institutional power of international organizations may change from coordination to supranational. Most of international organizations for rail transport have no independent powers over the states and forums for agreeing on the views and policies of the members and perhaps only to a limited extent their influence on governments.

In the third chapter of “Functions of International Railways Organizations”, the study concerns the aims, activities and main functions of international railways organizations. Many specialized governmental bodies had been created to deal with regulation and control of implementation. The regulations are mainly about railway contract law, economic, safety, environmental and technical activities in international rail transport.

First, railway contract law set up by some organization has legal power as international law and constitute part of international law. However, the provisions of most organizations are not part of international law but mere private agreements. Intergovernmental Organization for International Carriage by Rail (OTIF) has been closely involved in defining uniform Eurasian law by participating in the work of the United Nations Economic Commission for Europe (UNECE) in Geneva and working on harmonizing the law on the carriage of dangerous goods in close partnership with the OSJD.
Second, in history, governments have regulated transport tariffs and quality and many governments still do so because railways are closely related to the public interest. Concerning international transport, some organization has tariffs-related regulations. Since it has been developing based on Eastern and Central Europe, OSJD has tariffs-related regulations. Typically, formerly planned economies under the influence of communism regulated most aspects of railway price and quality through direct control, either by running railways as ministries or as state administrations.

Third, the incentives of railway industry are inadequate to improve safety because railways do not bear all of the costs of accidents. Safety regulators establish safety standards and railway companies establish systems for implementing the standards. Different national safety rules are a major hindrance to use rail infrastructure in different countries. International railways organizations can deal with these problems. ERA develops common approaches to safety, working closely with stakeholders from the rail sector as well as national authorities, the EU institutions and other interested parties. A common framework for rail safety is necessary for establishing an effective single market for rail transport services.

Fourth, most railways environmental regulation is based on cross-sector national legislation for environmental protection. Typically, rail-specific regulations cover three broad areas such as soil pollution, noise from rolling stock and local air pollution. The environmental regulation body may undertake environmental impact assessments for new projects. Environmental regulations are often standardized internationally.

Fifth, technical regulations may be required to meet safety, environmental, or operational standards. A key form of technical regulation aims to ensure that track and wheels are compatible with each other on all lines.

In the international system, rule application is left mainly to sovereign states as there is no central world authority with agents to undertake the task. Under certain circumstances, international organizations take on aspects of applying accepted rules, mainly by arbitration procedure.

Most international non-governmental organizations had been responsible for technical cooperation and assistance such as dissemination on newly acquired knowledge, safety and security, standardization and interoperability.
The fourth chapter of “Place and Roles of International Railways Organizations in International Relations”, is based on the thesis, that international transport by rail was intimately intertwined with broader interests of relevant states. It seems that international railways organizations managed to influence actual international rail network building by playing roles as instrument of state policy, arena for member to discuss, and as participants of international relations. First, the most usual image of the role of international organizations is that of an instrument being used by its strong members for particular objectives. However, a relatively weaker country can also use international organizations as instrument by representation and unanimous or even majority voting rules. Second, international organizations have the role of independent actor. Actor capacity of an international institution depends on the character of the resolutions, recommendations, or orders coming from compelling some or all member governments to act differently from the way in which they would otherwise act. Third, an established organization provides a stable negotiating forum and also allows for a fast response to sudden developments.

A main study in the fifth chapter of “The Variety of Influence of International Railways Organizations on International Relations” is an analysis of the influence that international railways organizations on international relations. The profitability in the railway business depended heavily on the volume of traffic and the distance it transported because railway had to work with relatively high fixed costs. If railway business had to collaborate with each other, they also competed for the best connections and traffic. International railways organizations have dealt with the operation of the traffic on these networks in the face of the strong international rivalry and commercial competition. In this process, international railways organizations have much influence on international relations.

First, international railways organizations played an important role of mediating tensions between the states although there was much competition and cooperation between railways under the influence from activities of the states. Second, international railways organizations provided neutral forums for separating the political and technical issues. Third, international railways organizations created cooperation rather than competition by coordinating and interfacing the differences between the states and other stakeholders. Fourth, international railways organizations have developed and helped the extension of international rail network beyond the borders of each state. Fifth, international railways organizations have provided the platform and information for international tourism. Some international railways organization
has been involved in various activities related to the tourism industry on behalf of the railway by collaborating with United Nations World Tourism Organization.

The sixth chapter of “Influence of International Railways Organizations on the Development of International Transport”, explains how international organizations have improved the safety, security for passenger traffic and so on. On the top of the safety and security of passengers, international organizations have various activities. Regarding passenger transport, both OSJD and OTIF provide for detailed provisions on the design and content of the ticket. International Union of Railway (UIC) operates the working group ‘Security – Border Crossing, International Railway Corridors’. Concerning the reduction of the uncertainty about legal issues and liabilities for goods, international railways organizations have their own uniform rules for international transport of goods. With regard to packaging, marking, sealing and loading of goods, uniform rules provide the consignor’s responsibility, the process of partial loss or damage of goods and etc. International railways organizations can also influence coordinating the specification and regulation for trade. For example, they make concrete recommendations for improvements in procurement procedures and intensify the level of mutual recognition between the states in order to alleviate the process of accessing a market without already being established in it. In addition, international organizations have contributed the development of educational services in railway industry by securing the smooth operation for rail-related services.

3. Conclusion

This research has examined how international railways organizations contribute to the cooperation between states, non-state actors and international organizations. The results have shown that two basic motivations had the greatest impact on the establishment and development of international railways organizations in the beginning of international transport. Firstly, there was the effort to standardize physical factors in the exchange and through conveyance of rolling stock. Secondly, it was to make uniform commercial conditions for international rail transport. If international railway transport was to improve, there must be some grounds of international agreement upon technical standards, and at the same time some basis of agreed legislation outlining the obligation of the railways to a state and to the
neighbouring states of its state. These works were beyond the scope of individual administrations or governments.

The study confirmed that the international railways organizations have been impact on international relations by advancing international cooperation and reducing the complexity in international transport in anarchical international system. The main functions of international railways organizations can be composed of regulation, control of implementation and technical cooperation & assistance. International railways organizations has been affecting international relations and the development of international transport in the process of carrying such functions.

Making connections across states’ borders by rail involved a lot of complicated works and faced a kind of challenges due to the strong interest of each government in rail traffic. In order to reduce tensions among states, international railways organizations have harmonized issues related to legal conflicts and disputes at the international level. And international railways organizations have made great efforts to promote passenger transport, freight transport, tourism, trade and services across national boundaries and therefore contributed to the development of international rail transport.

The results of the research give important insights into the future of international railway organizations and the expectations into the development of international rail transport that it could attain in international relations. In global scale international traffic, as far as civil aviation and maritime navigation are concerned, all of these questions are dealt with by single intergovernmental organizations such as ICAO (International Civil Aviation Organizations). By contrast, the rail sector is regulated by a multitude of supra-national, intergovernmental and semi-state organizations. This results in a conflict of powers, duplication of posts, a flood of documents, reduced efficiency and the need for a large degree of coordination and information exchange.

International railways organizations will strengthen their capacity into two directions. Firstly, the size of the organization is steadily increasing because it encourages active participation of various stakeholders related to international transport and accepts them as its members. Secondly, an international railways organization strives to supplement its weaknesses through active cooperation rather than competition with other international organizations.
The legal and organizational separation of infrastructure and transport already undertaken in certain member states of the OTIF, the creation of rail transport undertakings with the legal status of private companies (private company, private limited company), the beginning privatization of those companies (sale of shares held by the State) and the progressive liberalization in the use of the infrastructure have had the effect that international rail traffic is progressively adapting, on an international scale, to the situation that prevails in civil aviation and maritime navigation.

In case of aviation, an air transport company, generally with the legal status of a private company, transports passengers and goods from one airport (use of a foreign infrastructure under private or public management) and lands in an airport (use of a foreign infrastructure) in another state. To do this, when flying over the national territories of other states (air space), the company makes use of the state air safety systems. This procedure is regulated by the Chicago Convention of 7 December of 1944 and the bilateral agreements between the states relating to air traffic. The market, organized in this way, is highly competitive.

The situation in international air traffic is similar to international rail traffic. A rail transport company undertakes the international transportation of passengers and goods from a station, which may not be managed by that company but by a state authority or by a private company, to a station located in another state, by using its own infrastructure or a foreign infrastructure which the company will use in every case beyond the border, this being without any involvement on the part of a second or third rail transport company. One can imagine certain passenger or goods traffic services being operated by several competing rail transport companies. In this regard, there are some initial approaches that stand out, but they are still hesitant. All aspects which are not of a purely commercial nature, resulting from such a competitive situation, should be regulated and handled at state level in an impartial and non-discriminatory manner and, if possible, in accordance with uniform rules, provided, of course, that there is a need to regulate the matter at state level. This applies, firstly, to the establishment of standards, in the legal and technical fields, and also, in a subsequent phase, to the application of uniform international law in railway matters.

With regard to application of the law, the development of civil aviation serves as an example and shows the route to follow. With the creation of the Joint Aviation Authorities (JAA), a first step was taken towards cooperation and standardization of state activities in the area of state aeronautical inspection. A similar structure would be one that could be recommended for the
areas of technical admission and the inspection of railway (rail inspection). In Europe areas, EU Agency for Railways (ERA) is expected to play a role like the JAA in railway sector.

During the process of its activities, the ERA makes great efforts to guarantee the transparency of its decisions. The meeting of the ERA is attended by the representatives of the various stakeholders such as railway undertakings, infrastructure managers, the railway industry, trade-union organizations, passengers and freight customers. The European Commission appoints the sectors’ representativeness at European Union level. Externally, the ERA actively promotes the European Union approach to railway safety and interoperability in its relations with international organizations and third countries.

In case of the OSJD, observers and affiliated enterprises can participate in the OSJD activities. The form of participation in the OSJD activities as an affiliated enterprise reflects the business character of the Organization opened for cooperation with enterprises from any country, of various activity profiles, irrespective of the form of ownership or enterprise type, whereas OTIF provided for only one form of membership for states that with full rights and full obligations. Therefore, the OTIF are actively working with other international organizations instead of being joined by memberships of the Observers status and the Affiliated Enterprises status.