

**Amendments and additions to the GCU  
Proposal sheet**

**Article 19.1, Article 19.3, Article 22.4 to the GCU**

<p><b>1.- Problem brief (with examples and if possible some figures to illustrate the scale of the problem)</b></p> <p>The current drafting of the General Contract of Use (GCU) of wagons on the 750 euro financial limit, in Chapters IV and V or its annexes, has been the subject of considerable debate.</p> <p>It is not this topic however which is being raised once more – the last set of comments without any modification to the GCU clarified any questions there were.</p> <p>The 750 euro limit is a compromise based on several criteria:</p> <ul style="list-style-type: none"> <li>• Economic efficiency of the wagon (if unusable, should be repaired to be brought a.s.a.p. back into service);</li> <li>• Wagon keep control over the wagon;</li> <li>• RU's ability to repair the wagon;</li> <li>• Compatibility with the principles underlying responsibility.</li> </ul> <p>We should no longer tamper with this aspect which is now a given.</p> <p>Nonetheless, this arrangement does run the risk of be questioned again, due to change in costs as a result of European inflation, however small it may be.</p> <p>These 750 Euros represent cost of labour (repair technicians), spare parts, delivery, cost of moving the wagon or human resources, administrative costs, ...</p> <p>This limit was validated in 2005 and implemented in mid 2006, and is therefore over 6 years old. The economic impact of this amount is weakening and will eventually become insignificant.</p>	<p><b>2.- Show why and where the GCU is lacking on this point.</b></p> <p>2005 was a different "ERA" during which passages through workshops were habitually under-invoiced, where mobile corrective maintenance was still rare and where loan of spare parts was often the rule of thumb.</p> <p>The railway landscape today is different: the GCU has to adapt to these changes. The GCU is a living, practical document which the sector (wagon keepers, Railway Undertakings) adapts to meet the pace of development.</p> <p>The 750 Euro limit was already low: we should remember that the RIV 200 had set it at 1 000 Euros.</p>
<p><b>3.- Explain why the aforementioned problem can only be resolved by the GCU.</b></p> <p>The 750 Euro limit is mentioned in several articles and annexes of the GCU, linking these provisions.</p> <p>The overall GCU forms the main reference, and partial modification of the limit would introduce new complexity.</p>	<p><b>4.- Indicate why the problem should be resolved according to the proposed amendment / addition.</b></p> <p>This re-evaluation brings the GCU back to the July 2006 limit, i.e. the time of its first application. This is a repair measure.</p>

## Study Group **WAGON USERS** Groupe d'Etudes **UTILISATEURS WAGONS** Studiengruppe **WAGENVERWENDER**

### 5.- Describe how the proposed amendment or addition can help to resolve the problem.

By raising the limit for 01 January 2012 from 750 euro to 850 euro, the GCU's economic weight will match that of the time it first came into force on 01 July 2006.

I.e an annual increment of 2 %.

Year	threshold	change	Re-evaluation
2006	750,00	+ 2 %	765,00
2007	765,00	+ 2 %	780,30
2008	780,30	+ 2 %	795,91
2009	795,91	+ 2 %	811,82
2010	811,82	+ 2 %	828,06
2011	828,06	+ 2 %	844,62
2012	961,51	+ 2 %	<b>850,00</b>

### 6.- Evaluating positive and negative incidences (operation, administrative cost, interoperability, safety, competitiveness, ...) using an evaluation scale of 1 (very weak) to 5 (very high).

Raising the limit for 01 January 2012 to 850 euro (at least) to bolster the economic value of the GCU offers only advantages.

Very high positive incidence + 5.

No studies or further special analysis is required of the limit before implementation and by extension, before submission to vote by signatories.

The only aspect which would benefit from re-examination by the GCU JC is the impact of the amendment procedure to reevaluate the limit.

The GCU JC should at the same time decide on the best method for the future, advising signatories on which provision would be best:

1. Re-evaluate the minimum from 750 to 850 Euro for 1 January 2006;
2. Re-evaluate the minimum from 750 to 850 Euro for 1 January 2006 with a clause for re-evaluation in mid-2014 for possible review on 1 January 2015;
3. Re-evaluate the minimum from 750 to 850 Euro for 1 January 2006 and mandate the GCU experts' group to determine an index to be attached to this limit;
4. Re-evaluate the minimum from 750 to 850 Euro for 1 January 2006 and mandate the GCU experts' group to draft an article for automatic annual indexation of the limit (on 1 January each year);
5. Raise the limit to 1 000 Euro on 1 January 2012, to give clearer visibility over the next few years.

### 7.- Proposed text (Modifications in *blue*)

*To be replace in the body of the GCU and the following annexes:*

**Article 19.1, Article 19.3, Article 22.4 (3x) to the GCU**

**Currently: 750 Euro,  
Should be: 850 Euro.**