

Amendments and additions to the GCU: Proposal sheet

<p>1.- Expose the problem (with examples and, if possible, figures giving a measure of the scope of the problem):</p> <p>Currently, there is no uniform rule on how to deal with unpaid or late paid invoices. Some national laws do not allow to charge interest unless these have been agreed beforehand.</p>	<p>2.- Show what the GCU is lacking in this respect:</p> <p>Unlike the former UIC Leaflet 433, which served as a basis for wagon registration contracts and the former RIV 2000 (article 93), the GCU doesn't contain any provision regarding the right of a creditor to charge interest on a late paying debtor.</p>
<p>3.- Explain why the problem can only be solved through the GCU contract:</p> <p>The community of GCU signatories covers countries inside and outside the EU. The EU Directive 2011/7 on combating late payment in commercial transactions has been transposed inconsistently into national laws and covers EU Member States only. Appealing to courts in order to enforce claims from delayed payment is unpredictable, costly and thus unpracticable.</p>	<p>4.- Outline why the problem should be solved as envisaged in the proposed amendment/addition:</p> <p>A solution through the GCU contributes to transparency and fairness in the business. The conditions are known beforehand and will prevent from deliberately delaying payments, since this will usually not be subjected to sanctions.</p>
<p>5.- Describe how the proposed amendments or additions will help solve the problem:</p> <p>By stating the right of the creditor party to evaluate to charge default interest after a certain date, the debtor party is motivated to settle the invoice in the prescribed delay. Setting the payment due date in Article 30 of the GCU avoids discussions.</p>	<p>6.- Assess the potential positive and negative impacts (on operations, costs, administration, interoperability, safety, competitiveness, etc.), using a scale from 1 (very low) to 5 (very high):</p> <p>Costs:..... +5 Administration: +4 Competitiveness: +3</p>

7.-Text proposal (modifications in blue)

At present time:

Art. 30: Accountancy and payment

The EURO (ISO code: EUR) shall be used as the sole monetary unit for all accounts and payments.

Proposal for new stipulation:

Article 30: Accountancy, payments and interests on late payments

- 30.1 The EURO (ISO code: EUR) shall be used as the sole monetary unit for all accounts and payments.
- 30.2 Payment must be made within 60 days following the date of receipt of the invoice, accompanied by the appropriate supporting documentation. An invoice is considered to be paid once the full amount due is credited on the account specified by the creditor.
- 30.3 If the payment period is exceeded, the creditor may charge interest for late payment from the sixty-first (61st) day for the unpaid amount.
- 30.4 The yearly interest rate is calculated as follows: the interest rate applied by the European Central Bank to its most recent main refinancing operations (MRO) plus 800 basis points. Basis for the calculation is the interest rate in force on the 1st of January of the calendar year in which the invoice was established.