In common with many other organisations, we are switching increasingly to using social media to inform our members and friends in real time about the latest developments on the Luxembourg Rail Protocol and related subjects. Accordingly, we are now publishing Inside Track every 6 months and it will serve as a retrospective summary of the key developments over the previous half year. You can see our Twitter feed and read our regular information postings on LinkedIn if you join our special group there (which of course we would welcome).

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A warm welcome to the RWG’s first four premium members: Credit Agricole, KfW IPEX-Bank, Nexxiot and VTG Rail Europe.

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The RWG’s standard informational brochure summarising the Luxembourg Rail Protocol has now been translated into Russian.

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This year’s conference will be held on Wednesday 29th and Thursday 30th September 2021 in Cambridge.

Save the date – Middle East Rail Conference, Dubai, 12th-13th October 2021

The largest Rail Conference and Exhibition across the Middle East, North Africa, South Asia & Central Asia is taking place on 12th – 13th October 2021.
Spain moves ahead with the Luxembourg Rail Protocol

On 27th July the Spanish Council of Ministers announced that it will sign the Protocol shortly. The adoption of the Protocol will go through a parliamentary process with the formal ratification expected in the autumn. Spain’s ratification would not only make it the third European State to adopt the Protocol but also, being the 4th ratification, fulfill the first condition for the Protocol coming into force and is, effectively, the green light for work to now move forward on the set-up process for the International Registry.

More information (in Spanish) can be found here.

Jose Luis Lorente Howell, the Chair of the RWG Spanish Contact Group, welcomed this development. "It is great news and sends a strong message of support to the local and international rail community that Spain clearly backs the rail industry as a clean and efficient transport solution, especially with the post pandemic increasing pattern of modern cities with smaller downtowns and wider residential areas." He added: "the Luxembourg Protocol will facilitate efficient low-risk and low-cost private finance for rolling stock in Spain setting the base for a more competitive and dynamic rail industry fit for the 21st century."

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RWG Chairman Howard Rosen has been appointed a member of the steering board of the Birmingham Centre for Railway Research and Education project to develop novel traction systems for low-income countries with a particular focus on railways in sub-Saharan African states.

This project is looking actively at the use of hydrogen as an alternative energy source for locomotives in the future which will be of particular benefit in lower income countries where the cost of electrification, or maintaining an electrified system, can be prohibitive.

For more on this project click here.

UIC Director General sees the Luxembourg Protocol as a key to common standards

François Davenne, Director General of the International Union of Railways (UIC) was being interviewed by Howard Rosen, RWG Chairman as part of the Saudi Rail 2021 Conference on 5th April 2021.

The title of the interview was “Investment opportunities and PPP for the future of the transport and railway sector” and Mr Davenne talked in detail about the way that future private financings could be a welcome catalyst for the rail industry to take a more standardised and integrated approach to the technical operation of
Under the leadership of the Portuguese Presidency, the EU Council of Transport Ministers has recognised the unique contribution of the Luxembourg Rail Protocol towards building a future of sustainable mobility.

The Council in its statement following its meeting on 3rd June, recognised “that investment is urgently needed from the private sector” and “reminds Member States of the existence of international agreements and treaties which facilitate private investment, such as the Luxembourg Rail Protocol to the Cape Town Convention.”

Anne Mazière, RWG Management Committee member and COO of the Rail Structured finance team at Crédit Agricole CIB, one of the largest private rolling stock funders in Europe, commented: “by creating a common security and asset identification system for rail lenders and lessors across Europe, the Luxembourg Rail Protocol will play a direct role in facilitating the Single European Rail Area, lower the barriers to entry for both public and private operators in different parts of the rail sector as well as support investment in new, environmentally friendly, technology for the railways”.

9th Meeting of the Preparatory Commission on the introduction of the Luxembourg Rail Protocol

The meeting took place virtually on 8th April 2021 and was attended by representatives of governments from all over the world. The Co-Chairs gave a detailed report on the progress of the Protocol and then RWG Chairman, Howard Rosen made a detailed presentation on the new proposed draft of the regulations for the International Registry. He noted that the last iteration had been drafted, effectively, in 2014 and the new draft has incorporated many innovations and advances from the parallel regulations for the International Registry for Aircraft as well as implementing some additional ideas on the rail side. These regulations were adopted by the Commission as the new working draft and these may be found here.

the rail sector which in turn would help avoid what he called the “cost of incompatibility”.

In particular Mr Davenne said that the Luxembourg Rail Protocol plays an important role in supporting the move towards common standards. There can be a virtuous circle, he added, where private capital will be more willing to invest in rolling stock when it is easy to recover and redeploy financed assets and on the other hand is less likely to invest and take risk where the equipment is highly specialised for only one system.

Interview

British government finally issues the Williams-Shapps Plan

In May 2021, the British government issued the long-awaited “Great British Railways, The Williams-Shapps Plan for Rail”, its policy document or “white paper” for the operation of the UK rail passenger system going forward, written jointly by Keith Williams and UK Transport Minister Grant Shapps MP.

Essentially the plan envisages a switch from franchises to a concession system for rail passenger operations but there are no suggestions for changes in relation to the financing of the rolling stock. The plan specifically states that the “reforms set out in the white paper do not assume any direct change to the current industry model for procurement of train fleets and maintenance by independent train-leasing companies. The government will however take forward work to assess options to ensure reliable delivery and value for money for the taxpayer and passengers.” As rolling stock finance costs now will become a direct cost for the UK government under the new system, the Luxembourg Rail Protocol will become more attractive to the British government by offering direct financial savings. It is generally considered that the financing of rolling stock represents somewhere between 30% and 40% of the total costs being carried by an operator.
The Luxembourg Rail Protocol and the Fight Against Climate Change

Following the Preparatory Commission meeting on 8 April 2021, the RWG hosted an online panel discussion entitled “Building Back Greener: The role of the Luxembourg Rail Protocol in the Post-Covid Economy.” Several distinguished leaders from both the private sector, European Commission and other international bodies shared their thoughts on how best to prepare the rail sector for new growth and importance. Opening statements were provided by the secretaries general of UNIDROIT and OTIF, respectively Professor Ignacio Tirado and Wolfgang Küpper and were followed by an introductory statement from Claire Depré, the acting director Land Transportation at the European Commission (DG Move). Panellists included Alberto Mazzola, Executive Director, Community of European Railway and Infrastructure Companies, Anne Mazière, Head of Business Support / Executive Director, Crédit Agricole Corporate and Investment Bank and Jamie Holley, CEO Traxtion and Chairman of the African Rail Industry Association. The panel was moderated by RWG Chairman Howard Rosen.

UNECE Group of Experts moves steadily forward

The Group of Experts on Permanent Identification of Railway Rolling Stock of the United Nations Economic Commission for Europe (UNECE) met in a hybrid session in Geneva on 6th and 7th May 2021. The RWG delegation, lead by Marianna Levto, gave three presentations, one looking at the examples of markings, the second examining how the model rules could work and then finally giving some tentative suggestions as to how an initial marking regime could work. The meeting welcomed presentations from the Russian Federation being an initial draft of the model rules on marking and the Group also noted the recent publication of the new draft of the International Registry Regulations noting also the integration needed between the model rules for marking of the equipment and the regulations to be issued by the Supervisory Authority (see above).

The UK has already signed the Luxembourg Rail Protocol and the British government is committed to adopting it at the earliest opportunity.

Download a full copy of the Plan here.

The Scandinavian digital rail revolution and the Luxembourg Rail Protocol

The conference, held online in late June, was heavily concentrated on how the rail sector is harnessing the latest digital innovations to increase capacity, improve reliability, minimise downtime and reduce maintenance costs. RWG Chairman Howard Rosen spoke on the subject “The Luxembourg Rail Protocol: playing an important role in the Scandinavian digital rail revolution”. He emphasised that the Luxembourg Rail Protocol, by introducing a unique vehicle identification system, will create an essential tool in the digitalisation of the rail sector making it easier and cheaper to track both the location and status of railway rolling stock.

Howard Rosen's presentation may be found here.

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A warm welcome to the RWG’s first four premium members:

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Howard Rosen's presentation may be found here.

RWG Welcomes First Premium Members

A warm welcome to the RWG’s first four premium members:
The next meeting of the Group of Experts’ is scheduled to take place in September.

A report of the session in English, French and Russian may be found here.

The RWG has subsequently submitted a working draft of model rules for marking of rolling stock and this may be found here.

**PIDA Week – Exploring the Benefits of the Luxembourg Rail Protocol for Africa**

PIDA Week was held online in January, and despite the logistical challenges presented by the pandemic, the event was a successful collaboration between several national, supranational, and non-governmental institutions. The projects discussed by attendees spanned several sectors but are all relevant to an overall mission of integrating African economies, encouraging intracontinental trade, and building the infrastructure to support these goals. The RWG’s contribution to the event was a presentation on the Luxembourg Rail Protocol’s potentially game-changing microeconomic benefits for Southern Africa. In the final communiqué, issued under the auspices of the African Union, PIDA and the AU Development Agency, the conference called upon “AUDA-NEPAD and AUC to mobilise the necessary technical and financial resources for the preparation and implementation of the pilot projects and work with member states on the ratification of the Luxembourg Railway Protocol”.

**PIDA Week Statement**

**RWG Joins European Parliamentary Group, Rail Forum Europe (RFE)**

RFE is the association of Members of the European Parliament (MEPs) dedicated to rail transport. Created in 2011, the Association aims to facilitate the establishment or strengthening of professional and personal ties between its members as well as to foster cooperation with various scientific, technical, economic, industrial and premium members enjoy numerous privileges including:

- Expedited, unlimited introductions to RWG members and contacts
- Automatic membership of national contact groups - with access to government [agencies or entities] - in countries where its company operates
- Confidential access to the RWG’s expert leadership team
- Corporate logos on the RWG webpage
- Opportunities to advertise in Inside Track
- First options to speak at, host, and sponsor RWG events

For more information click here.

To upgrade your membership, expand your industry network, and support the RWG, contact us via info@railworkinggroup.org

**RWG Informational Brochure – Now Available in Russian**

The RWG's standard informational brochure summarising the Luxembourg Rail Protocol has now been translated into Russian. This may be downloaded here.

**Save the date – Cape Town Convention Academic Project Conference 2021**

This year’s conference will be held on Wednesday 29th and Thursday 30th September 2021 in Cambridge. It will be held as an in-person conference, but also with the opportunity to join virtually for anyone who is not able to join in person.

This year the conference will focus on two topics. The first day will consist of reflections on the past, present and future of the Cape Town Convention in its first 20 years and the second day is an in-
and professional groups and organisations active in the rail sector.

The RWG has joined RFE as an associate member and looks forward to working together with President Andrey Novakov MEP, Vice-President Anna Deparnay-Grunenberg MEP and Vice-President Istvan Ujhelyi MEP in building the EU’s modern railway network.

The Railroad Association of South Africa Rebrands as Africa Rail Industry Association (ARIA)
The Association looks to widen its ambitions to recharge both the national and broader African rail sector, and thereby support the new African Continental Free Trade Area (AfCFTA) which came into effect on 1st January 2021 and connects more than 50 economies across the continent.

Its first AGM under its new name, at the end of March, was addressed by South African Public Enterprises minister Pravin Gordhan and RWG Chair Howard Rosen gave a presentation on the economic benefits of the Luxembourg Rail Protocol, focusing on Oxera’s recent report demonstrating the Protocol’s significant microeconomic benefits for South Africa, and in particular for Transnet.

For copies of the newsletters click here
For information about membership of the RWG click here

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