The future for railway finance in Asia
How the Luxembourg Rail Protocol will transform the rail sector
Industry Workshop
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The Protocol in more detail and the operation of the International Rail Registry
When does the Luxembourg Rail Protocol Protect the Creditor?

The Protocol applies to secure:

- Lessor under a leases
- Creditor under a secured loan and
- Vendor’s rights under a conditional sale (where title is retained)
What does Luxembourg apply to?

- “..vehicles movable on a fixed railway track or directly on, above or below a guideway” so covers
- Inter-urban and urban rolling stock
- Specialist boring and other rail mounted equipment
- Metro trains and trams
- People movers/shuttles at airports
- Cranes and gantries at ports
- Cable cars
More on identification

• Item must be uniquely identifiable
• Why running numbers do not work
• The problems with manufacturer numbers
• Unique Vehicle Rail Identification System (URVIS) is the answer
• 20 digit number allocated by registrar
• Affixed to the rolling stock permanently
• Brings separate benefits to manufacturers, operators, insurers, maintainers and creditors by facilitating tracking of assets
When does it apply?

• Protocol must be in force
• And in force in the jurisdiction where the debtor is principally located
• When an International Interest is created in the rolling stock
• Which must be identified in accordance with the Protocol with a unique number (URVIS)
The International Registry
The International Registry

• Will be run by a SITA company, Regulis SA based in Luxembourg
• SITA specialises in large-scale, secure systems for the transport industry with 4,500 employees working in 135 countries (Singapore Airlines and Malaysia Airlines both rely on SITA’s systems); SITA already involved in the aviation registry in Dublin
• Contract signed in December 2014
• Registrar designate appointed
• May provide additional services
The International Registry

• International Interest must be registered at the International Registry in Luxembourg
• Usually first registered rights take priority
• Parties can agree to change priorities
• Notices of sale
• Registrations and searches 24/7 via internet
• Multiple registration and searches possible
But someone else is in the Room