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PRESS RELEASE

Zug, Switzerland, 28th January 2025

South Africa ratifies the Luxembourg Rail Protocol



Her Excellency Ms Nosipho Nausca-Jean Jezile, South African Ambassador to Italy, presenting the Instrument of Ratification of the Luxembourg Rail Protocol to UNIDROIT Secretary-General, Professor Ignacio Tirado

The Republic of South Africa yesterday formally deposited its instrument of ratification of the Luxembourg Rail Protocol. The ratification will become effective as of 1st May 2025. South Africa becomes the 6th State, and the second African State after Gabon, together with the European Union, to ratify the Luxembourg Rail Protocol following the recent ratification by Paraguay.

UNIDROIT Secretary-General, Professor Ignacio Tirado said: "South Africa's ratification of the Luxembourg Rail Protocol to the Cape Town Convention represents a cornerstone in the implementation of the Treaty. The importance of supporting the development of international financing in the railway sector for the entire African region cannot be overestimated, and we are convinced that the Luxembourg Rail Protocol will

The Rail Working Group is a not-for-profit association constituted under Swiss law representing a broad cross section of the global railway community.

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play a pivotal role in reaching the ambitious goal of strengthening the rail infrastructure in Africa and beyond".

Her Excellency Ambassador Jezile remarked: "South Africa has long acknowledged the importance of the Rail Protocol for the enormous potential it affords for development in the African Region. The ratification of the Treaty is an important step in facilitating financing in the rail industry, which is a key element for social development and economic growth in the whole continent as recognised by the African Union agenda".

"This is a game changer for Africa with ratification by the country which has the largest rail system in Africa" said RWG Chairman Howard Rosen. "It is also an essential part of the open access strategy of the government when new entrants into the market will need to procure and finance rolling stock, now with the support of the Luxembourg Rail Protocol", he added.

"What South Africa really needs, now that the Country's historic Rail Reforms are being implemented, is for the private sector to respond with significant investment. The adoption of the Luxembourg Rail Protocol will increase access to debt and reduce finance costs; it could not have come at a better time", said James Holley, CEO of Traxtion, a leading African rail freight service provider and lessor.

NOTES FOR EDITORS

The Luxembourg Rail Protocol to the Cape Town Convention on International Interests in Mobile Equipment is a new global treaty under the auspices of UNIDROIT, the International Institute for the Unification of Private Law. The Protocol will make it much easier and cheaper for the private sector to finance all types of railway rolling stock. It sets up a new system for recognition, priorities and enforcement of creditor and lessor rights, which will be registered in an international registry based in Luxembourg, accessible to everyone over the internet 24/7 and introduces, for the first time a new global unique permanent identification system (URVIS) for rolling stock. The United Nations has now adopted global Model Rules setting out minimum standards for the permanent marking of railway rolling stock with URVIS numbers. The Protocol entered into force in contracting states on 8th March 2024.

The European Union (in respect of its competences). Gabon, Luxembourg, Paraguay, South Africa, Spain, and Sweden have ratified the Protocol. France, Germany, Switzerland, Mozambique, Italy, and the UK have already signed the Protocol and many other states, including the Democratic Republic of Congo, Kenya, China, Malta, Eswatini, Namibia, Senegal, Zimbabwe, Ethiopia and Mauritius, are looking at adoption of the Protocol. The Protocol is endorsed by many international rail organisations (including the African Rail Industry Association, OTIF, CIT, UIC, UIP, ERFA, ALLRAIL, UITP, CER and Eurofima) and actively supported by the African Union, the UN Economic Commission for Africa and the UN Economic Commission for Europe.



The Rail Working Group is a Swiss-based not-for-profit association focused on the adoption and implementation of the Luxembourg Rail Protocol. It has about 80 direct members and hundreds of additional rail stakeholders represented indirectly by various industry organisations that belong to, and support, the objectives of the RWG.

UNIDROIT, the International Institute for the Unification of Private Law is an independent intergovernmental organisation with its seat in Rome. Its purpose is to study needs and methods for modernising, harmonising and co-ordinating private and in particular commercial law as between States and groups of States and to formulate uniform law. It acts as the official Depository for Instruments of Ratification of the Cape Town Convention and the Luxembourg Rail Protocol thereto.

For more on the Luxembourg Rail Protocol, visit www.railworkinggroup.org, as well as the UNIDROIT website www.unidroit.org or write to us at info@railworkinggroup.org. Keep up to date with all the latest developments via the Rail Working Group's LinkedIngroup.page.

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