Welcome to the first issue of "Inside Track", the monthly e-newsletter published by the Rail Working Group for its members, providing up-to-date news, information and discussion points on the Luxembourg Rail Protocol. Please forward this to colleagues who may be interested, who then can subscribe directly. If you would prefer not to be on our mailing list please click on the "unsubscribe" line at the bottom of this mail.

- **Contract signed with designated registrar**
- **EU agrees to ratify the Protocol**
- **Moving forward with new ideas on rolling stock identification**
- **Topic of the month: When does the Protocol apply?**

**Contract signed with designated registrar**
On 11th November 2014 UNIDROIT, the International Institute for the Unification of Private Law, represented by its Secretary General José Angelo Estrella Faria, and Regulis, the designated Registrar for the Luxembourg Rail Registry, represented by Elizabeth Hirst, signed the key contract for the operation of the international registry for railway rolling stock once the Protocol comes into force.

Regulis is a Luxembourg company within the SITA Group. SITA already operates, through Aviareto Ltd., the international registry for aviation equipment in Dublin, Ireland. The
signing of the contract represents a significant step forward for the Rail Protocol. The registry will be an essential part of the infrastructure for the operation of the Protocol, with every international interest being registered there. The registry will also hand out identification numbers for railway rolling stock (see below).

The initial draft regulations for the registry were considered and adopted by the Preparatory Commission last week in Rome. They will form the baseline position, but the regulations will be updated before the Protocol comes into force to take account of new developments, specifically new software for the operation of the registry that will then be available.

**EU agrees to ratify the Protocol**

Over the past few weeks the Protocol has been approved by the European Parliament, referred back to the Council of Ministers which has then formally adopted the Protocol. The detailed decision published in the official journal last week may be accessed [here](#).

The Protocol is a “split competence” instrument, which means that it has to be ratified both by the European Union itself and its Member States. Now the Protocol has been ratified by the European Union, the way is open for EU Member States to ratify. At the moment, only Luxembourg, within the EU, has ratified the Protocol, but both Germany and Italy have already signed the instrument and the UK has indicated that it will move forward with ratification once the EU ratifies.

**Moving forward with new ideas on rolling stock identification**

Under the Luxembourg Protocol, it is essential that all rolling stock (which is defined very broadly and includes trams, metro trains, airport people movers, etc.) is uniquely identified. The identification has to be unique both at the point of registration and thereafter, so that there is no chance of the security interest in a specific item of rolling stock being unclear. Some years ago the RWG established an industry Task Force to consider how this numbering would work. This resulted in the development of the URVIS number (Unique Rail Vehicle Identification System), a 20-digit-number, including one or more check-digits. The number will be allocated by the International Registry itself and permanently fixed onto rolling stock.

Most recently, working with the European Commission, the European Railway Agency and SITA, discussions have turned to the practical issues involved in the physical attachment of the number to the rolling stock. We are also considering whether the number can be
integrated into rolling stock tracking solutions, for example RFID chips containing the URVIS number. As implementation of the Protocol comes closer, the RWG will be working intensively on how the unique identifier will operate in practice.

See also: Identifying railway rolling stock - it's time for a world-wide system

**Topic of the month - When does the Protocol apply?**

It is a common misconception that the Protocol applies by reference to the location of the rolling stock. But this would be legally unworkable, since rolling stock can move across borders and the Protocol, under the Cape Town Convention, creates separate legal rights in favour of creditors. Accordingly, the Protocol applies to create an international interest if the principal place of business of the debtor/lessee at the time the credit agreement/lease is entered into is in a jurisdiction that has ratified the Protocol (and the Cape Town Convention).

For more information see articles 3 and 4 of the Convention.