



UNIDROIT

International Institute for the Unification of Private Law
Institut international pour l'unification du droit privé



OTIF

Intergovernmental Organisation for International Carriage by Rail

**PREPARATORY COMMISSION FOR THE
ESTABLISHMENT OF THE INTERNATIONAL REGISTRY
FOR RAILWAY ROLLING STOCK PURSUANT TO THE
LUXEMBOURG (RAIL) PROTOCOL**

UNIDROIT 2022
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SUMMARY REPORT
of the eleventh SESSION
(Rome, 29-30 November 2022)

1. The Eleventh Session of the Preparatory Commission regarding the establishment of the International Registry for railway rolling stock according to the Luxembourg (Rail) Protocol (hereinafter referred to as "the Protocol"), jointly convened by the International Institute for the Unification of Private Law (UNIDROIT) and the Intergovernmental Organisation for International Carriage by Rail (OTIF), took place at the seat of UNIDROIT in Rome and remotely on 29-30 November 2022. It was attended by 20 State delegations. A full list of participants to this session can be found in [Annexe 2](#) of this Report.

Item No. 1 Opening of the session and welcome by the Secretaries General of UNIDROIT and OTIF

2. *The Secretary-General of UNIDROIT Ignacio Tirado* opened the session, extending a warm welcome to all the participants and expressing particular pleasure in seeing numerous in-person attendees. He noted that this session was especially important and timely for several reasons, including the fact that the Preparatory Commission was being asked to consider and approve the outcome of over a year of intense and highly technical negotiations regarding the change of control in the Registrar-designate. The negotiations had been conducted in a spirit of good faith and cooperation with the proposed new owner, which had turned out to be a very good candidate for the role. Moreover, with the announced imminent ratification of two important countries, the Protocol was finally approaching the requisite number of ratifications to allow for its entry into force. He concluded his remarks by thanking *H.E. Michèle Pranchère-Tomassini, Ambassador of Luxembourg to Italy*, and *H.E. Nosipho Nausca-Jean Jezile, Ambassador of South Africa to Italy*, for their kind availability to deliver opening statements at such a relevant time for the future of the Protocol.

3. *The Ambassador of Luxembourg* thanked the Secretaries General for the invitation to participate in the opening of the Preparatory Commission. She recalled that her country had always been a strong supporter of the Rail Protocol since its earliest development and as the host State of the diplomatic Conference, the first State to proceed with ratification, and the host State of the Registry. Luxembourg had moreover played a very active part in the process of promotion of the Protocol's implementation over the years. She expressed great satisfaction with the imminent ratification by major railway markets such as Spain and South Africa. She urged the Preparatory Commission to facilitate the setting up of a functioning registry in time for the Protocol's entry into force, by approving the requested change of control of the Registry designate Regulis S.A. She finally referred to the Protocol's undeniable benefits, not only in economic and commercial terms for States and private enterprise alike, but also in the interest of all the shared sustainable development goals recognised by major intergovernmental bodies such as the United Nations and the European Union.

4. *The Ambassador of South Africa* joined the preceding speaker in expressing her appreciation for the invitation to address the Rail Preparatory Commission. In recognising the in-person participation of the Ambassador of Tanzania, she placed particular emphasis on the importance of the Luxembourg Rail Protocol for the implementation of railway development projects towards economic and social development on the African continent. Recognising the long-standing relationship between South Africa and UNIDROIT, she recalled that the South African Minister of Transport had signed the Rail Protocol in 2022 as a first step towards ratification. She finally confirmed that the ratification process in South Africa was well on its way and urged other African states to consider joining the Protocol, thus ensuring a wide implementation in the region.

5. *The Secretary General of OTIF Wolfgang Küpper* concluded the opening remarks by recalling that OTIF had participated in the Negotiating Team in its role as Secretariat of the future Supervisory Authority for the International Registry. He expressed satisfaction with the choice of the proposed new Registrar, as well as optimism regarding the entry into force of the Protocol, also considering the positive outcome of the work in the United Nations Economic Commission for Europe (UNECE) on the Model Rules for the Permanent Identification of Railway Rolling Stock under the Luxembourg

Rail Protocol. He referred to the unprecedented global political interest in enhancing railways to achieve a greener transport system in light of existing megatrends such as urbanisation, digitalisation and demographic changes, and major innovations in the sector in relation to, among others, high-speed passenger traffic, combined freight traffic, and container traffic moving by rail between Asia and Europe. As an example, he cited the European Council Declaration from December 2021 on the New Action Plan "*Boosting long-distance and cross-border passenger rail*", in which ratification of the Luxembourg Rail Protocol had expressly been promoted with expressed support to its implementation within the EU. While railways were increasingly being seen as the backbone of an international, multimodal, and sustainable land transport system, it was necessary to simplify international financing for the acquisition and use of railway rolling stock and offer additional sources of financing to parties and governments, which was the purpose of the international legal framework of the Luxembourg Rail Protocol under the successful Cape Town Convention model. Finally, the Secretary General of OTIF invited the Co-chairs of the Preparatory Commission, Peter Bloch, representing the United States of America (participating via Zoom), and Antti Leinonen, representing Finland, to resume their roles as Co-Chairs of the Rail Preparatory Commission. Mr Leinonen took over the operative chairing of the session.

Item No. 2 Adoption of the agenda and organisation of the session

6. *The Co-chair of the Preparatory Commission Antti Leinonen* welcomed all participants and introduced the draft agenda as well as the organisation of the session. He requested the flexibility of the Preparatory Commission in continuing deliberations including all items that could be addressed on the first day, in order to leave all remaining items, if any, to the following day. He also suggested to postpone Item 4 (Statements by participating States and Observers) to after Items 5 and 6. The draft Agenda, with the suggested modification, was unanimously approved.

7. Before continuing with the next item, the Chair gave the floor to a representative of Spain upon his request.

8. *The representative of Spain* congratulated the Secretary-General of UNIDROIT and the Preparatory Commission for the excellent work done and intervened to share the good news that the ratification of the Protocol by Spain had reached the final stage and was only awaiting the royal signature in order to proceed with the deposit. In welcoming the news, *the Secretary-General of UNIDROIT* confirmed that all decision-making steps in the ratification had been completed and that the royal signature was a formal act of promulgation.

Item No. 3 Report on recent developments (oral report of the Chairs of the Preparatory Commission)

9. *The Co-chair of the Preparatory Commission* introduced the agenda item and provided a brief update on developments concerning the activities towards the implementation and entry into force of the Luxembourg Rail Protocol that had taken place since the 9th Preparatory Commission Session held remotely in March 2021, when the draft [Regulations for the International Registry had been approved](#). He recalled that, in relation to the institutional documents, the draft Statutes and Rules of Procedure of the future Supervisory Authority had already been approved by the Preparatory Commission at its 8th session in 2018 as well as by the competent OTIF organs. He further clarified that developments related to the prospective change of control of the Registrar (including the outcome of the 10th session of the Preparatory Commission) would be discussed under Item 5 of the agenda. He also noted that developments regarding the Regulations would be presented by the Chairman of the Rail Working Group under Item 7 of the agenda, while the Rail Working Group and OTIF would present on the "Group of Experts on Permanent Identification of Railway Rolling Stock" (GE_PIRRS) and the implementation of the Unique Rail Vehicle Identification System under the Luxembourg Rail Protocol (URVIS), established by the United Nations Economic Commission for Europe (UNECE) Inland Transport Committee, under Item 8 of the agenda.

10. Regarding the status of the Protocol, the Co-Chair recalled that its entry into force required one additional ratification/accession, alongside the deposit by the Secretariat of the Supervisory Authority of a certificate confirming that the International Registry was fully operational (taking into account that such certificate was needed for the Registry to start its operation under Article XXIII (1)(b) of the Protocol). He noted that, while the insurgence of the COVID-19 pandemic had impacted governmental agendas and priorities in all countries, making it more difficult to engage governments and achieve ratifications, the Luxembourg Rail Protocol was currently being considered by several governments (including Kenya, Mauritius, and the United Kingdom), and ratification by two important railway economies (Spain and South Africa) was imminent. He referred in particular to the signature of the Protocol by Spain, on 10 November 2021, and by South Africa, on 22 March 2022, and to the fact that, as announced by the representative of Spain, Spain had completed all ministerial and parliamentary phases of the procedure for ratification of the Protocol. Likewise, the ratification process in South Africa was well underway, as confirmed the Ambassador of South Africa in her opening speech.

11. The Co-Chair then referred to the numerous promotional activities that the UNIDROIT Secretariat and the Rail Working Group had undertaken since the 9th session of the Preparatory Commission, also with the participation of OTIF, and support by other intergovernmental and international organisations. Among these, he highlighted virtual or in-person participation in events that had been organised to promote the Protocol in various countries, and at specific events or institutional meetings of several organisations, including the European Commission, the Asian Development Bank (ADB), the Asian Infrastructure Investment Bank (AIIB), APEC, and the Asian-African Legal Consultative Organisation (AALCO). He further noted that the UNIDROIT Secretariat had been very active in liaising with governmental representatives of several potential contracting States (including China, India, Italy, Mauritius, Mongolia, and the Philippines). Finally, he recognised the relentless efforts of the Rail Working Group and its Chairman, Howard Rosen, to promote the Protocol and announced that the Rail Working Group would be given the floor later on in the deliberations.

Item No. 5 Final Report of the Negotiating Team set up at the 10th Session of the Preparatory Commission (Prep. Comm. Rail/11/Doc. 2)

12. *The Co-chair of the Preparatory Commission* introduced the next agenda item, which he recalled was, together with item 6, the most important point in the agenda, and gave the floor to the UNIDROIT Secretariat for a brief presentation of the final Report of the Negotiating Team, which had been set up at the 10th session of the Preparatory Commission.

13. *The Deputy Secretary-General Anna Veneziano* introduced the Final Report of the Negotiating Team. She recalled that during the course of 2020 the Co-Chairs of the Preparatory Commission had been informed that the then-sole owner of the registrar-designate Regulis S.A., the International Communications and Technology Group SITA (SITA BV), and the Canadian listed company Information Services Corporation (ISC) had initiated preliminary contacts relating to the possibility of ISC taking over SITA's shareholdings in Regulis S.A., thereby assuming the rights and obligations of SITA and SITA Ireland in relation to the contracts for the operation of the International Registry. She further recalled that, pursuant to Clause 17 of the 2014 Supervisory Contract between Regulis S.A. and the Preparatory Commission, and on the basis of encouraging exploratory contacts, the Co-Chairs of the Preparatory Commission had requested that UNIDROIT and OTIF convene the 10th Preparatory Commission session, which had been held between 7 and 26 July 2021 using a written confirmation procedure, according to Rule 16 of the Rules of Procedure of the Preparatory Commission. The Preparatory Commission had approved the conferral of a mandate to conduct negotiations with ISC and SITA in relation to the proposed change of ownership/control to a Negotiating Team, composed of the Co-Chairs of the Preparatory Commission, Antti Leinonen (Finland) and Peter Bloch (USA), Secretary-General Ignacio Tirado and Deputy Secretary-General Anna Veneziano of UNIDROIT, Secretary General Wolfgang Küpper and Head of Administration and Finance Department Lunesterline Andriamahatahitry of OTIF, and Chairman Howard Rosen and

Secretary Martin Fleetwood of the Rail Working Group. The Negotiating Team had been mandated to ascertain the suitability of ISC to set up, operate and market the International Registry, as well as to consider suitable consequent amendments to the existing Agreements, which would continue to regulate the relationship between the parties.

14. The Deputy Secretary-General was pleased to inform the Preparatory Commission that the Negotiating Team had set up an intense schedule of work and had held several virtual plenary meetings as well as specific virtual and in-person workshops with ISC, all of which had been conducted in a spirit of full cooperation and mutual trust between the parties. The negotiations had culminated in the Negotiating Team's recommendation to the Preparatory Commission to approve the proposed substantial change of control of Regulis S.A. from SITA to ISC Atlantic Services Inc.; the proposed assignments of the rights and obligations under the 2014 Master Service Agreement, Software Security Agreement and Deed of Business Continuity from SITA and the current service provider SITA Ireland to ISC subsidiary Enterprise Registry Solutions (ERS); and the proposed adjustments to the existing Agreements (the Amended and Restated Supervisory Contract between Regulis S.A. and the Preparatory Commission together with its annexed Attachments, the Amended and Restated Master Services Agreement between ISC and ERS with its annexed Schedules, the Software Security Agreement and the Deed of Business Continuity) which had been initialled by the Preparatory Commission, ISC, and ERS, as applicable, on 3 November 2022. The Deputy Secretary-General noted that all amended agreements, both in clean and redline versions, had been made available to the members of the Preparatory Commission for full disclosure, but under a password-protected link for reasons of confidentiality.

15. In relation to the substantial change of control, the Deputy Secretary-General noted that the transaction between SITA and ISC, on which an agreement had already been reached, was subject to the Preparatory Commission's approval of the following: the Substantial Change in Control of Regulis S.A. according to Clause 17 of the current Supervisory Contract; the assignment of the Master Service Agreement, the Software Security Agreement, and the Deed of Business continuity from the current IT service provider SITA Ireland to ERS; and the Amended and Restated Agreements as initialled by the Preparatory Commission, ISC, and ERS, as applicable, on 3 November 2022.

16. The Deputy Secretary-General was furthermore pleased to inform the Preparatory Commission that, as a result of the intense negotiations with ISC, the Negotiating Team was satisfied that the change of control from SITA to ISC would not be detrimental to the future functioning of the International Registry. On the contrary, the Negotiating Team was confident that ISC, a publicly traded company whose shares were partly owned by the Government of Saskatchewan (Canada), with a strong documented financial position and extensive experience in establishing, operating and enhancing registry systems including registries for security interests, would fully meet the expectations of the Preparatory Commission in regard to the operation of the International Registry. In particular, the Negotiating Team was satisfied that ISC had become wholly cognisant of the specific purpose and operation of the International Registry under the Luxembourg Rail Protocol, and that it would provide a state-of-the-art, efficient, and user-friendly internet-based registration system matching the requirements of the Cape Town Convention and Luxembourg Rail Protocol. For further information on ISC, the Deputy Secretary-General referred to Annexe 1 of Doc. 2.

17. Concerning the request that the Preparatory Commission approve the assignment of the rights and obligations of SITA Ireland under the Master Service Agreement, the Software Security Agreement and the Deed of Business Continuity, the Deputy Secretary-General noted that such approval was necessary in order for ERS to replace SITA Ireland as IT subcontractor for ISC Atlantic Services Inc.

18. Finally, with regard to the proposed amendments to the 2014 Agreements for the operation of the International Registry, the Deputy Secretary-General noted that the negotiations had been conducted with the purpose of keeping revisions of the original agreements to a minimum. She briefly

went through the purpose and structure of the contracts, as well as their key contractual terms, which had been preserved. She further noted that a limited number of substantive changes had been deemed necessary in light of the evolution of technology over the past eight years, which had impacted the software and security systems that ISC would provide, compared to what had originally been envisaged in the 2014 contracts with SITA, and the transition to cloud-based technology to develop and operate the International Registry. While this had affected a limited number of provisions in the Supervisory Contract and Master Service Agreement, the most important changes were reflected in the technical schedules as well as in the Software Security Agreement and Deed of Business Continuity. A few other amendments resulted from the different location of the parent company and the different relationship between the Registrar and the IT subcontractor, as well as from the need to consider the evolution of the Registrar's duties over the past eight years, taking into account, among others, the revised draft Regulations.

19. *The Co-Chair of the Preparatory Commission* thanked the Secretariat for providing a complete and clear summary of the final Report of the Negotiating Team. He further informed the Preparatory Commission that though neither ISC nor SITA had been admitted to participate in the discussions of Items 5 and 6, representatives of both companies were available in person at the premises of UNIDROIT to answer any questions by the Preparatory Commission's members. Having ascertained that there were no questions or requests for clarifications at this point, the Chair moved to the next item on the agenda.

Item No. 6 Approval of: the proposed change of control in the Registrar-designate Regulis S.A. from SITA BV to ISC Atlantic Services Inc; the consequent amendments to the Agreements for the operation of the Registry negotiated by the Negotiating Team; the assignment of the Master Service Agreement, Software Security Agreement, and Deed of Business Continuity from SITA Ireland to ERS

20. *The Co-Chair of the Preparatory Commission* introduced the agenda item and noted that for this item the Preparatory Commission was requested to approve three interconnected points: the proposed substantial change of control in the Registrar-Designate Regulis Co. pursuant to Clause 17 of the 2014 Supervisory Contract between Regulis S.A. and the Preparatory Commission; the consequent amendments to the 2014 Agreements for the operation of the Registry, negotiated by the Negotiating Team set up at the 10th session of the Preparatory Commission and initialled by the Negotiating Team, ISC and ERS, as applicable, on 3 November 2022; and the assignment of the rights and obligations of the current service provider to the new one, as detailed in Prep. Comm. Rail/11/Doc. 2 and related Annexes.

21. *The Preparatory Commission* approved the proposed change of control in the Registry-designate Regulis S.A. from the International Communications and Technology Group SITA (SITA BV) to Information Services Corporation (ISC) Atlantic Services Inc.; the proposed amendments to the 2014 Agreements for the operation of the Registry (Supervisory Contract; Master Service Agreement; Software Security Agreement; Deed of Business Continuity, and all related Schedules and Attachments), as negotiated and initialled by the Negotiating Team of the Preparatory Commission, ISC and Enterprise Registry Solutions (ERS), as applicable; and the assignment of the Master Service Agreement, the Software Security Agreement and the Deed of Business Continuity from SITA Ireland to ERS. The above-mentioned proposal was approved by consensus, with one abstention (Switzerland).

Item No. 4 Statements by participating members and observers

22. *The Co-chair of the Preparatory Commission* invited a representative of ISC to join the Preparatory Commission session and take the floor.

23. *The representative of ISC Laurel Garven* expressed her thanks to the Preparatory Commission for its endorsement and her pleasure in participating in the works of the session. She emphasised the strong commitment of ISC to the success of the International Registry and to cooperation with all interested parties in the way forward. She briefly delineated the almost one-hundred year-long history of her company, based in Saskatchewan, Canada, which had grown from a trusted land registry operator to a publicly traded private-sector company with interests in a variety of commercially relevant registries, including those for secured transactions. She noted that, because of its specific experience and investment in the operation of registries, her company was well equipped to ensure that the International Registry could be set up quickly in compliance with all due requirements of security and reliability and abiding with the regulatory constraints. While the approval of the change of control and of the amended and restated contracts was certainly a milestone, they were conscious of the work lying ahead and were excited to work together with all parties, including rail industry representatives. She finally thanked the Negotiating Team for very productive and cooperative meetings.

24. *A representative of Luxembourg* reiterated his country's strong commitment to the implementation of the Protocol and confirmed Luxembourg's support for the practical steps going forward with the setting up of the Registry. He further encouraged other states to ratify the Protocol following the most recent examples of Spain and South Africa.

25. *A representative of Canada* expressed her government's great pride and satisfaction for the appointment of the Canadian – and more particularly Saskatchewan – based company ISC as the new owner of the Registry, and full confidence in ISC's ability to go above and beyond the requirements for the operation of the International Registry. Notwithstanding the fact Canada was not a party to the Protocol, Canada recognised and appreciated the importance of the Protocol for many regions in the world and the positive implications of its entry into force, on its own merits and also for the Cape Town Convention as a whole, including the implementation of the 2019 Mining, Agricultural and Construction (MAC) Protocol. She finally thanked the Negotiating Team for its hard work over the past year, which had had several positive outcomes, including the update of the agreements in respect of recent technological developments, which again could have an additional positive influence on the implementation not only of the Luxembourg Protocol but also of the MAC Protocol.

26. *The Chairman of the Rail Working Group Howard Rosen* echoed the preceding speakers in considering the decision of the Preparatory Commission a milestone. He expressed his gratitude to UNIDROIT and particularly to the Secretary-General and Deputy Secretary-General for their strong commitment to promoting the entry into force of the Protocol and for the organisation of the session; to OTIF, the fundamental role of which as Secretariat of the future Supervisory Authority should be recognised; to the Co-Chairs of the Preparatory Commission and to ISC for their cooperative attitude in the whole process.

27. The Chairman of the Rail Working Group then proceeded to report on the work conducted by the Rail Working Group behind the scenes, in addition to participation in the Negotiating Team and to the numerous promotional activities in, and for, various countries. First of all, the Rail Working Group had become an Associate Member of Rail Forum Europe, an organisation created by the European Union Parliament within which the Protocol was seen as a means to enhance sustainable transport and to achieve an integrated rail system in the EU area. Secondly, the Rail Working Group had been active in the discussions on the development of the Basel rules on prudential reserves of banks associated with credit risks, advocating acknowledgement of the type of asset-based security provided by the Protocol as a risk-reducing factor, which could additionally incentivise investment in sustainable assets. Thirdly, the Rail Working Group had participated in civil society meetings under the auspices of OECD to promote the Luxembourg Rail Protocol among export credit agencies, within the framework of the climate sector understanding.

28. *The Co-chair of the Preparatory Commission* thanked all the delegations for their input and proceeded to the next agenda item.

Item No. 7 Information on the updated draft Regulations for the International Registry for railway rolling stock (oral presentation by the Rail Working Group)

29. *The Co-chair of the Preparatory Commission Peter Bloch* introduced this agenda item, apologising for the technical issues in connecting for the first part of the session. He recalled the importance of the Registry Regulations as a crucial part of the Protocol system, providing the rules on how the Registry would function as well as the rights and obligations of the Registrar. While the first Regulations would be issued by the Supervisory Authority at its first session, extraordinary work had already been undertaken over the years, particularly by the Rail Working Group and its Chairman, Howard Rosen, on draft versions of the Regulations. He confirmed that the latest draft had been approved by the Preparatory Commission at its 9th Session in April 2021. He finally clarified that the Preparatory Commission was not yet asked to approve an updated version of the Regulations, but that the Preparatory Commission would be provided with information on recent developments.

30. *The Chairman of the Rail Working Group* reported briefly on the status of the Regulations. He recalled that they served the fundamental function of regulating the operation of the Registry and the Registrar's relationship with the Supervisory Authority. He clarified that all iterations of the Regulations presented to the Preparatory Commission so far, including the latest version approved by the Commission at its 9th session, were merely drafts to be approved by the Supervisory Authority on the go-live date. The Rail Working Group had continued to update the Regulations based on the most recent versions of the Aircraft Registry Regulations, which had been the main model so far, adapted to account for the different industry practice (including the need to solve the issue of the unique and reliable identification system for railway rolling stock for the purpose of registration, as opposed to aircraft). There were, however, other factors that influenced the drafting of the Rail Regulations, in particular deriving from the change in technology, which would impact data storage, the security of the international registry, and the authentication systems, among other things. The change of control in the Registrar-designate would have an impact in this regard.

31. The Chairman of the Rail Working Group concluded his presentation by providing information on the expected timeline for the approval of the Regulations. He noted that while several updates had already been introduced, several others still needed to be inserted. The expectation was that the last Preparatory Commission session, to be held back-to-back with the first Supervisory Authority meeting, would adopt the latest draft to be submitted to the Supervisory Authority for approval. The Regulations would need to be complemented by the Procedures covering the detailed operation of the Registry, the first draft of which was to be developed by the Registrar and presented to the Preparatory Commission for approval, and by the Terms and Conditions governing the legal conditions of use for parties utilising the Registry.

32. For more details, please refer to the PowerPoint presentation in [Annexe 3, No. 1](#).

Item No. 8 Information on the Model Rules prepared by the Group of Experts established by the United Nations Economic Commission for Europe (UNECE) for the Permanent Identification of Railway Rolling Stock (PIRRS) (oral presentation by the Rail Working Group and the OTIF Secretariat)

33. *The Co-Chair of the Preparatory Commission Antti Leinonen* introduced Item 8, for which a presentation had been prepared by the Rail Working Group and the OTIF Secretariat.

34. *The Chairman of the Rail Working Group and the representative of OTIF Lunesterline Andriamahatahity* shared the presentation on the Model Rules. The presentation explained the

reasons for the need to complement the provisions in the Luxembourg Rail Protocol on the permanent identification of railway rolling stock with additional international practical guidance. Reference was made to Art. XIV of the Protocol, according to which the Registry regulations shall prescribe a system for the allocation of identification numbers by the Registrar to enable the unique identification of items of railway rolling stock for the purpose of registration, in accordance with Article 18(1)(a) of the Cape Town Convention and that such number had to be affixed to the rolling stock. It was noted that the Registry Regulations would provide for a Unique Rail Vehicle Identification System (URVIS), a 16-digit unique number issued by the Registrar satisfying the requirements that it be unique (at the time and always, with no duplications and recycling). This system would however require uniform practical guidance on the affixation of the URVIS number to the rolling stock, which should ensure a simple, un-bureaucratic, flexible and fair solution compatible with best industry practice.

35. *The Chairman of the Rail Working Group* reported that the Rail Working Party of the Inland Transport Committee of the United Nations Economic Commission for Europe (UNECE) had established a group of experts in 2020, comprising Member States and relevant industry representatives and including the Rail Working Group, OTIF and UNIDROIT, with the mandate to develop a system to fix a unique identifier on railway rolling stock in accordance with the provisions of the Luxembourg Rail Protocol. The output of the expert group, finalised in September 2022, consisted of the proposal of a set of Model Rules, accompanied by guidance notes on the marking of the rolling stock. These were to be adopted voluntarily by unilateral declaration (to be filed with the Registrar) and would include terms of reference for the setting up of a revision committee (composed of representatives of States, UNIDROIT, OTIF, Rail Working Group, relevant industry associations, and the Registrar), which would be tasked with the periodical revision and update of the Model Rules.

36. *The representative of OTIF* completed the presentation with more details on the revision committee. She clarified that the revision committee would be open to all United Nations Member States, not only UNECE Member States, and would meet at least once a year. This would ensure that States like Gabon, which had already ratified the Luxembourg Rail Protocol, or South Africa, which was on the verge of ratifying, would be able to send their representatives to the revision committee. In addition to the representatives of States, the revision committee would include other entities such as UNIDROIT, OTIF, Rail Working Group, and the Registrar. She further referred to the timeline of approval of the Model Rules by the Inland Transport Committee of UNECE (February 2023). Finally, she noted that the draft Statutes and Rules of Procedure of the Supervisory Authority that had been approved at the 8th session of the Preparatory Commission would have to be amended to take the Model Rules into account.

37. Finally, the *Chairman of the Rail Working Group* clarified that the Model Rules were supplemental to the Protocol and did not purport to modify it; on the contrary, they were subject to it and to the Registry Regulations, which enshrined the Registrar's duties. The Model Rules were expected to be among the documents to be submitted for approval at the first session of the Supervisory Authority.

38. For more details, please refer to the PowerPoint presentation in [Annexe 3, No. 2](#).

Item No. 9 Any other business and closing of the session

39. As no other business was raised, the *Co-Chair of the Preparatory Commission* briefly summarised the outcome of the session, expressing satisfaction with the important achievement of the approval of the change of ownership in the Registrar-designate and of the amendments to the contracts for the operation of the Registry. In relation to future steps, he noted that the 12th Preparatory Commission session was expected to be the last one prior to its dissolution, to be held back-to-back with the first Supervisory Authority meeting.

40. *The Deputy Secretary-General* confirmed that the timing of the 12th session would depend on the fulfilment of two conditions: attaining the fourth ratification, which was imminent, and the issuance of a certificate by OTIF as the Secretariat of the Supervisory Authority confirming that the registry was operational. The fulfilment of this latter condition was now nearer, thanks to the approval of the change of ownership in the Registrar-designate. She further noted that UNIDROIT and OTIF had established a common procedure for the setting up of the Supervisory Authority, a task to be performed in anticipation of the go-live date. Finally, she urged all participants in the session to advocate ratification of the Protocol or continuation of the process towards ratification in their own countries.

41. Concluding remarks were delivered by *the Secretary General of OTIF*, who reiterated his confidence in the new owner of the Registrar-designate and thanked all who had contributed to the process, with particular mention of UNIDROIT and its Secretary-General and Deputy Secretary-General for their commitment regarding the Protocol and for excellent cooperation. *The Secretary-General of UNIDROIT* joined in the concluding remarks expressing satisfaction with the positive outcome of the procedure of change of ownership in the Registrar-designate, which had provided a very good solution to a potentially problematic situation, and acknowledging in particular the support of Rob Cowan, managing director of Aviareto. He added words of appreciation for all those who had participated in the negotiations, which had been conducted in a spirit of good faith and cooperation from the very beginning. In thanking the Negotiating Team for its work, he mentioned in particular the Co-Chairs of the Preparatory Commission, the representatives of the OTIF Secretariat (Secretary-General Wolfgang Küpper and Lunesterline Andriamahatahitry) with whom an excellent cooperation had been established, and the fundamental role of Rail Working Group representatives Martin Fleetwood and particularly its chairman Howard Rosen as the voice of the private sector. He finally acknowledged the work done by the Deputy Secretary-General Anna Veneziano on behalf of UNIDROIT.

42. In closing the session, *the Co-chair of the Preparatory Commission Antti Leinonen* added his thanks to Co-Chair Peter Bloch for his active role in the Negotiating Committee, to the two sponsoring organisations UNIDROIT and OTIF, to UNIDROIT for the excellent organisation of the session, and to the Rail Working Group with particular mention of the tireless work of its Chairman, Howard Rosen. He thanked all participants in the Preparatory Commission session and concluded with a vote of confidence in the success of the Protocol in the near future, and with a call to all governmental representatives to consider the great benefits of the adoption of the Luxembourg Rail Protocol by their country and proceed with ratification.

ANNEXE 1**AGENDA**

1. Opening of the session and welcome by the Secretaries General of UNIDROIT and OTIF
2. Adoption of the agenda and organisation of the session
3. Report on recent developments (oral report of the Chairs of the Preparatory Commission)
4. Statements by participating members and observers
5. Final Report of the Negotiating Team set up at the 10th Session of the Preparatory Commission (Prep. Comm. Rail/11/Doc. 2)
6. Approval of: the proposed change of control in the Registrar-designate Regulis S.A. from SITA BV to ISC Atlantic Services Inc; the consequent amendments to the Agreements for the operation of the Registry negotiated by the Negotiating Team; the assignment of the Master Service Agreement, Software Security Agreement, and Deed of Business Continuity from SITA Ireland to ERS
7. Information on the updated Draft Regulations for the International Registry for railway rolling stock (oral presentation by the Rail Working Group)
8. Information on the Model Rules prepared by the Group of Experts established by the United Nations Economic Commission for Europe (UNECE) for the Permanent Identification of Railway Rolling Stock (PIRRS) (oral presentation)
9. Any other business and closing of the session

ANNEXE 2**LIST OF PARTICIPANTS****ANGOLA**

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Ms Kathryn SABO
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FINLAND

Mr Antti LEINONEN
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ANNEXE 3

PowerPoint Presentations

- (1) Update on the Regulations for the International Registry
- (2) Development of Model Rules for Permanent Identification of railway rolling stock



1

THE 2001 CAPE TOWN CONVENTION
ON INTERNATIONAL INTERESTS IN MOBILE EQUIPMENT
 **RAIL WORKING GROUP**

Introduction

- Under Article 17(2)(d) of the Convention and the Luxembourg Rail Protocol, the Supervisory Authority must issue (and revise from time to time) regulations for the operation of the International Registry for railway rolling stock (the Rail Regulations)
- These set out the way that the International Registry should operate, in particular stipulating
 - ☐ Identification of rolling stock for registration purposes
 - ☐ Search criteria
 - ☐ Registrar liability

2

Introduction

- The Regulations are complemented by
 - ❑ operating procedures, which will be proposed by the Registrar to the Supervisory Authority for approval and
 - ❑ Registry terms and conditions which will be set out the Registrar
- First set of regulations will be approved and issued the Supervisory Authority on the date that the Protocol enters into force and the International Registry goes live

3

The basis for the Regulations

- The Rail Regulations are modelled on the Regulations for the International Registry for Aircraft (Aircraft Regulations)
- Assumption has been that the International Registry for rolling stock would operate in the same way
- Working draft updated from time to time to take into account updates to the Aircraft Regulations

4

Current status

- Current working draft approved by PrepCom in November 2018
- Taking into account enhancements made through the 8th edition of the Aircraft Regulations.
- But 9th edition of the Aircraft Regulations have already been issued

5

Updating needed

- Rail Regulations need to be updated to take into account:
 - ☐ Iterations from the 9th edition of the Aircraft Regulations
 - ☐ Permit authorised entry points
 - ☐ New technology (e.g. cloud computing, authentication systems)
 - ☐ New service provider operating the Registry with different proprietary software
 - ☐ New ideas on services and presentation
 - ☐ UNECE Model Rules

6

Timetable for update

- Implementation of the changes introduced by the 9th edition of the Aircraft Regulations - **already drafted**
- Introduction of changes to reflect the Model Rules – **already drafted**
- Adaptation of the Rail Regulations to take into account the new service provider deliverables, systems, software and other new technology – **pending**
- Updated working draft to be finalised in time consideration by the next (12th) PrepCom meeting (presumably the last to take place before entry into force)

7



8



1

Introduction

Article XIV — Identification of railway rolling stock for registration purposes

1. For the purposes of Article 18(1)(a) of the Convention, the regulations shall prescribe a system for the allocation of identification numbers by the Registrar which enable the unique identification of items of railway rolling stock. The identification number shall be:
 - a) affixed to the item of railway rolling stock;
 - b) associated in the International Registry with the manufacturer's name and the manufacturer's identification number for the item so affixed;
or
 - c) associated in the International Registry with a national or regional identification number so affixed.

2

Introduction

- Luxembourg Rail Protocol assumptions:
 - ☐ Rolling stock must be uniquely identifiable to register any creditor's interest (and notice of sale)
 - ☐ Unique at the time and always
 - ☐ Affixed permanently to each item of rolling stock
 - ☐ Must work for all rolling stock as defined by the Protocol
- Regulations will provide for URVIS (Unique Rail Vehicle Identification System) number to be issued by the registrar

3

Introduction

- URVIS (Unique Rail Vehicle Identification System) number to be issued by the registrar
- URVIS is not the only solution – but the most logical one
- Running numbers
 - ☐ differ around the world
 - ☐ may not be unique or permanent
 - ☐ do not apply to all rolling stock
 - ☐ may change during the lifetime of the asset
- Manufacturer serial numbers will differ between producers both in composition, security and style (e.g. numeric or alphanumeric?) and may be repeated for different models or recycled just for one manufacturer

4

Implementing URVIS

- Requirements to be established by registry regulations; they will provide for
 - ☐ a 16-digit unique number, with check digit, no leading zero, allocated by the International Registry registrar in Luxembourg
 - ☐ it will never be duplicated or recycled
 - ☐ and provided to manufacturer, keeper or any other party without discrimination and at nominal cost

5

Practical Issues

- URVIS number must be “affixed to the item of railway rolling stock” (LRP, Article XIV)
 - ☐ Who affixes?
 - ☐ How is it affixed?
 - ☐ Is it permanent – and can it be safely replaced?
- Type, size, location and cost of identifier
- Readability
- Accessibility
- Legal liabilities
- **CONCLUSION: We need a set of model rules to guide how the URVIS number is marked on rolling stock**

6

Guiding Principles

- Solutions should be
 - ☐ Simple
 - ☐ Easy to combine or integrate with vehicle immatriculation/registration
 - ☐ Unbureaucratic
 - ☐ Compatible with best industry practice (consulting where possible)
 - ☐ At minimal cost
- Fair and neutral administration and supervision
- Maximum flexibility to modify protocols as industry practice and technology evolves

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UN Economic Commission for Europe

- Based in Geneva with 56 member states in Europe, North America, Central and Western Asia
- Rail Working Party of the Inland Transport Committee establishes a group of experts in 2020
- Activities started in 2020, continued in 2021; mandate finished in 2022.
- Objective: To develop a system to fix a unique identifier on railway rolling stock in accordance with the provisions in the Luxembourg Rail Protocol

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Experts' Mandate

- Identify methodologies, tools and good practices for evaluating optimal mechanisms for marking railway rolling stock with unique identifiers to ensure that the marking is compatible with requirements under the Luxembourg Rail Protocol
- Shape open standards for the Unique Rail Vehicle Identification System (URVIS) application among the relevant stakeholders

Experts' Mandate

- Set out recommendations and draft protocols for a range of qualifying rolling stock marking systems with unique identifiers, taking into account the wide range of equipment potentially to be marked, the need to be flexible to adapt to future technological developments and balancing cost with effectiveness
- Consider and recommend protocols on private and public access to the unique identifier, in particular when these are accessible remotely

Model Rules

- Group of Experts comprised member states and industry organisations; RWG, OTIF and UNIDROIT all participated
- Group's report delivered on 17th November 2022
- Recommendations:
 - ☐ Model Rules - 9 articles and 2 annexes
 - ☐ To be adopted voluntarily by unilateral declaration to be filed with Luxembourg Registrar
 - ☐ Sets out basic marking system
 - ☐ Includes provisions for a revisions committee to meet at least annually and provides terms of reference
 - ☐ Accompanied by guidance notes

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Marking

- On all rolling stock
- To be permanent (various options for fixation)
- For the moment, human readable markers agreed as minimum standard
- URVIS number to be on a plate on both sides of the rolling stock, in a prominent position
- Minimum size 15cm x 10 cm
- Minimum type size 24 pt.
- URVIS number stamped or embossed on metal or plastic plate

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Model Plate

URVIS
18947 60215 03880 - 9

13

Model Plate



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Revisions Committee

- Will meet at least once per year to review possible changes to the Model Rules
- Open to all United Nations Member States
- Other participants include UNIDROIT, OTIF, Rail Working Group, EUAR, UIC, OSJD, CER, AAR, UIP and the Registrar

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Timing

- Group of Experts' report adopted by ITC Rail Working Party without amendment
November 17th/18th 2022
- Rail Working Party amended its rules of procedure
November 17th/18th 2022
- Final approval by ITC
Scheduled for 23rd February 2023
- Effective thereafter as soon as published by UN ECE
- Revisions Committee appointment thereafter

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Document Status

- The two documents below, submitted and approved at the 8th Preparatory Commission would be amended to take into account the Model Rules:
 - Statutes of the Supervisory Authority
 - Rules of Procedure of the Supervisory Authority
- At its first meeting, following the entry into force of the Luxembourg Protocol, the Supervisory Authority should approve a list of documents in addition to the two mentioned above, one of which being the Model Rules

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Model Rules

- Final Report of the Activities of the Group of Experts on the Permanent Identification of Railway Rolling Stock
[English](#) [French](#) [Russian](#)
- Proposed Model Rules on Permanent Identification of Railway Rolling Stock
[English](#) [French](#) [Russian](#)
- Proposed Terms of Reference for the Revisions Committee on the Model Rules for the Permanent Identification of Railway Rolling Stock
[English](#) [French](#) [Russian](#)
- Proposed First Draft of the Guidance Note to the Model Rules
[English](#) [French](#) [Russian](#)

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Development of Model Rules for Permanent Identification of railway rolling stock

Presentation to 11th Session of the
Preparatory Commission for the Establishment
of the International Registry for Railway Rolling
Stock under the Luxembourg Rail Protocol

Rome, November 29th 2022

Howard Rosen Chairman
Rail Working Group
Switzerland

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