



INTERNATIONAL INSTITUTE FOR THE UNIFICATION OF PRIVATE LAW
INSTITUT INTERNATIONAL POUR L'UNIFICATION DU DROIT PRIVE

**Convention on International Interests in
Mobile Equipment
Protocol to the Convention on International
Interests in Mobile Equipment on Matters
Specific to Aircraft Equipment**

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DEPOSITARY REPORT

1 January 2008 – 31 December 2009

Introduction

1. The Convention on International Interests in Mobile Equipment (the Convention) and the Protocol to the Convention on International Interests in Mobile Equipment on Matters Specific to Aircraft Equipment (the Aircraft Protocol) were both opened for signature on 16 November 2001 at the conclusion of a Diplomatic Conference held under the joint auspices of the International Institute for the Unification of Private Law (UNIDROIT) and the International Civil Aviation Organization (ICAO). Both the Convention as applied to aircraft objects, and the Aircraft Protocol, entered into force on 1 March 2006.

2. In asset-based financing, a creditor's ability to have prompt recourse to the underlying assets in the event of a default is a principal factor in determining how the transaction's risks, and overall costs, are calculated. Where national legal rules for the recognition and enforcement of security interests present impediments to such prompt recourse, or are materially different from rules in other jurisdictions, the risks (or perceived risks) for the creditor can increase, particularly if, as in the case of aircraft objects, the asset will be moving through different jurisdictions and possibly become subject to such national legal rules at the time of default. The costs of finance tend to be higher as a result of the increased risks. The Convention addresses this issue by establishing an international legal framework for the creation, recognition, registration and enforcement of "international interests" in high-value mobile equipment.¹ The Aircraft Protocol provides for the application of the Convention in relation to aircraft objects (airframes, aircraft engines and helicopters), and modifies the operation of the Convention to the particular requirements of transactions involving those objects.

Basis of the report

3. This report has been prepared by UNIDROIT, in its capacity as Depositary of the Convention and Aircraft Protocol, pursuant to Article 61(1) of the Convention² and Article XXXVI(1) of the Aircraft Protocol.³

The Reporting Period

4. This report covers both the Convention and Aircraft Protocol for the period 1 January 2008 to 31 December 2009 (the Reporting Period). The Reporting Period corresponds to the period covered by the biennial report made by the Supervisory Authority pursuant to Article 17(2)(j) of the Convention.

¹ Three categories of high-value are specified in Article 2(3) of the Convention: (a) airframes, aircraft engines and helicopters; (b) railway rolling stock; and (iii) space assets. Article 51 of the Convention provides that the Depositary may create working groups to assess the feasibility of extending the application of the Convention, through one or more Protocols, to objects of any other category of high-value mobile equipment.

² Article 61(1) of the Convention provides: "The Depositary shall prepare reports yearly or at such other times as the circumstances may require for the States Parties as to the manner in which the international regimen established in this Convention has operated in practice. In preparing such reports, the Depositary shall take into account the reports of the Supervisory Authority concerning the functioning of the international registration system."

³ Article XXXVI(1) of the Aircraft Protocol provides: "The Depositary, in consultation with the Supervisory Authority, shall prepare reports yearly, or at such other times as the circumstances may require, for the States Parties as to the manner in which the international regimen established in this Convention as amended by this Protocol has operated in practice. In preparing such reports, the Depositary shall take into account the reports of the Supervisory Authority concerning the functioning of the international registration system."

Depositary Activity during the Reporting Period

5. At the commencement of the Reporting Period, there were 18 Contracting States to the Convention and 17 Contracting States to the Aircraft Protocol.

6. During the Reporting Period, 13 States and one Regional Economic Integration Organisation became Contracting States to the Convention, and 11 States and one Regional Economic Integration Organisation became Contracting States to the Aircraft Protocol.

7. Appendix 1 shows the status of the Convention and Aircraft Protocol as at the end of the Reporting Period, including details of all signatures, ratifications, accessions, declarations, and dates of entry into force.

Operation of the Convention and Aircraft Protocol in practice during the Reporting Period

8. In February 2010 the Depositary advised Contracting States to the Convention and the Aircraft Protocol that it would be grateful to receive from them information and comments as to the manner in which the international regime established by the Convention and Aircraft Protocol had operated in practice. The Government of Mongolia and the Government of the Republic of Singapore provided information and comments, which are set out in Appendix 2.

9. The report of the Supervisory Authority to States Parties to the Convention and Aircraft Protocol, covering the period 1 January 2008 to 31 December 2009 and made pursuant to Article 17(2)(j) of the Convention, was provided to UNIDROIT in April 2010. That report is required, by Article 61(1) of the Convention, to be taken into account in the preparation of this report. The matters dealt with in the report include:

- the decision, taken at the sixth meeting of the 188th Session of the ICAO Council, to reappoint the Registrar of the International Registry for a second five-year term commencing on 1 March 2011;
- the approval by the ICAO Council of changes to the Regulation and Procedures for the International Registry to introduce innovations to the Registry;
- the activities of the Commission of Experts of the Supervisory Authority of the International Registry, including the holding of its third meeting from 1 to 2 December 2008 and its fourth meeting from 14 to 15 December 2009, and its recommendations for additional future amendments to the Regulations and Procedures;
- monitoring activities by the Supervisory Authority, including meetings and communications with the International Registry and receipt and processing of information received from the Depositary.

10. The Depositary is not aware of any national court or tribunal decisions during the Reporting Period involving the application of the Convention or Aircraft Protocol.

Review Conferences

11. Article 61(2) of the Convention and Article XXXVI(2) of the Aircraft Protocol provide for the convening of Review Conferences at the request of not less than twenty-five percent of the States Parties. During the Reporting Period the Depositary received no

requests for the convening of a Review Conference pursuant to Article 61(2) of the Convention and Article XXXVI(2) of the Aircraft Protocol.

APPENDIX 1

CONVENTION ON INTERNATIONAL INTERESTS IN MOBILE EQUIPMENT
CONVENTION RELATIVE AUX GARANTIES INTERNATIONALES
PORTANT SUR DES MATÉRIELS D'ÉQUIPEMENT MOBILES

Adoption:		Place: Cape Town / <i>Lieu</i> : Le Cap Date: 16.11.2001		
Entry into force / <i>Entrée en vigueur</i>:		Date: 01.03.2006 (ex Art. 49(1))		
STATE / ETAT	SIGNATURE	RATIFICATION (RT) ACCEPTANCE / ACCEPTATION (AC) APPROVAL / APPROBATION (AP) ACCESSION / ADHESION (AS)	DECLARATIONS	ENTRY INTO FORCE / ENTREE EN VIGUEUR
Afghanistan		25.07.2006 (AS)	Arts. 39(1)(a), 39(1)(b), 40, 52, 53, 54(2)	01.11.2006
Albania / <i>Albanie</i>		30.10.2007 (AS)	Arts. 39(1)(a), 39(1)(b), 54(2)	01.02.2008
Angola		30.04.2006 (AS)	Arts. 39(1)(a), 40, 54(2)	01.08.2006
Bangladesh		15.12.2008 (AS)	Arts 39(1)(a), 39(1)(b), 40, 52, 53, 54(2)	01.04.2009
Burundi	16.11.2001			
Canada	31.03.2004			
Cape Verde / <i>Cap-Vert</i>		26.09.2007 (AS)	Arts. 39(1)(a), 40, 53, 54(2)	01.01.2008
Chile / <i>Chili</i>	16.11.2001			
China / <i>Chine</i>	16.11.2001	03.02.2009 (RT)	Arts. 39(1)(a), 39(1)(b), 40, 50, 53, 54(1), 54(2), 55	01.06.2009
Colombia / <i>Colombie</i>		19.02.2007 (AS)	Arts. 39(1)(a), 54(2)	01.06.2007
Congo	16.11.2001			
Cuba	16.11.2001	28.01.2009 (RT)	Art. 54(2)	01.05.2009
Ethiopia / <i>Ethiopie</i>	16.11.2001	21.11.2003 (RT)	Arts. 39(1)(a), 40, 54(2)	01.03.2006
European Community / <i>Communauté européenne</i> ††		28.04.2009 (AS)	Arts. 48(2), 55	01.08.2009
France	16.11.2001			
Germany / <i>Allemagne</i> (with declaration at signature / <i>avec déclaration à la signature</i>)	17.09.2002			
Ghana	16.11.2001			
India / <i>Inde</i>		31.03.2008 (AS)	Arts. 39(1)(a), 39(1)(b), 40, 52, 53, 54(2)	01.07.2008
Indonesia / <i>Indonésie</i>		16.03.2007 (AS)	Arts. 39(1)(a), 39(1)(b), 40, 53, 54(2)	01.07.2007

Ireland / <i>Irlande</i>		29.07.2005 (AS)	Arts. 39(1)(a), 39(1)(b), 54(2)	01.03.2006
Italy / <i>Italie</i>	06.12.2001			
Jamaica / <i>Jamaïque</i>	16.11.2001			
Jordan / <i>Jordanie</i>	16.11.2001			
Kazakhstan		21.01.2009 (AS)		01.05.2009†
Kenya	16.11.2001	13.10.2006 (RT)	Arts. 39(1)(a),* 39(1)(b), 40, 53, 54(2)	01.02.2007
Lesotho	16.11.2001			
Luxembourg		27.06.2008 (AS)	Arts. 53, 54(2)	01.10.2008
Malaysia / <i>Malaisie</i>		02.11.2005 (AS)	Arts. 39(1)(a), 39(1)(b), 40, 53, 54(2)	01.03.2006
Mexico / <i>Mexique</i>		31.07.2007 (AS)	Arts. 39(1)(a), 39(1)(b), 50, 53, 54(2), 60	01.11.2007
Mongolia / <i>Mongolie</i>		19.10.2006 (AS)	Arts. 39(1)(a), 39(1)(b), 53, 54(2)	01.02.2007
Nigeria	16.11.2001	16.12.2003 (RT)	Arts. 39(1)(a),* 40,* 53,* 54(2)*	01.03.2006
Oman		21.03.2005 (AS)	Arts. 39(1)(a), 39(1)(b), 40, 52, 53, 54(2)	01.03.2006
Pakistan		22.01.2004 (AS)	Arts. 39(1)(a), 39(1)(b), 39(4), 40, 52, 53, 54(2)	01.03.2006
Panama	11.09.2002	28.07.2003 (RT)	Arts. 39(1)(a), 39(1)(b), 39(4), 50, 53, 54(2)	01.03.2006
Saudi Arabia / <i>Arabie saoudite</i>	12.03.2003	27.06.2008	Art. 54(2)	01.10.2008
Senegal / <i>Sénégal</i>	02.04.2002	09.01.2006 (RT)	Arts. 39(1)(a), 39(1)(b), 40, 52, 53, 54(2)	01.05.2006
Singapore / <i>Singapour</i>		28.01.2009 (AS)	Arts. 39(1)(a), 39(1)(b), 39(4), 53, 54(2)	01.05.2009
South Africa / <i>Afrique du sud</i>	16.11.2001	18.01.2007 (RT)	Arts. 39(1)(a), 39(1)(b), 40, 54(2)	01.05.2007
Sudan / <i>Soudan</i>	16.11.2001			
Switzerland / <i>Suisse</i>	16.11.2001 <i>ad referendum</i>			
Syrian Arab Republic / <i>République arabe syrienne</i>		07.08.2007 (AS)		01.12.2007†
Tonga	16.11.2001			
Turkey / <i>Turquie</i>	16.11.2001			
Ukraine	09.03.2004			
United Arab Emirates / <i>Émirats arabes unis</i>		29.04.2008 (AS)	Arts. 39(1)(a), 39(1)(b), 40, 52, 53, 54(2)	01.08.2008

United Kingdom / <i>Royaume-Uni</i> (with declaration at signature / <i>avec déclaration à la signature</i>)	16.11.2001			
United Republic of Tanzania / <i>République-Unie de Tanzanie</i>	16.11.2001	30.01.2009 (RT)	Art. 54(2)	01.05.2009
United States of America / <i>Etats- Unis d'Amérique</i>	09.05.2003	28.10.2004 (RT)	Arts. 39(1)(a), 39(1)(b), 54(2)	01.03.2006
Zimbabwe		13.05.2008 (AS)		01.09.2008†

* Affected by withdrawal and/or subsequent declaration. / *Fait l'objet d'un retrait et/ou d'une déclaration subséquente*

† Subject to / sous réserve du: Convention Article 49(1)

†† Regional Economic Integration Organisation / Organisation régionale d'intégration économique: Convention Article 48

**PROTOCOL TO THE CONVENTION ON INTERNATIONAL INTERESTS IN MOBILE EQUIPMENT
ON MATTERS SPECIFIC TO AIRCRAFT EQUIPMENT**
**PROTOCOLE PORTANT SUR LES QUESTIONS SPÉCIFIQUES AUX MATÉRIELS D'ÉQUIPEMENT
AÉRONAUTIQUES À LA CONVENTION RELATIVE AUX GARANTIES INTERNATIONALES
PORTANT SUR DES MATÉRIELS D'ÉQUIPEMENT MOBILES**

Adoption:		Place: Cape Town / <i>Lieu</i> : Le Cap Date: 16-11-2001		
Entry into force: Entrée en vigueur:		Date: 01.03.2006 (ex Art. XXVIII(1))		
STATE / ETAT	SIGNATURE	RATIFICATION (RT) ACCEPTANCE / ACCEPTATION (AC) APPROVAL / APPROBATION (AP) ACCESSION / ADHESION (AS)	DECLARATIONS	ENTRY INTO FORCE / ENTREE EN VIGUEUR
Afghanistan		25.07.2006 (AS)	Arts. XXIX, XXX(1), (2), (3)	01.11.2006
Albania / <i>Albanie</i>		30.10.2007 (AS)	Arts. XIX, XXX(1)	01.02.2008
Angola		30.04.2006 (AS)	Art. XXX(1), (2), (3)	01.08.2006
Bangladesh		15.12.2008 (AS)	Arts XXIX, XXX(1), XXX(2), XXX(3)	01.04.2009
Burundi	16.11.2001			
Canada	31.03.2004			
Cape Verde / <i>Cap-Vert</i>		26.09.2007 (AS)	Art. XXX(1), (2), (3)	01.01.2008
Chile / <i>Chili</i>	16.11.2001			
China / <i>Chine</i>	16.11.2001	03.02.2009 (RT)	Arts. XIX, XXIX, XXX(1), XXX(2), XXX(3)	01.06.2009
Colombia / <i>Colombie</i>		19.02.2007 (AS)	Art. XXX(1), (2), (3)	01.06.2007
Congo	16.11.2001			
Cuba	16.11.2001	28.01.2009 (RT)		01.05.2009
Ethiopia / <i>Ethiopie</i>	16.11.2001	21.11.2003 (RT)	Art. XXX(1), (2), (3)	01.03.2006
European Community / <i>Communauté européenne</i> ††		28.04.2009 (AS)	Arts. XXVII(2), XXX(5)	01.08.2009
France	16.11.2001			
Germany / <i>Allemagne</i> (with declaration at signature / <i>avec déclaration à la signature</i>)	17.09.2002			
Ghana	16.11.2001			
India		31.03.2008 (AS)	Arts. XXX(1), (2), (3)	01.07.2008
Indonesia / <i>Indonésie</i>		16.03.2007 (AS)	Art. XXX(1), (2), (3)	01.07.2007
Ireland / <i>Irlande</i>		23.08.2005 (AS)	Art. XXX(1), (2)	01.03.2006
Italy / <i>Italie</i>	06.12.2001			

Jamaica / <i>Jamaïque</i>	16.11.2001			
Jordan / <i>Jordanie</i>	16.11.2001			
Kenya	16.11.2001	13.10.2006 (RT)	Art. XXX(1), (2), (3)	01.02.2007
Lesotho	16.11.2001			
Luxembourg		27.06.2008 (AS)	Art. XXX(1), (2), (3)	01.10.2008
Malaysia / <i>Malaisie</i>		02.11.2005 (AS)	Art. XXX(1), (2), (3)*	01.03.2006
Mexico / <i>Mexique</i>		31.07.2007 (AS)	Arts. XIX, XXX(1), (3)	01.11.2007
Mongolia / <i>Mongolie</i>		19.10.2006 (AS)	Art. XXX(1), (2), (3)	01.02.2007
Nigeria	16.11.2001	16.12.2003 (RT)	Art. XXX(1),* (2),* (3)*	01.03.2006
Oman		21.03.2005 (AS)	Arts. XXIX, XXX(1), (2), (3)	01.03.2006
Pakistan		22.01.2004 (AS)	Arts. XXIX, XXX(1), (2), (3)	01.03.2006
Panama	11.09.2002	28.07.2003 (RT)	Art. XXX(1), (2), (3)	01.03.2006
Saudi Arabia / <i>Arabie saoudite</i>	12.03.2003	27.06.2008 (RT)		01.10.2008
Senegal / <i>Sénégal</i>	02.04.2002	09.01.2006 (RT)	Arts. XXIX, XXX(1), (2), (3)	01.05.2006
Singapore / <i>Singapour</i>		28.01.2009 (AS)	Arts. XXX(1), (3)	01.05.2009
South Africa / <i>Afrique du sud</i>	16.11.2001	18.01.2007 (RT)	Arts. XXX(1), (2), (3)	01.05.2007
Sudan / <i>Soudan</i>	16.11.2001			
Switzerland / <i>Suisse</i>	16.11.2001 <i>ad referendum</i>			
Tonga	16.11.2001			
Turkey / <i>Turquie</i>	16.11.2001			
Ukraine	03.03.2004			
United Arab Emirates / <i>Émirats arabes unis</i>		29.04.08 (AS)	Arts. XIX, XXIX, XXX(1), XXX(2), XXX(3)	01.08.2008
United Kingdom / <i>Royaume-Uni</i> (with declaration at signature / <i>avec déclaration à la signature</i>)	16.11.2001			
United Republic of Tanzania / <i>République-Unie de Tanzanie</i>	16.11.2001	30.01.2009 (RT)	Art. XXX(1),* (2),* (3)*	01.05.2009
United States of America / <i>Etats-Unis d'Amérique</i>	09.05.2003	28.10.2004 (RT)	Arts. XIX, XXX(1)	01.03.2006

* Affected by withdrawal and/or subsequent declaration. / *Fait l'objet d'un retrait et/ou d'une déclaration subséquente*

†† Regional Economic Integration Organisation / *Organisation régionale d'intégration économique*: Protocol / *Protocole Article XXVII*

APPENDIX 2**Information and Comments Provided by Contracting States****Mongolia**

- (i) There has been no aircraft procurement registered by MIAT Co. Ltd (Mongolian Airlines) in 2008-2009 time periods.
- (ii) Aircrafts Fokker-50 JU-8251 and sistership JU-8258 has been purchased by Airmongolia Co.Ltd (private owned airline) with all equipments of the aircraft to have Standard setting. With the agreement of the aircraft manufacturer Emergency Locator Transmitter (ELT) has been installed additionally.

Number	Number of Aircraft	Number of parts	Installed date
1	JU-8251	P/N: 01 N 65910 S/N: 09253261	25 th Nov 2009
2	JU-8258	P/N: 01 n 63736 S/N: 09143214	26 th May 2009

Republic of Singapore

- (a) the *Convention on International Interests in Mobile Equipment* (Convention) and the *Protocol to the Convention on International Interests in Mobile Equipment in Matters specific to Aircraft Equipment* (Protocol) has been implemented in Singapore through the International Interests in Aircraft Equipment Act which came into force on 1 May 2009;
- (b) during the period from 1 May 2009 (when the Convention and Protocol came into force for Singapore) to 31 December 2009, the Civil Aviation Authority of Singapore received and acknowledged a number of irrevocable de-registration and export request authorisations made pursuant to Article XIII of the Protocol and has established a procedure to assist the industry in the preparation and presentation of such request authorisations; and
- (c) the Civil Aviation Authority of Singapore hosted and jointly organised with Unidroit, the International Civil Aviation Organisation (ICAO) and the Aviation Working Group (AWG), a regional seminar from 17 to 18 November 2009 on the Convention and Protocol covering *inter alia* implementation issues, advanced contracts, registration and transaction practices which was attended by participants from governments and the private sector.