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**PREPARATORY COMMISSION FOR THE ESTABLISHMENT OF  
THE INTERNATIONAL REGISTRY FOR MAC EQUIPMENT  
PURSUANT TO THE MAC PROTOCOL**

UNIDROIT 2024  
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***Sixth session (hybrid)***  
**11 – 12 April 2024**

**RATIFICATION TASK FORCE AND IMPLEMENTATION UPDATE**

**A. Introduction**

1. The purpose of this document is to provide additional information to the Preparatory Commission regarding the promotion, implementation and ratification of the MAC Protocol, and to report back on the operation of the Ratification Task Force.
2. As of March 2024, five States (the Republic of Congo, the Republic of Gambia, the Republic of Paraguay, the Federal Republic of Nigeria, and the United States of America) and one Regional Economic Integration Organisation (the European Union) have signed the MAC Protocol, although it has not yet been ratified by any States.

**B. Background**

3. Article XXV(1)(a) of the MAC Protocol provides that five States must ratify the MAC Protocol before it can enter into force.
4. At its fifth session in November 2022, the Preparatory Commission decided to create a MAC Protocol Ratification Task Force (RTF) to support the promotion, implementation and ratification of the MAC Protocol.

**C. Ratification update**

5. The MAC Protocol is under consideration in several States around the world. In many such States, following recent governmental meetings with the UNIDROIT Secretariat, consideration is at a preliminary stage (Brazil, India, Japan and China). In other States, the treaty has been under long-term consideration and there has been some progression towards Government approval and the development of implementing legislation (Kenya and Mauritius).
6. One State is close to ratification: the Republic of Paraguay. In August 2023, the President and Foreign Minister of Paraguay recommended that the Paraguayan Parliament approve the MAC, Rail and Space Protocols to the Cape Town Convention (Paraguay is already a Contracting State of the Cape Town Convention and the Aircraft Protocol). In December 2023, the Paraguayan Senate approved the ratification of the three Protocols. In March 2024, the Paraguayan Chamber of Deputies approved the ratification of the three Protocols. It is anticipated that in the coming weeks the Paraguayan President will formally enact the three treaties and deposit the instruments of ratification with the UNIDROIT Secretariat, which will make Paraguay the first Contracting State of the MAC Protocol.

7. Through the activities of the RTF and the MAC Working Group, promotion and implementation activities will increase significantly in 2024 and 2025. The appointment of a Registrar to build and operation the MAC registry and the development of a registry prototype should also encourage States to prioritise their ratification activities.

#### **D. The Ratification Task Force**

8. Following the Preparatory Commission's decision to create the RTF in 2022, the body was established in 2023. The RTF is an informal group of interested stakeholders that will meet on a regular basis to coordinate strategy and initiatives to promote and implement the MAC Protocol. The RTF is composed of (i) supportive Member States, (ii) supportive intergovernmental and international non-governmental organisations, (iii) the MAC Working Group (representing private sector stakeholders), (iv) the Registrar for the International Registry for MAC Equipment (once appointed), (v) the Supervisory Authority (once appointed), and (vi) the UNIDROIT Secretariat. Participation in the RTF is on a voluntary basis and there are no financial obligations for members.

9. The RTF is currently composed of three States, one international organisation, private sector representatives, and the UNIDROIT Secretariat.<sup>1</sup> The Registrar is also expected to join the RTF, once appointed.

10. The RTF held its first session on 5 October 2023 and its second session on 19 December 2023. The summary reports from the first two sessions are available in Annexes I and II of this document respectively. During its first two sessions, the RTF progressed the following initiatives:

- (a) Establishment of a digital sharepoint for all RTF members to upload and access relevant materials (completed).
- (b) Creation of a table tracking the implementation status of the MAC Protocol in different countries (completed).
- (c) Adoption of the MAC Protocol as a policy priority by relevant international and regional fora (in progress):
  - i. International Organisations
    - Organisation for Economic Cooperation and Development (OECD)
  - ii. International Financial Institutions:
    - Asian Development Bank (ADB)
    - Asian Infrastructure and Investment Bank (AIIB)
    - European Bank for Reconstruction and Development (EBRD)
    - World Bank Group (WBG)
  - iii. Regional bodies:
    - Asia-Pacific Economic Cooperation (APEC)
    - East African Community (EAC)
    - European Union (EU)

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<sup>1</sup> The RTF is currently composed of Germany, the United Kingdom, the United States of America, the MAC Working Group, the International Law Institute and the Unidroit Secretariat. Australia and Japan are also currently considering joining the RTF.

- (d) The organisation of future events to promote and implement the MAC Protocol:
  - i. Virtual briefing for US Embassies in specific African States that have already ratified the Cape Town Convention (led by the MAC Working Group) (2024)
  - ii. Organisation of an event on the MAC Protocol around the annual Cape Town Academic Conference in Cambridge (September 2024)
  - iii. Organisation of a APEC Workshop on the agriculture finance and the MAC Protocol in Japan (2025)
- (e) Development of a list 5 – 10 priority States to which RTF members can provide ratification support in 2024 and 2025 (in progress).
- (f) Preparation of a new MAC Protocol benefits assessment for the MAC Protocol, to update the 2018 Economic Assessment (in progress).

11. The RTF will continue to meet virtually on a quarterly basis to progress the initiatives listed above. Any Preparatory Commission Member States or observing organisations who wish to be more actively involved in the promotion, ratification and implementation of the MAC Protocol are warmly encouraged to join the RTF.

## **E. Other implementation activities**

12. Since the Preparatory Commission's fifth session, the UNIDROIT Secretariat has discussed the promotion and implementation of the MAC Protocol with Governmental officials in approximately 20 States, including Australia, Brazil, China, Georgia, India, Japan, Kenya, Luxembourg, Mauritius, Mongolia, Mozambique, Papua New Guinea, Paraguay, Viet Nam, the United Kingdom, the United States.

13. In relation to presentations and events, in 2023 and early 2024, UNIDROIT undertook the following initiatives to promote and implement the MAC Protocol:

- (a) Remote presentation to the Committee for European Construction Equipment (CECE) General Assembly at its 2023 Congress on the MAC Protocol's benefits for the manufacturing industry and how the industry can support the implementation of the MAC Protocol both within Europe and globally (Chamonix, January 2023).
- (b) Presentation for Georgian Legal experts on the operation and legal benefits of the Cape Town Convention and its Protocols (Rome, May 2023).
- (c) Presentation to African legal experts as part of the Unidroit Law and International Programme on how the MAC Protocol could provide legal and economic benefits for African States (Rome, July 2023).
- (d) Workshop for the Indian Government on the legal and economic benefits of the MAC Protocol (New Delhi, July 2023).
- (e) Remote presentation during Policy Dialogue during the APEC Economic Committee on the benefits of the implementation of the MAC Protocol in the Asia Pacific region (Seattle, August 2023).
- (f) Presentation on how the Cape Town Convention and the MAC Protocol could support the European Bank for Reconstruction and Development (EBRD)'s core work to the EBRD Legal Transition Team (London, September 2023).
- (g) Presentation on how the MAC Protocol will support mechanisation and economic development at the UN Food and Agriculture Organization Mechanization Conference (Rome, September 2023).
- (h) Presentation of the legal and economic benefits of the MAC Protocol at an APEC Workshop on Secured Transactions Reform (Tokyo, October 2023).

- (i) Remote presentation on the MAC Protocol to the Strategic Committee of the European Agricultural Machinery Industry (CEMA). The presentation focused on how the MAC Protocol would facilitate new export opportunities for European agricultural equipment manufacturers, and support several CEMA policy priorities (Brussels, October 2023).
- (j) Presentation on how the MAC Protocol will support the Asian Infrastructure and Investment Bank (AIIB) in achieving its Infrastructure for Tomorrow (i4t) agenda and its four thematic priorities of green infrastructure, connectivity and regional cooperation, technology-enabled infrastructure and private capital mobilization (Beijing, December 2023).
- (k) Presentation to the Equipment Financing and Leasing Association (ELFA) on the benefits of the MAC Protocol for the equipment finance industry (Washington DC, January 2024).
- (l) Presentation to the World Bank Group on how the MAC Protocol would complement the legal reforms undertaken by the World Bank Group to facilitate private sector investment and develop financial markets globally (Washington DC, January 2024).

## **F. Decision**

14. The Preparatory Commission is invited to note the reports and work undertaken by the Ratification Task Force. The Preparatory Commission is invited to further note the other activities undertaken to support the promotion, implementation and ratification of the MAC Protocol.

**ANNEXE I**

**SUMMARY REPORT**

**MAC Protocol Ratification Task Force**

**First session**

**(Remote, 5 October 2023)**



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

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**EN**

**MAC Protocol  
Ratification Task Force  
First session (remote)  
5 October 2023**

UNIDROIT 2023  
MACRTF/1/Doc. 2  
English only  
December 2023

**SUMMARY REPORT**

**MAC Protocol Ratification Task Force**

**First session**

**(Remote, 5 October 2023)**

1. The MAC Protocol Ratification Task Force (RTF) was established by the MAC Preparatory Commission at its fifth session in November 2022. The RTF is an informal group of interested stakeholders that meets on a regular basis to coordinate strategy and initiatives to promote and implement the MAC Protocol.

2. The first session of the RTF took place on 5 October 2023. The session was held remotely and was attended by 21 participants (the full list of participants is provided in Annexe II).

### **Item No. 1 Opening of the session and welcome by the UNIDROIT Secretary-General**

3. In his capacity as the chair of the MAC RTF, *the UNIDROIT Secretary-General* welcomed participants to the first session. He noted that the current session was and subsequent sessions would be informal meetings between friendly parties with a joint purpose to promote the ratification of the MAC Protocol around the world, in order to achieve the earliest possible entry into force.

4. RTF participants briefly introduced themselves.

### **Item No. 2 Adoption of the draft agenda**

5. The RTF adopted the draft agenda (provided in Annexe I).

### **Item No. 3 Composition of the Ratification Task Force**

6. *The UNIDROIT Secretary-General* noted that the parties eligible to become members of the RTF had been determined by the MAC Preparatory Commission (**Preparatory Commission**) at its fifth session:

- a. Supportive Member States
- b. Supportive International Intergovernmental and Non-Governmental Organisations
- c. The MAC Working Group (private sector stakeholders)
- d. The Registrar for the International Registry for MAC Equipment (once appointed)
- e. The Supervisory Authority (once appointed)
- f. The UNIDROIT Secretariat

7. *The RTF* discussed whether it would be permissible to allow the presumptive Registrar to participate in future RTF sessions before it had been formally appointed as Registrar by the Preparatory Commission. It was noted that the presumptive Registrar could bring useful information as to substance and process. *The Chair of the MAC Preparatory Commission* suggested that any invitation extended to the presumptive Registrar to participate in the RTF should strictly be on a provisional basis, depending on the outcome of the registry contract negotiations. *The RTF agreed that the presumptive Registrar should be invited to participate in future RTF sessions, once registry contract negotiations had progressed further.*

8. *The Ratification Task Force agreed that Japan, Australia and Spain should be extended invitations to join the MAC RTF, on the basis that all three countries had been deeply involved in the negotiation of the treaty, had expressed strong support for its promotion and would benefit from its global adoption.*

9. *The Secretary-General* noted that during a recent visit to Brazil in June 2023, the Ministry of Development and the Association of Small Farmers had expressed an interest in promoting the MAC Protocol. However, they required further support from the private sector.

10. The RTF members generally agreed that African participation in the RTF would be useful. It was suggested that the two best candidates would be Kenya and South Africa, noting that both countries would be large beneficiaries of the MAC Protocol and were also high priority States in which to promote ratification. *The Secretary-General* suggested that it would be best to attain African participation from South Africa, Nigeria or Kenya as those countries had the strongest influence in the African region.

11. *The MAC Working Group* agreed that it would be useful to encourage African States to join the RTF, but gently urged caution in including countries that had been identified as high priority ratification target countries as RTF members, as such a decision might subsequently become problematic.

#### **Item No. 4 Objectives, strategy and proposed activities of the Ratification Task Force**

12. *The UNIDROIT Secretariat* outlined the RTF's proposed objectives, as discussed by the Preparatory Commission at its fifth session:

- a. to develop different strategies and initiatives for the promotion and implementation of the MAC Protocol;
- b. to maintain a table tracking the implementation status of the MAC Protocol in different countries;
- c. to coordinate efforts and resources to promote and implement the MAC Protocol; and
- d. to organise events and to develop, promote and implement documents.

13. *The UNIDROIT Secretariat* proposed the creation and circulation of a shared Excel implementation tracker into which RTF members could provide input. *The MAC Working Group* agreed that the tracker would be useful and recommended also including a tab for upcoming interactions. *The RTF agreed to create and use a shared implementation tracker to efficiently coordinate the promotion of the MAC Protocol.*

14. *The UNIDROIT Secretariat* highlighted that messages promoting the MAC Protocol should be tailored to different audiences (eg. trade benefits, economic benefits, access to credit benefits, and sustainability and development benefits).

15. *The International Law Institute* recommended that the RTF should provide concrete examples of the MAC Protocol's sustainability and development benefits. *The United States* noted that AEM and other companies had produced a range of reports and documents outlining the environmental benefits of MAC equipment, some of which related specifically to the Sustainable Development Goals.

16. *The MACPC Chair* noted that one of the potential benefits of the MAC Protocol was that newer, more sustainable equipment would be available. *The United Kingdom* agreed, however it noted that some of the environmental benefits of using new equipment might be offset by the continued use of older equipment enabled by effects that the MAC Protocol would have on the second-hand equipment market. *The MAC Working Group* agreed that while it was anticipated that the MAC Protocol would create a secondary market, any older equipment that could not be resold or refinanced would often be recycled, because of the high material value of the equipment components. It was further explained that as the MAC Protocol facilitated the export of new equipment (with significant productivity and emissions advantages), the older equipment would be relegated to intermittent use at a more affordable cost.



#### Identification of priority States for MAC Protocol ratification

17. *The UNIDROIT Secretariat* suggested that the RTF should collectively try to identify the countries most likely to ratify the MAC Protocol in the next 24 months, noting the Registry was expected to be ready by 2025. UNIDROIT noted that it had been working with several regional bodies to promote the MAC Protocol, including the European Commission (EU), United Nations Economic Commission for Africa (UNECA) and the African Union.

18. It was noted that no regional bodies in Latin America had yet been engaged in promoting the implementation of the MAC Protocol.

19. *The United States* queried whether any further engagement had been made with the Republic of Congo, the Gambia, Paraguay and Nigeria (the 4 signatories at the Diplomatic Conference). *The UNIDROIT Secretariat* responded that (i) Paraguay had commenced the parliamentary ratification process, (ii) Nigeria had expressed continued interest in the MAC Protocol but that UNIDROIT had not undertaken any recent bilateral discussions with them, (iii) the Republic of Congo remained engaged in their capacity a member of the Preparatory Commission, but had not made any concrete process, and (iv) the Gambia had not been progressed, partially as a result of the difficulty of engaging with the Gambia (which was not a UNIDROIT Member State, nor actively participated in the MACPC).

20. *The MAC Working Group* noted that as five ratifications were necessary for entry into force, there was value in promoting the MAC Protocol in smaller countries that might be able to ratify the treaty relatively quickly. *The UNIDROIT Secretariat* agreed that smaller countries were best positioned to ratify quickly, and further explained that the Protocol would need to be ratified by at least one large country with a high number of parties that would become users of the Registry, such as Brazil, India or Indonesia.

21. In relation to ratification progress in Europe, *the UNIDROIT Secretariat* explained that the MAC Protocol was not a priority for the EU and that EU Member States would need to encourage the European Commission to prioritise the implementation and ratification of the MAC Protocol. It was suggested that Spain would be unlikely to push for ratification within the next 24 months, but support from Germany and Italy could be decisive. *Germany* suggested that it might be worth speaking with the incoming Belgian Presidency.

22. *The MAC Working Group* noted that Argentina could be a suitable country to engage with, depending on the outcome of the upcoming election.

23. The Ratification Task Force noted that while it was easier to promote the MAC Protocol in States that had already ratified the Convention and Aircraft Protocol, it did not provide a significant advantage as different parts of Government would be responsible for the different Protocols.

24. *The Secretariat* explained that it did not have individual country data regarding the extent to which the Aircraft Protocol had lowered finance costs in Contracting States. *The United Kingdom* noted that it was in the process of conducting a post implementation review of the Aircraft Protocol, but that a detailed analysis was not currently available. *The Working Group* suggested that, as a long-term initiative, the compilation of such data would be of great value in promoting the MAC Protocol. The RTF noted that academia might be able to assist with this matter.

25. *The RTF* agreed that it would be beneficial to prepare an updated global MAC Protocol economic impact assessment, noting that the existing version was published in 2017 and was not updated. *The RTF* further agreed that more targeted national or regional assessments should also be developed.

**Item No. 5 Promotion and ratification update**

26. Under the leadership of AEM, *the MAC Working Group* summarised its recent activities. It was explained that as of October 2023, the MAC Working Group consisted of AEM, CNH, Terrex, AgCo, Cummins, Vermeer, Allen Engineering and ADM Asphalt Plants. AEM was negotiating a memorandum of understanding (MOU) with the Committee for European Construction Equipment (CECE), the Equipment Leasing and Finance Association (ELFA) and the Argentine Chamber of Agricultural Machinery to expand the Working Group, and had been engaging with the India Equipment Constructors Manufacturers Association and a Turkish Association for equipment manufacturing. The Working Group further explained that engagement with private sector financial institutions was increasingly important, going forward.

27. In relation to promotion activities, *the Working Group* noted that during the APEC Economic Committee meetings in Seattle in August 2023, AEM held a 90-minute session dedicated to promoting the MAC Protocol. It was further explained that *the Working Group* would attend the upcoming IMF World Bank annual meetings with the aim of increasing engagement on the MAC Protocol. Looking forward, it was noted that the *Working Group* would promote the MAC Protocol Asian Development Bank annual meeting in Georgia (May 2024), and at the African Development Bank Annual Meeting in Kenya. *The Working Group* highlighted the importance of engaging with the African Development Bank (AFDB), noting they could become natural advocates for successful ratification of the MAC Protocol within their member countries across the continent. It was noted that the Working Group was aiming to arrange a meeting with the President of the AFDB through its Vermeer connections.

28. The UNIDROIT *Secretariat* provided an update on its promotional activities. UNIDROIT explained that it had engaged with regional bodies, international financial institutions, international organisations and individual countries. Although sometimes reactive, the overwhelming majority of UNIDROIT's engagement has been strategic.

29. It was noted that UNIDROIT had been engaging with APEC for 8 years and would continue to do so in the future, as APEC provided a significant opportunity to promote the MAC Protocol to over twenty States in the Asia Pacific region. It was further noted that the US was developing a concept note for APEC regarding the implementation of the MAC Protocol. *The United States* explained that the project would be broader than just the MAC Protocol, although the MAC Protocol would be a centrepiece of the project note. The RTF noted that the APEC concept note was due in Spring 2024.

30. *The United States* noted that the US Department of Commerce was working with AEM and banks in order to further expand the coalition of stakeholders promoting the MAC Protocol. He also noted that the organisation Prosper Africa (a commercial development, trade and assistance investment organisation in the USA) had expressed a keen interest in the MAC Protocol.

31. *The UNIDROIT Secretariat* noted that UNIDROIT regularly engaged with the World Bank, the European Bank for Registration Development (EBRD), the Asian Development Bank (ADB) and the Asian Infrastructure and Investment Bank on its access to credit instruments, including the MAC Protocol. The UNIDROIT Secretariat further noted that the largest UN-based agricultural organisations were located in Rome and that the RTF should use the food security angle to promote the MAC Protocol to organisations like the Food and Agriculture Organisation of the United Nations (FAO) and International Fund for Agricultural Development (IFAD).

32. *The Working Group* noted that John Deere has conducted studies of business models and financing in Africa, particularly Zambia; and the Working Group would reach out to determine whether it was publicly available or could be shared with RTF members.

33. The UNIDROIT Secretariat provided an update on its bilateral implementation activities with Georgia, Paraguay, Kenya, India and China. In relation to India, it was noted that India had not

engaged since the Diplomatic Conference, but following a high level delegation from UNIDROIT to India in July, the Indian Ministry of Foreign Affairs indicated they wanted to undergo internal discussions with the Ministry of Steel, Ministry of Mines, Ministry of Coal and Steel Authority of India internally to determine next steps. The RTF noted that to improve the prospects of success in India, it was important to involve Mahindra and the equipment manufacturer associations.

#### **Item No. 6 Planning of future work**

34. *The RTF agreed to the following future activities:*

- a. Invitation to Australia, Japan and Spain to become RTF Members.
- b. Establishment of a digital sharepoint for RTF Members.
- c. Creation of an excel implementation tracker for upload to the RTF sharepoint.
- d. Upload of the existing MAC trade data onto the RTF sharepoint.
- e. The UNIDROIT Secretariat to share its internal priority list of countries.
- f. RTF members to individually evaluate which countries are likely to implement the MAC Protocol within the next 24 months, with a view towards ideally listing 5 to 10 high priority States for discussion during the MAC RTF Second Session.
- g. RTF Members to continue individual efforts to promote the implementation and ratification of the MAC Protocol.
- h. As a long-term objective, the preparation of new economic impact assessments for the MAC Protocol at a global, regional and domestic level.

#### **Item No. 7 Any other business**

35. No other business was raised.

#### **Item No. 8 Closing of the session**

36. It was agreed that the second session of the RTF would be held on Tuesday 19 December 2023 between 14:00 to 17:00 CET.

37. *The UNIDROIT Secretary-General thanked the RTF for their attendance and participation and closed the session.*

**ANNEXE I****ANNOTATED DRAFT AGENDA**

1. Opening of the session and welcome by the UNIDROIT Secretary-General
2. Adoption of the draft agenda
3. Composition of the Ratification Task Force
4. Objectives, strategy and proposed activities of the Ratification Task Force
5. Promotion and ratification update
6. Planning of future work
7. Any other business
8. Closing of the session

**ANNEXE II****LIST OF PARTICIPANTS**Germany

Mr Lars Entelmann

Ms Celine Frey

United Kingdom

Mark Smith

Natalia Graczyk-Davies

Louise Gullifer

United States of America

Ms IfeanyiChukwu Egbuniwe

Mr Henry Gabriel

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Mr Daryl Bouwkamp

Mr Alexander Russ

Mr Kip Eideberg

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Mr Ignacio Tirado

Ms Anna Veneziano

Mr William Brydie-Watson

Ms Myrte Thijssen

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Ms Theodora Kostoula

Mr Camilo Saldias

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**ANNEXE II****SUMMARY REPORT****MAC Protocol Ratification Task Force****Second session****(Remote, 19 December 2023)**



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**EN**

**MAC Protocol  
Ratification Task Force  
Second session (remote)  
19 December 2023**

UNIDROIT 2024  
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March 2024

**SUMMARY REPORT**

**MAC Protocol Ratification Task Force**

**Second session**

**(Remote, 19 December 2023)**

1. The second session of the MAC Protocol Ratification Task Force (RTF) took place on 19 December 2023. The session was held remotely and was attended by 18 participants (the full list of participants is provided in Annexe II).

#### **Item No. 1 Opening of the session and welcome by the UNIDROIT Secretary-General**

2. On behalf of the *UNIDROIT Secretary-General*, Senior Legal Officer William Brydie-Watson welcomed participants to the second session. *The Secretariat* provided a brief update on recent progress on the implementation of the MAC Protocol (unrelated to ratification), including (i) the decision of the UNIDROIT General Assembly at its 82<sup>nd</sup> session (Rome, 14 December 2023) to accept the role of Supervisory Authority of the MAC Protocol Registry, and (ii) contract negotiations for the establishment of the MAC Registry.

3. New RTF participants briefly introduced themselves.

#### **Item No. 2 Adoption of the draft agenda**

4. The RTF adopted the draft agenda (provided in Annexe I).

#### **Item No. 3 Approval of report from first session (MACRTF/1/Doc. 2)**

5. *The Secretariat* briefly introduced the draft report, noting that (i) the document was a summary report and not a record of minutes, and (ii) the report was designed to only be used internally by the RTF and to report back to the MAC Preparatory Commission, and was not intended as a public document.

6. *The United Kingdom* noted a minor error in paragraph 25 and suggested that the word "outdated" should be replaced by "updated". *The RTF approved the proposed change*.

7. The RTF approved the draft report.

#### **Item No. 4 Establishment of a digital sharepoint for RTF Members**

8. *The Secretariat* reminded the RTF that at its first session in October 2023, the RTF had decided to create a digital sharepoint for RTF members, in order to provide a repository for the sharing of relevant documents, including (i) an excel implementation tracker, (ii) MAC equipment trade data, and (iii) the Secretariat's internal list of countries for ratification assistance. *The Secretariat* explained that the relevant documents had all been uploaded to the sharepoint, the link to which had been circulated to RTF members on 18 December 2023.

9. The Secretariat strongly encouraged RTF members to use and update the implementation tracker in order to ensure that it would actually become a useful tool. The Secretariat also encouraged RTF members to upload their own documents relevant to the promotion of the MAC Protocol to the sharepoint.

10. *The MAC Working Group* noted that the implementation tracker and other documents were of great use, and would be of particular value in trying to establish which States the RTF should prioritise in providing assistance.

11. It was queried whether geographical diversity should be an important factor in considering which States were best positioned to ratify the MAC Protocol quickly ('priority States'). *The Secretariat* suggested that geographical diversity should be a relevant factor and that priority States which had sufficiently progressed their ratification processes could be invited to observe the MAC



Preparatory Commission, although it might be preferable to keep the RTF membership limited to parties that wanted to promote the implementation of the MAC Protocol globally.

12. It was further suggested that it would be useful for the sharepoint to contain some sort of master calendar to allow RTF members to access information regarding future events.

#### **Item No. 5 Promotion and ratification update**

13. Under the leadership of the Association of Equipment Manufacturers (AEM), *the MAC Working Group* summarised its recent activities. It was explained that the MAC Working Group had two groups: (i) manufacturing industry associations from the MAC sectors, and (ii) company executives in the finance and legal departments. It was noted that the Working Group had expanded to include the European Construction Equipment Manufacturers Association (CECE) and the Argentinian equipment manufacturing association, and that AEM was in discussions with the Japanese, Korean and Chinese associations with the intention of including them in the future. It was further noted that the Working Group had met with the Aircraft Registry in November 2023 to discuss how the industry might need to engage regarding the design of the future MAC registry.

14. In relation to promotion, the Working Group noted that it was coordinating with the US Department of Commerce and State Department to organise a virtual briefing on the MAC Protocol for US Embassies in specific African States that had already ratified the Cape Town Convention. The intention of the briefing was to educate US officials on the MAC Protocol, and then subsequently work with those officials to identify relevant points of contact within the Government and bureaucracies of the target States. Once the points of contact had been identified, RTF Members could work directly with the identified officials to promote and assist with the ratification of the MAC Protocol. It was explained that should this approach be successful, it could be replicated in other parts of the world.

15. The RTF discussed the promotion of the MAC Protocol through different regional fora, including the EU, the East African Community (EAC), APEC, and possible future work with the Association of South East Asian Nations (ASEAN) and the Pacific Islands Forum (PIF). In relation to the EU, it was noted that there had not been sufficient support from EU States and stakeholders to pursue EU ratification of the MAC Protocol during the Belgian Presidency (January – June 2024), so the next opportunity would be during the Hungarian Presidency (July – December 2024), after the European Parliament elections in July. In relation to APEC, *the United States* explained that it was progressing the concept note for the APEC Economic Committee and its Strengthening Economic Legal Infrastructure (SELI) subgroup to adopt a project on agricultural finance and food security, which would promote the ratification of the MAC Protocol in APEC Member Economies. It was noted that the concept note would be submitted by March 2024 for approval while Peru was APEC Host Economy, with the intention of holding a first workshop in Japan during the period in which South Korea would be APEC Host Economy in 2025. It was further noted that there should be no need to hold a specific event in 2024 in order for APEC to adopt the project (as the Policy Dialogue in Seattle in August 2023 had established the necessary political support).

16. In relation to International Financial Institutions (IFIs), *the MAC Working Group* noted that it was in discussions with the European Bank for Reconstruction and Development (EBRD) in London to try to engage them at a political level through the US representative (building upon the technical discussions held by UNIDROIT at the EBRD HQ in September 2023). *The Secretariat* noted that it had met with the Asian Infrastructure and Investment Bank (AIIB) in Beijing in December 2023 to try to encourage the Bank to promote the MAC Protocol to support its project finance investments in the region. The Secretariat further explained that it had scheduled meetings with the World Bank Group in Washington DC in January 2024. It was also noted that there was a need to better engage the Export Credit Agencies (ECAs), and that Eximbank had begun to raise the MAC Protocol with the OECD.

17. The Working Group noted that the Secretariat had undertaken bilateral engagements to build support for the promotion of the MAC Protocol in Japan (October 2023) and China (December 2023), and that ongoing ratification assistance was being provided to Paraguay, Mauritius and Kenya.

18. The RTF reaffirmed the need for an updated MAC impact assessment, as discussed at its first session. *The Working Group* suggested that it would be beneficial for the impact assessment to cover legal, economic and development benefits of the MAC Protocol, rather than just the economic benefits. The Working Group had allocated some funding for the preparation of an updated impact assessment in 2024, and stressed that it would be useful to have the document drafted in the first part of year. *The Secretariat* agreed that a broader impact assessment would be useful, and could be achievable relatively quickly if the technical economic assessment was limited as compared to the 2018 Economic Assessment. The Secretariat further suggested that the International Law Institute might be well positioned to prepare the broader economic assessment. *The International Law Institute* indicated that it would be pleased to discuss how it could contribute to the project, on the basis that the document produced would indeed be a broader assessment, taking into account legal, economic and development benefits.

19. *The United Kingdom* noted that the Cape Town Convention Academic Project was planning a promotion event for the MAC Protocol alongside the annual Cape Town Convention Academic Conference in Cambridge in September 2024. It was explained that the event would provide an opportunity for legal experts, Government representatives from target embassies in London and private stakeholders to discuss the legal, economic and developmental benefits of the MAC Protocol. It was suggested that other MAC technology experts at the University of Cambridge and nearby manufacturers (such as New Holland) could also participate in the event. It was further suggested that the event might provide a good opportunity to launch the updated MAC impact assessment, if it was ready by September 2024.

#### **Item No. 6 Planning of future work**

20. It was agreed that the third session of the RTF would be held on either Tuesday 26 March 2024 14:00 – 17:00 CET, or Tuesday 23 April 2024 14:00 – 17:00 CET, depending on whether it was necessary to schedule an RTF session before the MAC Preparatory Commission's sixth session on 11 – 12 April 2024.

#### **Item No. 7 Any other business**

21. No other business was raised.

#### **Item No. 8 Closing of the session**

22. The Secretariat thanked the RTF for their attendance and participation and closed the session.

**ANNEXE I****ANNOTATED DRAFT AGENDA**

1. Opening of the session and welcome by the UNIDROIT Secretary-General
2. Adoption of the draft agenda
3. Approval of report from first session (MACRTF/1/Doc. 2)
4. Establishment of a digital sharepoint for RTF Members
5. Promotion and ratification update
6. Planning of future work
7. Any other business
8. Closing of the session

**ANNEXE II****LIST OF PARTICIPANTS**Germany

Ms Celine Frey

United Kingdom

Mark Smith

Natalia Graczyk-Davies

Louise Gullifer

United States of America

Ms Sarah Prosser

Ms Karin Kizer

Mr Pdraic Sweeney

Ms IfeanyiChukwu Egbuniwe

MAC Working Group

Mr Daryl Bouwkamp

Mr Alexander Russ

Mr Kip Eideberg

International Law Institute

Mr Marek Dubovec

UNIDROIT Secretariat

Ms Anna Veneziano

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Ms Giulia Previti

Mr Ian Li

Ms Theodora Kostoula

Mr Camilo Saldias