

STATES OF JERSEY



DRAFT AIRCRAFT REGISTRATION (JERSEY) LAW 2014 (APPOINTED DAY) ACT 201-

**Lodged au Greffe on 22nd September 2015
by the Minister for Economic Development**

STATES GREFFE



Jersey

DRAFT AIRCRAFT REGISTRATION (JERSEY) LAW 2014 (APPOINTED DAY) ACT 201-

REPORT

Introduction

In order to introduce the Jersey Aircraft Registry (“JAR”), it has been necessary to introduce two new pieces of primary legislation, namely the [Aircraft Registration \(Jersey\) Law 2014](#) (the “Aircraft Registration Law”) and the [Air Navigation \(Jersey\) Law 2014](#) (the “Air Navigation Law”).

The Air Navigation Law came into force in December 2014, and the Minister for Economic Development now wishes for the Aircraft Registration Law to come into effect to allow the Jersey Aircraft Registry (“JAR”) to function. This is being achieved by way of an Appointed Day Act, the Draft Aircraft Registration (Jersey) Law 2014 (Appointed Day) Act 201- (the “Draft Act”).

Background

Both the Aircraft Registration Law and the Air Navigation Law were adopted by the States on 8th July 2014, sanctioned by Order of Her Majesty in Council on 8th October 2014 and registered by the Royal Court on 17th October 2014. The Air Navigation Law came into effect in December 2014.

In November 2014, the U.K. Government approached Jersey, as well as the other Crown Dependencies, to consider ratifying the Cape Town Convention on International Interests in Mobile Equipment (the “Cape Town Convention”). The U.K. was, at the time, moving towards ratification of the Cape Town Convention and asked the Crown Dependencies to confirm their position on this matter to ascertain whether a single method of ratification with the Crown Dependencies was possible.

Consultation was undertaken with the financial services sector to seek support for ratification on Cape Town, and it was during these discussions that the Aircraft Registration Law was revisited with regard to the framework and enforcement of mortgages on the register, in particular the recognition of foreign law mortgages on Jersey-registered aircraft. As a result of these deliberations, amendments were made to the Aircraft Registration Law that put the position beyond doubt that recognition and enforcement of an aircraft mortgage or aircraft engine mortgage can occur regardless of whether the aircraft mortgage or aircraft engine mortgage is created under Jersey law or under foreign law. The [Aircraft Registration and Air Navigation \(Miscellaneous Provisions\) \(Jersey\) Law 2015](#) was approved by the States on 2nd June 2015, sanctioned by Order of Her Majesty in Council on 15th July 2015 and registered by the Royal Court on 24th July 2015.

Summary

For JAR to register aircraft, aircraft mortgages and aircraft engine mortgages, it is necessary to bring into force the Aircraft Registration Law, and subsequent amendments through the introduction of the Draft Act. It is also necessary to bring it into effect to allow subordinate legislation to come into force that is required for JAR to function.

Financial and manpower implications

Since the decision was made on 17th September 2013 by the Minister for Economic Development to pursue a Jersey Aircraft Registry, £407,660 (to the end of September 2015) has been spent on developing and establishing the Registry. If the Draft Act is adopted by the States Assembly, two FTEs and a net budget of £116,200 has been allocated in the MTFP 2016 to manage the Registry in its first full year of operations. It is envisaged that the Jersey Aircraft Registry (JAR) will, in time, become at least cost-neutral to the States of Jersey as business levels grow and income exceeds expenditure. Precedents from other Aircraft Registries show that the JAR has the potential to become a contributor to the net income of the States.

Explanatory Note

This Act brings the Aircraft Registration (Jersey) Law 2014 into force the day after this Act is made. The Law was adopted by the States (P.62/2014) on 8th July 2014.



Jersey

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Made [date to be inserted]
Coming into force [date to be inserted]

THE STATES, in pursuance of Article 67 of the Aircraft Registration (Jersey) Law 2014¹, have made the following Act –

1 Aircraft Registration (Jersey) Law 2014 commenced

The Aircraft Registration (Jersey) Law 2014² shall come into force the day after this Act is made.

2 Citation

This Act may be cited as the Aircraft Registration (Jersey) Law 2014 (Appointed Day) Act 201-.

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- ¹ *L.23/2014*
² *L.23/2014*