DIPLOMATIC CONFERENCE TO ADOPT A MOBILE EQUIPMENT CONVENTION AND AN AIRCRAFT PROTOCOL

(Cape Town, 29 October to 16 November 2001)

STATUS OF A CONSOLIDATED TEXT

(Presented by Egypt)

SUMMARY

This paper presents proposals by the Arab Republic of Egypt on the status of the framework Convention on International Interests in Mobile Equipment, the Protocol on Matters Specific to Aircraft Equipment and the Consolidated Text.

Action proposed is in paragraph 6 of this paper.

- 1. At the outset, it is to be pinpointed that intensive work covering several years was undertaken by UNIDROIT in the preparation of both the draft UNIDROIT Convention and the draft Aircraft Protocol. This work was done through establishing a study group, a registration working group and an aviation working group within UNIDROIT. ICAO later joined the work in relation to the Aircraft Protocol.
- 2. From the outset, the UNIDROIT conceptual approach regarding this issue was to have a framework convention supplemented by a series of equipment-specific protocols belonging to mobile equipment of aircraft, satellite and outer space assets, railway rolling stock, oil rigs etc.
- 3. Such approach would enhance the utility and preserve the integrity of the legal regime of international interests in mobile equipment and in the meantime allows for the incorporation in the relevant protocol provisions that are specific to that type of equipment not available in the framework convention. It allows as well for variations from the provisions of the convention as may be necessitated by the nature of the mobile equipment concerned. Finally, such approach has the advantage of allowing a simplified procedure for the adoption of the protocols.
- 4. The multi-equipment system which the draft Convention covers under separate protocols requires co-operation between UNIDROIT and the interested governmental organizations in particular.

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4.1 Hence, ICAO agreed to work with UNIDROIT to review both the draft Convention and the draft Aircraft Protocol. For this purpose, a series of joint legal meetings were held under the auspices of the two organizations with the valuable assistance of their Secretariats. As a result, many changes to both the draft Convention and the draft Aircraft Protocol were introduced as they appear in the documentation of the

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diplomatic Conference in documents DCME Doc Nos. 3 and 4.

- 5. Egypt is convinced that the consolidated text comprising both the framework Convention and the Aircraft Protocol should be an informal text for practical use only and for the purpose of convenience in application. Egypt does not favour giving the consolidated text a formal status by considering it an international legal instrument subject to signature and ratification. Our position is justified by the following reasons:
 - a) The adoption of a Convention on International Interests in Aircraft Equipment would lead to a series of stand-alone conventions corresponding to the other types of equipment in fields like outer space assets, railway rolling stock, oil rigs etc. Such a situation would defeat one of the main objectives that UNIDROIT has succeeded to secure by formulating a framework convention incorporating a complete unified and integrated legal system applicable to all types of mobile equipment. Such a legal system shall be jeopardized if each specialized organization responsible for a specific type of equipment went its own way in having a separate convention.
 - b) It is cumbersome for states to fulfil their constitutional requirements towards several conventions corresponding to the different specific mobile equipment. Furthermore, subsequent diplomatic conferences would have to be convened each time a draft Convention about a new type of equipment needs to be adopted.
 - c) The approach of having a separate convention for each type of equipment would lead to duplication and inconsistency, particularly regarding the legal regime of the international rights and interests as such in the different conventions, a matter which would undermine the integrity of the whole system.
 - d) The unilateral-equipment approach, contrary to the multi-equipment approach, would not allow for simplified procedure in respect of the adoption and coming into force of the different protocols.

6. **ACTION PROPOSED**

- 6.1 That the diplomatic Conference:
 - a) adopt a framework Convention on International Interests in Mobile Equipment;
 - b) adopt a Protocol on Aircraft Equipment; and
 - c) take note of a consolidated text to be produced by ICAO and UNIDROIT Secretariats as an informal text of convenience.
- 6.2 That the framework Convention expressly allows for the conclusion of other protocols covering types of equipment that are not specifically mentioned in this Convention.