



India to Ratify Cape Town Convention

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The Union Cabinet has approved the **Protection and Enforcement of Interests in Aircraft Objects Bill** to **strengthen India's aviation framework** and align it with global standards.

- It aims to ratify and enforce the provisions of the [Convention on International Interests in Mobile Equipment \(Cape Town Convention\)](#), and **Protocol on Matters Specific to Aircraft Equipment (Cape Town Protocol)**.

Cape Town Convention (CTC):

- **About:**
 - The CTC is an international treaty that **allows creditors**, such as lessors, lenders, and financiers, **to repossess high-value mobile assets** like aircraft, engines, and helicopters if the **airline defaults on lease payments**.
 - It was adopted in **Cape Town, South Africa, in 2001**.
- **Key Features:**
 - **International Registry:** Establishes a **global registry to record interests in mobile equipment**, ensuring **transparency** and prioritizing registered creditors' claims.
 - **Default Remedies:** Provides **clear remedies for creditors**, including the deregistration and export of aircraft without lengthy local legal procedures.
- **Cape Town Protocol:** It complements CTC and **sets out specific rules for aircraft financing and leasing**.

India's Status:

- India **signed the CTC in 2008** but has **not yet ratified it**, thus the convention's provisions are **not legally binding in India**.
- **India is the world's third-largest domestic aviation market** after the US and China.

Read More: [India's Aviation Industry](#)

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