

No. R. 159

31 January 2003

**CONVENTION ON THE INTERNATIONAL RECOGNITION  
OF RIGHTS IN AIRCRAFT ACT, 1993(Act No 59 of 1993)**

**FIRST AMENDMENT OF THE MORTGAGING OF AIRCRAFT  
REGULATIONS 1997**

In terms of section 14(3) of the Convention on the International Recognition of Rights in Aircraft Act, 1993 (Act No 59 of 1993), I. Abdulah Omar, Minister of Transport, hereby publish for comment the proposed amendments to the Mortgaging of Aircraft Regulations, 1997, as set out in the schedule. Any comments or representations on the proposed amendments should be lodged in writing with Mr. Trevor Abrahams, the Commissioner for Civil Aviation ( the South African Civil Aviation Authority), for attention Mr. Kim Gorringer or Mr. Herman Wildenboer, Private Bag X 08, Waterkloof, 0145, fax: (012) 346-5979, or e-mail at [gorringek@caa.co.za](mailto:gorringek@caa.co.za) or [wildenboerh@caa.co.za](mailto:wildenboerh@caa.co.za), before or on 28 February 2003.

**SCHEDULE**

**1. PROPOSAL TO AMEND REGULATION 8 OF THE MORTGAGING OF  
AIRCRAFT REGULATIONS, 1997**

**1.1 Proposed amendment of regulation 8:**

It is proposed to substitute the following regulation for the existing regulation 8:

**"Fees**

The following fees shall be payable when application is made for:

(a) the recording of a mortgage in the register of aircraft mortgages	R c 610,00
(b) a notification of the discharge of a mortgage	610,00
(c) a transfer of mortgage by deed of cession	610,00
(d) a declaration of transmission of rights in a mortgage	610,00
(e) a certificate of mortgage	450,00
(f) access to the register of aircraft mortgages	80,00
(g) the furnishing of information from the register of aircraft mortgages (R1,00 per page up to a maximum of R140,00)	140,00.

## 1.2 Current Regulation

The existing regulation reads as follows:

### "Fees

The following fees shall be payable when application is made for-

(a) the recording of a mortgage in the register of aircraft mortgages	R C 200,00
(b) a notification of the discharge of a mortgage	200,00
(c) a transfer of mortgage by deed of cession	200,00
(d) a declaration of transmission of rights in a mortgage	200,00
(e) a certificate of mortgage	150,00

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| (f) access to the register of aircraft mortgages   | 20,00   |
| (g) the furnishing of information from the register of aircraft mortgages(R1,00 per page up to a maximum of R100,00) | 100,00. |

### 1.3 Motivation

The Mortgaging of Aircraft Regulations, 1997, issued in terms of section 14 of the Convention on the International Recognition of Rights in Aircraft Act, 1993 (Act No 59 of 1993) came into operation on 1 January 1998. The proposed amendment of regulation 8 thereof (which relates to fees) is the first proposed amendment of the relevant fees since 1 January 1998. These charges are applicable to direct services rendered by the Authority to the aviation industry implementing a user pay system.

The Authority needs to increase user fees based on the increasing costs incurred in rendering these services - especially in the light of the planned expansion of staff capacity to provide a more expeditious and comprehensive service to the industry and the diminished subsidy received from the Department of Transport.

The Authority contracted Deloitte & Touche Special Services to conduct an activity based costing study during August 2001. The study was completed at the end of September 2001 and user fees payable in terms of Part 187 of the Civil Aviation Regulations, 1997, and regulation 8 of the Mortgaging of Aircraft Regulations, 1997, were proposed based on costs directly related to these services. The fees were determined at break-even point and will not result in the Authority incurring a profit in supplying these services.

The implementation of an increase in user fees is considered essential to ensure that the Authority complies with its budgetary obligations and to assist the Authority in becoming self-funded through full cost recovery charging.

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