

JERSEY AIRCRAFT REGISTRATION

What are the potential economic benefits and how achievable are they?

Establishing an aircraft registry here in Jersey could have significant direct and indirect economic benefits for the island and its economy. To enable and manage;

The maintaining of the Jersey register of aircraft. The maintaining of the Jersey register of aircraft mortgages. The maintaining of the Jersey register of births, deaths and missing persons on Jersey registered aircraft. The change of ownership of Jersey registered aircraft. The monitoring of compliance and legislative requirements of Jersey registered aircraft. The creation of a Jersey Civil Aviation Administration would need to be established to maintain the above and for the surveying of applicant aircraft and organisations. This would provide employment locally. (I assume the setting up of a Jersey Civil Aviation Administration would be through a new modified Air Navigation Order passed by the privy council).

The above setup is the investment and running costs that would be initially incurred by the state which would be recuperated by the fees charged. A department of perhaps ten people initially

The indirect economic benefits would be many and could develop into another speciality for the banking and offshore industry on the island. These could be;

- 1) Jersey based specialised aviation insurance offering offshore based aircraft offshore insurance.
- 2) Jersey based finance and mortgage facilities for operating and the purchasing of aircraft.
- 3) The Island would become home to more brokerage facilities and offshore aircraft lease arrangements could be based here if the register allowed for commercial aviation and ariel work.
- 4) A Jersey registered aircraft would give Jersey free publicity around the world. It would showcase what the Island has to offer.
- 5) Visits to the airport would have the knock-on effect of producing more revenue for the airport and local business would gain from this. The airport based maintenance, storage, servicing and catering sectors are the obvious beneficiaries. However the hotel and restaurant sector, tourism, and retail and banking would also gain.
- 6) Where there is an aviation industry there will be economic activity with positive repercussions that are not even contemplated when starting out.
- 7) The increase in potential registrations would contribute to the running and maintaining of the airport and its further development removing a burden from the taxpayer.

8) Jersey based businesses are already registering aircraft for owners but having to use the Isle of Man registry because no facility exists here as yet.

Are there underlying reasons for why this idea wouldn't work ?

Aviation is a specialised and professional, highly regulated industry. The fiscal expenditure and investment in labour and materials may seem more expensive than in other industries and could be a deterrent. To hold a register here also requires serious commitment from the Island government. A half-hearted approach will have the effect of turning people away and the opportunity will fail.

A possible cause for concern could be the UK government imposing excessive costs on the UKCAA services that the island would still require the use of. (The closure of the VAT 'loophole' is an example of how the UK controlled the islands fulfilment industry for example). The protection should come to prevent this from the modified Air Navigation Order and ICAO (International Civil Aviation Organisation). Which sets the standards to the industry authorities.

In Jersey we incur added costs to gain access to the LGW hub to get to the rest of the world and these extra costs for transport could have an effect on the fees charged for registration and may make the occasional application more expensive than elsewhere for the applicant. (Should the aircraft have to be surveyed abroad for example, and expenses charged).

The aviation parking facilities could and do turn owners away from basing their aircraft here. If the weatherproof facilities were improved we would already be seeing an increase in the numbers of private aircraft paying to use them. Aircraft owners like to keep their planes stored out of the weather.

We should not be seen to just be ' jumping on the bandwagon'. This opportunity offers a very real chance of having more than one or two island industries, and we already have a major part of the jigsaw in place. The Airport. In spite of all of the above, the airport gives us the credibility to be successful.

Similar places like the Isle of Man already have an Aircraft Registry, so what would Jersey's unique selling point be ?

Jersey already has a world class professional , international finance and offshore industry. The two industries, offshore finance and aviation would be well placed to integrate and create their own growth, allowing for the funding and purchase of aircraft and related equipment.

The Island has a clear and compliant tax regime beneficial to the aircraft operator/owner

The standard of service offered in Jersey is second to none across all sectors, with an enviable worldwide reputation.

Our climate, (The sunniest part of the British Isles). That has world class hotels, restaurants, make this a place to visit and pleasant to do business, eat, shop and stay.

Jersey has a fabulous airport with existing underutilised facilities that are the best in the Channel Islands. Perfect for Business Jet and Light aircraft use . With a lot of super yachts now carrying their own aviation packages the proximity of the harbour and airport is convenient. (Offshore registration facilities would increase the number of ship board helicopters listed here).

The Island has a healthy entrepreneurial environment and the local private sector would soon grow to accommodate the requirements of business demands brought about by increases in the number of registrations here.

Jersey has good communications with the rest of the world and has a major transport hub only forty five minutes away by air for commercial airfreight and passengers.

The proximity of the Island to mainland Europe with its existing transport links for rapid access by air and sea. Within the European time-zone and with English as the principal language

Jersey controls its own airspace

The very low rate of crime is appealing to anyone who wishes to base an expensive aeroplane here.

Insurance, finance, maintenance, fuel, oils, spare parts and handling charges are at low VAT rates compared to our neighbours in Europe.

A good prefix letter choice could maximise individual out of sequence registrations with owners
Increasing revenue for the registry E.G. A1- S- T- X-

Guernsey are also working towards establishing an Aircraft Registry. Should we work with them to create a Channel Islands Aircraft Registry ?

Even if Jersey works with Guernsey in establishing a Registry we could still find ourselves in competition, as if the Register was just Jersey based. The benefits for local businesses etc. would still drive a competitive wedge between the two islands. Jersey is well known in the world and has much more to offer the aviation community by standing on its own rather than in collaboration.

Jersey has better facilities and is a more desirable destination.

If a partnership between the Islands is formed the cost base could be disproportionate and with a greater proportion of visits here we could end up subsidising the Guernsey side of the operation.

Future diverging policies of the two Island governments could cause conflict and confusion jeopardising the authorisation of the administration.

As far as I know one administration is not run by two separate governments and could need an expensive legislative process to establish, and cost valuable time.