

1. Which government authority in your country has primary responsibility for the regulation of aviation and the registration of aircraft?

The Tanzanian Civil Aviation Authority (“TCAA”).

2. Can foreign-owned aircraft be registered on your national aircraft register, for example when leased to an airline based in your country?

Yes.

3. Are there any limits/restrictions on the age of the aircraft that may be registered or operated in your country?

No. There is no age restriction.

4. Who is entitled to have their interests recorded on your national aircraft register?

The owner, operator and mortgagee (as applicable).

5. Would a mortgage governed by a foreign law over aircraft and/or engines be recognised in your country?

Yes in principle. Note depending on the circumstances and timing, if the borrower is based in a Cape Town Convention state or if the mortgaged aircraft is registered in Tanzania the mortgage (regardless of applicable law) may need to be registered as an international interest at the International Registry for its priority to be recognised in Tanzania.

6. To be recognised under your laws, must a lease or mortgage over an aircraft and/or engines be in a particular form or language, are there any special terms that it must contain and/or must it be registered or filed anywhere?

An aircraft lease or mortgage could be governed by a foreign law. If governed by our laws, it would be subject to the Law of Contract Act Cap 345 R.E. 2002. There is no particular format required by law here. The agreement should be written in English, be duly executed by the parties and registered at the TCAA. There is no specific aircraft mortgage register. If the mortgagor is a Tanzanian company, in addition to registering a mortgage at the Aircraft Registry, the mortgage should be registered at the Companies Registry. Stamp duty will be payable.

7. If an engine owned by a third party is installed on an aircraft, would your country’s law treat that engine as being subject to the same ownership as the aircraft itself? In other words is there a risk that by physical installation, the engine owner loses its title to the engine or that the engine becomes subject to any mortgage which exists over the aircraft on which it is installed? Would a nameplate fixed on the engine, confirming its separate ownership make any difference?

No. Article XIV(3) of the Cape Town Aircraft Equipment Protocol, which has been implemented by Tanzania, expressly prevents ownership and other interests in engines being affected by installation or removal from an aircraft. A lease or mortgage of an engine, leased or mortgaged separately from the aircraft, can also be recorded at the Registry of Documents.

8. Has your country ratified and brought into force any of the following aviation related conventions: 1944 Chicago Convention, 1948 Geneva Convention and 2001 Cape Town Convention (with its Aircraft Equipment Protocol)?

Tanzania has ratified the Chicago Convention and the Cape Town Convention and Aircraft Equipment Protocol.

9. Does the local civil aviation authority provide assurances to lessors and financiers as to prompt deregistration of the aircraft (for example the IDERA under the Cape Town Convention)?

Yes – the IDERA is provided for under Tanzania's ratification of the Cape Town Convention.

10. Are powers of attorney from a local airline in favour of a lessor or mortgagee likely to be effective to allow the lessor or mortgagee to deregister the aircraft? Can such powers be irrevocable, be governed by a foreign law and/or do they need to be in any particular form for local recognition?

These ought to be respected. They can be irrevocable under Tanzanian law and granted under another law. If a Tanzanian grantor is giving the power, it may be best if the power is governed by Tanzanian law, notarised here and registered at the Registry of Documents.

11. Are there any charges which would have to be paid before an aircraft can be deregistered from your national register (e.g. local air navigation fees)?

If there are outstanding charges owed to the TCAA by the operator in relation to the aircraft, the TCAA will want these settled before it allows deregistration. Where an IDERA has been filed the TCAA should not insist on payment by the owner as a condition of deregistration. .

12. Would courts in your country generally uphold a choice of law and jurisdiction clause in an aircraft lease or loan document entered into between commercial parties?

Yes. See in particular Tanzania's declaration to this effect under the Cape Town Convention.

13. If the lease is terminated for lessee default, would the lessor be entitled to repossess (by taking physical possession) of the relevant aircraft or engine or does it need the prior permission or order of a local court or agency?

If the lease agreement specifically provides that the lessor can take possession on default by the lessee, then it may do so. Self-help remedies are recognised in Tanzania's declarations under the Cape Town Convention. If lessor cannot take possession peacefully, then an order of a court would be required.

14. In clear cases of a lessee default is there an effective summary procedure or interim relief available in your courts allowing lessor prompt repossession of the aircraft? Would security be required to avail of such process?

The interim reliefs under the Cape Town Convention would be available to the lessor. The lessor may be required to provide a security though the lease may include specific provisions dealing with the need for this.



15. What is the procedure for a lender to enforce a mortgage over the aircraft or engine in your country when the borrower is in default? For example must the aircraft be sold by the court or can the lender itself take possession and arrange a sale?

A mortgage under the laws of Tanzania gives the mortgagee a right in rem against the aircraft, which can be enforced through a sale of the aircraft. The mortgage should contain an express right for the lender to take possession and arrange a sale if the borrower is in default if the wish is to be able to sell other than by a court appointed official.

16. Do the courts in your country have experience of repossession / foreclosure action involving aircraft? If so, please provide some details and indicate the time such proceedings generally would be expected to take from start to finish.

Courts in Tanzania have only limited experience in repossession/foreclosure actions involving aircraft. However the timetable in such cases is now clearly defined in Tanzania's revised ratification of the Cape Town Convention (the revised declarations took effect in January 2010). We would expect the court to strive to act in accordance with those treaty obligations.

17. Where an aircraft is leased to (i.e. not owned by) the airline operating it, can that airline create liens or encumbrances over the aircraft for example if it fails to pay suppliers, airport charges or maintenance providers? If so, would the existence of any such liens (e.g. in respect of unpaid airport charges) prevent an owner or mortgagee from repossessing the aircraft?

A lessee cannot generally create a lien over property it does not own, without some form of consent from the owner. However where a repairer has conferred value on equipment has not been paid by the lessee and has retained possession of the equipment, it may seek to assert against the owner as well as the lessee a right to retain the equipment until it has been paid. This sort of dispute can be complicated and specific advice will be needed case by case.

18. Are there any circumstances under your country's laws where a non-operating lessor, owner or a mortgagee could be held liable for damage caused by the aircraft whilst operated by an airline even if there is no fault on the part of lessor, owner or mortgagee?

S.19 of the Civil Aviation Act provides that if an aircraft is leased out for a period of more than fourteen days, the lessee will be responsible for any action or inaction in respect of the aircraft. The Owner would only be responsible if it hires the aircraft out for a period of less than fourteen days. There is no strict liability on a financier.

19. Are there any legal requirements in relation to insurance and/or reinsurance of an Aircraft registered in or operated to/from/within your country? For example is there a minimum liability insurance amount required and must some or all of the cover be taken out with local insurers?

Yes. There are regulations which require insurance to be in place as a condition of operating an aircraft in / from Tanzania. Local airlines will generally need to insure risks with a local insurer under insurance regulations (unless the Commissioner for Insurance approves otherwise; approval would be given if there is no registered local insurer able to provide the necessary cover). In practice local insurers reinsure the risks in the international insurance markets.

20. Are there any other specific issues arising under your country's laws that you feel a lessor or financier of aircraft or engines ought to be aware of when considering whether to lease or finance an aircraft to be based or registered in your country?

The declarations made by Tanzania under the Cape Town Convention and Aircraft Equipment Protocol are designed to be favourable and attractive to aviation lessors and financiers.