

Q&A with partner Christopher Jones on Guernsey's Aircraft Registry

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Christopher Jones is a partner in Ogier's Guernsey banking and finance team. He advises financial institutions, investment funds and corporate clients on a broad range of multi-jurisdictional transactions, and has particular expertise in financing, structuring and registration of aircraft assets.

Has Guernsey's registry been as successful as thought - and did the change in business model help?

The registry has been as successful as thought - but possibly not in the ways that we expected. The take-up by the business jet market, which up until now has largely used the Isle of Man and Cayman registries, has not been as strong as hoped. But at the same time, we have seen far more interest in "off lease activity" which is where aircraft are registered in Guernsey between leases to different commercial carriers. The Registry is now also able to issue Air Operator Certificates (AOC) so that fare paying passenger aircraft can now be registered - one has already been registered, and there will be more to come. That category is for full commercial enterprises that have a real presence in Guernsey and people here on the ground - and that means additional work for local service providers in terms of establishing structures here and in terms of providing legal, administration and finance services, and a workstream for local players.

How has it gone generally?

The success has been partly due to the usual factors that underpin Guernsey's success in general - a sophisticated, stable, fiscally neutral environment with a high quality professional services infrastructure and a competitive approach to fees; but most importantly, the registry itself is staffed by professionals who know the industry inside out. The success is due, in part, to the role of SGI and the confidence the States has in them.

Why is it so difficult for two registries to operate 20 miles apart?

Again, it's a question of a differing approach - and we have been lucky enough to be working with SGI, who are a significant industry player with strength and depth across the world, and who understand aircraft and the industry and who have got the time and energy to promote the registry. That has contrasted with Jersey's more limited in-house approach. When I am asked "why would I register in Guernsey?" the answer tends to come back to that point - that it's run by experts who are able to respond quickly to queries, and who are more flexible and knowledgeable in dealing with non-standard applications.

What would you see as the strengths and weaknesses of the 2-Reg model - and what is one thing could lift it even further?

The thing that could - and undoubtedly will - lift it further is awareness. We need to get out there and market, we need to be bullish and prominent in how we promote ourselves so that the inertia created by the established registries becomes less of a barrier. That comes down to both marketing and to continuing to offer an effective, thorough and swift service. That is why we are supporting that promotional effort by sponsoring the Guernsey Aviation Seminar in May that will bring Professor Sir Roy Goode QC, one of the leading experts on the Cape Town Convention relating to asset financing and aircraft registration, to the island. We are also jointly attending EBACE, Europe's leading aircraft industry event, with SGI in May to bring the Guernsey offering to as wide an audience as possible.

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