

Message to the Senate Transmitting the Convention on International Interest in Mobile Equipment and the Protocol on Matters Specific to Aircraft Equipment
November 5, 2003

To the Senate of the United States:

I transmit herewith, for Senate advice and consent to ratification, the Convention on International Interest in Mobile Equipment and the Protocol on Matters Specific to Aircraft Equipment, concluded at Cape Town, South Africa, on November 16, 2001. The report of the Department of State and a chapter-by-chapter analysis are enclosed for the information of the Senate in connection with its consideration.

The essential features of the Convention and Aircraft Protocol are the establishment of an international legal framework for the creation, priority, and enforcement of security and leasing interests in mobile equipment, specifically high-value aircraft equipment (airframes, engines, and helicopters), and the creation of a worldwide International Registry where interests covered by the Convention can be registered. The Convention adopts "asset-based financing" rules, already in place in the United States, enhancing the availability of capital market financing for air carriers at lower cost. The Convention's and Protocol's finance provisions are consistent with the Uniform Commercial Code with regard to secured financing in the United States.

This new international system can significantly reduce the risk of financing, thereby

increasing the availability and reducing the costs of aviation credit. As a result, air commerce and air transportation can become safer and environmentally cleaner through the acquisition of modern equipment facilitated by these instruments. The new international system should increase aerospace sales and employment, and thereby stimulate the U.S. economy.

Negotiation of the Convention and Protocol has involved close coordination between the key Federal agencies concerned with air transportation and export, including the Departments of State, Commerce, and Transportation, as well as the EXIM bank, and U.S. interests from manufacturing, finance, and export sectors.

Ratification is in the best interests of the United States. I therefore urge the Senate to give early and favorable consideration to the Cape Town Convention and Aircraft Protocol, and that the Senate promptly give its advice and consent to ratification, subject to the seven declarations set out in the accompanying report of the Department of State.

GEORGE W. BUSH

The White House,
November 5, 2003.

Remarks on the 20th Anniversary of the National Endowment for Democracy
November 6, 2003

Thank you all very much. Please be seated. Thanks for the warm welcome. Thanks for inviting me to join you in this 20th anniversary of the National Endowment for

Democracy. Staff and directors of this organization have seen a lot of history over the last two decades. You've been a part of that history. By speaking for and standing