

# East African airlines

enduring sense of bitterness that Kenya benefited most from the collapse of EAAC 25 years ago.

Locally, Kenya Airways' main rival is the country's privately owned Regional Air and its domestic arm AirKenya. Regional Air, a British Airways franchise carrier, operates four 737-200s on a network of services around the area. It competes with Kenya Airways on flights between Nairobi and Johannesburg, and also serves the South African city from Mombasa.

## Fleet renewal

Kenya Airways is midway through a fleet renewal programme and is reorganising its scheduling to feed its international network. The airline, which carried 1.5 million passengers during the financial year to March 2002, operates one Airbus A310, two Boeing 737-200s, four -300s, two -700s and five 767-300ERs, and has three 777-200ERs due for delivery next year.

"Over the next five years, we are likely to be operating seven widebody aircraft, and eight to 10 narrowbody aircraft," says Kenya Airways director of corporate strategy and industry affairs Dr Jason Kap-kirwork.

New long-haul routes to Asia are planned. Kenya Airways has specific plans for flights between East Africa and Hong Kong. In the mid-term, the carrier plans to augment its intra-African network as a

**"Once established in East Africa, neighbouring states and the Middle East, we will fly to the UK"**

FREDRICK OCHIENG OBBO, AFRICA ONE

buffer against declining yields on routes to Europe. Capacity will be increased on routes to west and central Africa while opportunities in Angola are being explored.

Presbury is optimistic that the stop-start reorganisation of the country's civil aviation authority will eventually be completed to the satisfaction of the USA allowing it to approve full relations between the two countries. The airline is prevented from codesharing with Northwest Airlines, the US partner of Kenya Airways' minority stakeholder KLM, because of Kenya's non-compliant Category 2 status under the US Federal Aviation Administration's International Aviation Safety Assessment programme. Presbury says reorganisation will be completed "within six to 12 months."

Kenya Airways' regional arm Flamingo

**EAA last year launched services with one 737-200 (top); Kenya Airways is renewing its long-haul fleet with Boeing 767s (bottom) and 777s**

Airlines operates two Saab 340s on domestic services. It competes with AirKenya, which operates a mixed fleet of eight turboprops, and privately owned Eagle Aviation which flies two Fokker F28s.

Uganda's mini airline revolution last year restored the country's international civil aviation market following the collapse of Air Uganda. In the 27 months between its collapse and revival, Kenya Airways emerged as the de facto Ugandan operator. With 28 flights a week from Entebbe, the airline is the dominant operator from Uganda, and the relative cost of travel in and out of the country had almost doubled.

Ethiopian Airlines has also become a player in the market after recently launching daily services between Nairobi and Entebbe and the market is neatly parcelled out between various major international carriers such as British Airways, Emirates, SAA and SN Brussels Airlines.

The Ugandan start-ups say their business cases were based on simple considerations: the cost of a return ticket for the 1h sector to Nairobi had reached nearly \$400, which is seen as unsustainable from the point of view of the 400,000-strong market of air travellers leaving Uganda.

Owned by Ugandan cargo airline DAS Air and Tanzania's Infra Investments, Africa One started operations last April using three McDonnell Douglas DC-9-50s. It is flying daily services between Entebbe and Nairobi. It also serves Dar es Salaam and Dubai.

It has a McDonnell Douglas DC-10-30 for planned long-haul services to Europe, but the trijet has been parked since late last year following the collapse of Gambia-based Red Air, which had been leasing it for services between Lagos and Gatwick via Banjul, Gambia, and Freetown, Sierra Leone.

EAA launched services from Entebbe on 2 December with an ex-United Airlines 737-200 on services to Bujumbura, Harare, Kigali, Johannesburg, Lusaka and Nairobi. It is seeking frequencies to Asmara, Cameroon; Djibouti; Douala, Eritrea; Kinshasa, Democratic Republic of Congo; and Lagos, Nigeria.

## Liberalisation

The two start-ups' launches were assisted by a liberalised air transport regime, dubbed the Yamoussoukro treaty, which is being gradually implemented across Africa (see panel). The fall in aircraft values after the 11 September terrorist attacks has also helped the airlines secure aircraft.

"Uganda has a very liberal designation policy and we can fly to virtually anywhere we want, but our approach is to begin by creating a regional network that can grow into a long-haul network," says Africa One chief executive Fredrick Ochieng Obbo. "Once we are established in East Africa,



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