In the year 2018, our industry witnessed key milestones which have laid the foundation to further build our success and secure greater opportunities in the market. Indeed, as a result of positive developments within the African aviation industry, on 8 December 2018, the Commission of the African Union (AUC) and the African Civil Aviation Commission (AFCAC) adopted a resolution, which advanced the implementation of the Single African Aviation Market framework. The African airspace is poised for greater heights that will bring us closer to our common goal of an integrated and highly profitable African aviation market.

Social Media Highlights

AFRAA on Twitter
On behalf of our Secretary General, Mr. Abdèrahmane Berthé, IATA’s and AFCAC's recent Africa Air Safety Summit brought together industry stakeholders who have worked hard to operate well and allow the surviving the increasingly fierce competition from international carriers. Currently, the aviation industry in Africa supports $5.5 billion in economic output and 2.2 million jobs. Over the next 20 years, the African market is forecast to grow at nearly 7% per year, which will open up incredible economic opportunities for the continent’s 54 nations.

AFRAA on Twitter
Our Secretary General, Mr. Abdèrahmane Berthé, speaking at a roundtable on taxes and charges at the 2019 ICAO Assembly in Montreal.

AFRAA on Twitter
The Southeast Asian Airlines and African Airlines in efforts towards the reduction of these costs to ensure the continent reaps the full benefits of an efficient air transport industry.

AFRAA on Twitter
One of the most fundamental factors that determine the success or failure of any commercial activity is the cost associated with it. If the cost is too high, the offer a reduced service level compared to what customers are willing to pay. This situation negatively impacts the bottom line of African airlines. It is quite clear that the current cost structure of most airlines is not sustainable and it is imperative that these businesses improve their financial structure by reducing the cost of doing business. In the aviation sector, particularly airlines, we cannot exempt from this reality, which is why there has been growing concern around the upward trend in taxes and charges in the industry, as observed in several countries. High taxes and charges are among the main factors that have resulted in high cost of operations in the African aviation industry. One of the key drivers of high costs is the high taxes, fees and levies imposed on airlines in many African states. This situation unfortunately includes a very large segment of the African population which negatively impacts the bottom line of African airlines. The African airspace is poised for greater heights that will bring us closer to our common goal of an integrated and highly profitable African aviation market.

AFRAA on Twitter
The assembly further encouraged members to re-invest taxes and charges towards the development of national and regional economies.

AFRAA on Twitter
The assembly further encouraged members to re-invest taxes and charges towards the development of national and regional economies.

High Taxes And Charges hindering growth of African Aviation

One of the most fundamental factors that determine the success or failure of any commercial activity is the cost associated with it. If the cost is too high, the offer a reduced service level compared to what customers are willing to pay. This situation negatively impacts the bottom line of African airlines. It is quite clear that the current cost structure of most airlines is not sustainable and it is imperative that these businesses improve their financial structure by reducing the cost of doing business. In the aviation sector, particularly airlines, we cannot exempt from this reality, which is why there has been growing concern around the upward trend in taxes and charges in the industry, as observed in several countries. High taxes and charges are among the main factors that have resulted in high cost of operations in the African aviation industry. One of the key drivers of high costs is the high taxes, fees and levies imposed on airlines in many African states. This situation unfortunately includes a very large segment of the African population which negatively impacts the bottom line of African airlines. The African airspace is poised for greater heights that will bring us closer to our common goal of an integrated and highly profitable African aviation market.

AFRAA on Twitter
The assembly further encouraged members to re-invest taxes and charges towards the development of national and regional economies.

High Taxes And Charges hindering growth of African Aviation

One of the most fundamental factors that determine the success or failure of any commercial activity is the cost associated with it. If the cost is too high, the offer a reduced service level compared to what customers are willing to pay. This situation negatively impacts the bottom line of African airlines. It is quite clear that the current cost structure of most airlines is not sustainable and it is imperative that these businesses improve their financial structure by reducing the cost of doing business. In the aviation sector, particularly airlines, we cannot exempt from this reality, which is why there has been growing concern around the upward trend in taxes and charges in the industry, as observed in several countries. High taxes and charges are among the main factors that have resulted in high cost of operations in the African aviation industry. One of the key drivers of high costs is the high taxes, fees and levies imposed on airlines in many African states. This situation unfortunately includes a very large segment of the African population which negatively impacts the bottom line of African airlines. The African airspace is poised for greater heights that will bring us closer to our common goal of an integrated and highly profitable African aviation market.

High Taxes And Charges hindering growth of African Aviation

One of the most fundamental factors that determine the success or failure of any commercial activity is the cost associated with it. If the cost is too high, the offer a reduced service level compared to what customers are willing to pay. This situation negatively impacts the bottom line of African airlines. It is quite clear that the current cost structure of most airlines is not sustainable and it is imperative that these businesses improve their financial structure by reducing the cost of doing business. In the aviation sector, particularly airlines, we cannot exempt from this reality, which is why there has been growing concern around the upward trend in taxes and charges in the industry, as observed in several countries. High taxes and charges are among the main factors that have resulted in high cost of operations in the African aviation industry. One of the key drivers of high costs is the high taxes, fees and levies imposed on airlines in many African states. This situation unfortunately includes a very large segment of the African population which negatively impacts the bottom line of African airlines. The African airspace is poised for greater heights that will bring us closer to our common goal of an integrated and highly profitable African aviation market.
AFRAA launches three new Task Forces of value addition to its members

The African Airlines Association (AFRAA) has announced the launch of three new Task Forces that will focus on addressing key industry challenges. These new Task Forces are designed to enhance the efficiency and productivity of the airline industry in Africa, thereby contributing to economic development.

Among the new Task Forces are:
- **Distributable, Governance and Training Task Forces**

Through these new Projects, AFRAA aims to help member airlines transform the industry and support economic growth across the continent.

The newly launched Projects include:
- The Distributable Task Force, which will focus on developing strategies to enhance the distribution of African airlines' services.
- The Governance Task Force, which will work towards strengthening governance frameworks within African airlines.
- The Training Task Force, which will provide training and development opportunities for African airline professionals.

AFRAA's Secretary General, Abdérahmane Berthé, highlighted the importance of these initiatives in a statement:

> “The new Projects which were launched include: the Distributable, Governance and Training Task Forces. Through the new Projects, AFRAA seeks to address persistent challenges and identify common solutions to pave the way for a stronger Association for its members.”

These initiatives are part of AFRAA's broader strategy to strengthen the industry and position African airlines competitively on the global stage. AFRAA is committed to working collaboratively with its members to achieve these goals.
Creating a connected passenger experience

A key airline aspiration is to create a ‘connected passenger experience’. Mobile flight status notifications have now become commonplace. At the same time, airlines are communicating more than missing baggage information via mobile – clearly helped by efforts to comply with IATA’s Resolution 753 on baggage tracking. Investing in biometric technology to automate passenger ID management is another trend evident in this year’s survey. Airlines are increasingly investing in, and piloting, biometric solutions. The installation of self-boarding gates using biometrics with ID document verification, are set to become commonplace over the next three years with 63% of airlines expecting to use them. What’s more, mobile-app check-in will overtake ‘traditional methods’ as the most common check-in procedure.

Restructuring Strategy for African Airlines

New digital technologies promise to meet many of the pressing issues and requirements faced by the airlines. This is one of the results of SITA’s new survey. Airlines are increasingly investing in, and piloting, biometric solutions. The installation of self-boarding gates using biometrics with ID document verification, are set to become commonplace over the next three years with 63% of airlines expecting to use them. What’s more, mobile-app check-in will overtake ‘traditional methods’ as the most common check-in procedure.

Challenges facing African airlines

The African airline industry is subject not only to challenges affecting the airline industry globally — e.g., high fuel costs, fierce competition, high labour and fuel costs, narrow profit margins, etc. but also to specific challenges such as high taxes and fees imposed by African governments, restrictive air transport regulations, etc. These are often caused by the political instability, corruption, weak economic and financial structures, and unfavourable regulatory environments that are prevalent across the region. Airlines in Africa must contend with a broad range of challenges specific to Africa such as high taxes on jet fuel, high fees for foreign exchange, and unfavourable regulatory environments.

African Airlines’ profitability

Airlines in Africa are generally seen to be more acute than in most other parts of the world. The disparity between the performance of African and non-African airlines is evident most clearly and strikingly in the profitability results for airlines in different regions around the globe. As shown in data from the International Air Transport Association (IATA), African airlines are trailing their peers by a significant margin. The impact of the aviation sector on the continent’s economies can be substantial, but the airlines’ contributions to their national economies are limited. Only a few African airlines have operated on a profit basis in recent years. For instance, among the major airlines in Africa, very few operate on a profitable basis. In this article, we will provide a brief overview of major challenges facing African airlines and how the African airlines can respond to these challenges through the use of restructuring and turnaround tools and techniques employed by troubled companies across a range of industries.

The airline industry globally often faces serious financial and operational challenges, and in recent times it has not been uncommon to see airlines even in many industrialized countries undergo major restructuring. However, the travails facing airlines in Africa generally seem to be more acute than in most other parts of the world. The disparity between the performance of African and non-African airlines is evident most clearly and strikingly in the profitability results for airlines in different regions around the globe. As shown in data from the International Air Transport Association (IATA), African airlines are trailing their peers by a significant margin. The impact of the aviation sector on the continent’s economies can be substantial, but the airlines’ contributions to their national economies are limited. Only a few African airlines have operated on a profit basis in recent years. For instance, among the major airlines in Africa, very few operate on a profitable basis. In this article, we will provide a brief overview of major challenges facing African airlines and how the African airlines can respond to these challenges through the use of restructuring and turnaround tools and techniques employed by troubled companies across a range of industries.

The airline industry globally often faces serious financial and operational challenges, and in recent times it has not been uncommon to see airlines even in many industrialized countries undergo major restructuring. However, the travails facing airlines in Africa generally seem to be more acute than in most other parts of the world. The disparity between the performance of African and non-African airlines is evident most clearly and strikingly in the profitability results for airlines in different regions around the globe. As shown in data from the International Air Transport Association (IATA), African airlines are trailing their peers by a significant margin. The impact of the aviation sector on the continent’s economies can be substantial, but the airlines’ contributions to their national economies are limited. Only a few African airlines have operated on a profit basis in recent years. For instance, among the major airlines in Africa, very few operate on a profitable basis. In this article, we will provide a brief overview of major challenges facing African airlines and how the African airlines can respond to these challenges through the use of restructuring and turnaround tools and techniques employed by troubled companies across a range of industries.

The airline industry globally often faces serious financial and operational challenges, and in recent times it has not been uncommon to see airlines even in many industrialized countries undergo major restructuring. However, the travails facing airlines in Africa generally seem to be more acute than in most other parts of the world. The disparity between the performance of African and non-African airlines is evident most clearly and strikingly in the profitability results for airlines in different regions around the globe. As shown in data from the International Air Transport Association (IATA), African airlines are trailing their peers by a significant margin. The impact of the aviation sector on the continent’s economies can be substantial, but the airlines’ contributions to their national economies are limited. Only a few African airlines have operated on a profit basis in recent years. For instance, among the major airlines in Africa, very few operate on a profitable basis. In this article, we will provide a brief overview of major challenges facing African airlines and how the African airlines can respond to these challenges through the use of restructuring and turnaround tools and techniques employed by troubled companies across a range of industries.

The airline industry globally often faces serious financial and operational challenges, and in recent times it has not been uncommon to see airlines even in many industrialized countries undergo major restructuring. However, the travails facing airlines in Africa generally seem to be more acute than in most other parts of the world. The disparity between the performance of African and non-African airlines is evident most clearly and strikingly in the profitability results for airlines in different regions around the globe. As shown in data from the International Air Transport Association (IATA), African airlines are trailing their peers by a significant margin. The impact of the aviation sector on the continent’s economies can be substantial, but the airlines’ contributions to their national economies are limited. Only a few African airlines have operated on a profit basis in recent years. For instance, among the major airlines in Africa, very few operate on a profitable basis. In this article, we will provide a brief overview of major challenges facing African airlines and how the African airlines can respond to these challenges through the use of restructuring and turnaround tools and techniques employed by troubled companies across a range of industries.

The airline industry globally often faces serious financial and operational challenges, and in recent times it has not been uncommon to see airlines even in many industrialized countries undergo major restructuring. However, the travails facing airlines in Africa generally seem to be more acute than in most other parts of the world. The disparity between the performance of African and non-African airlines is evident most clearly and strikingly in the profitability results for airlines in different regions around the globe. As shown in data from the International Air Transport Association (IATA), African airlines are trailing their peers by a significant margin. The impact of the aviation sector on the continent’s economies can be substantial, but the airlines’ contributions to their national economies are limited. Only a few African airlines have operated on a profit basis in recent years. For instance, among the major airlines in Africa, very few operate on a profitable basis. In this article, we will provide a brief overview of major challenges facing African airlines and how the African airlines can respond to these challenges through the use of restructuring and turnaround tools and techniques employed by troubled companies across a range of industries.