



# AFRAA RECOVERY PLAN

FOR THE SURVIVAL AND  
REBOUND OF AFRICAN AIRLINES

The world is experiencing the adverse impact of the Coronavirus (COVID-19) pandemic and the aviation industry is amongst the worst impacted. It is necessary to put in place measures that will support the airline industry ensure its survival and recovery after the crisis.

Air Transport is critical for the economic development and integration of the African continent and support to the airline industry will aid in a faster economic recovery. An end of operations by African airlines would trigger a host of serious financial consequences, while replacing the air service provided by the airlines would be a challenging and costly process.

AFRAA has therefore developed a recovery plan that outlines a framework of various areas of intervention, measures to be taken as part of urgent, immediate, and consistent actions for the survival and rebound of the industry. The recovery of the airline industry will require coordinated efforts and a collaborative approach with all stakeholders.

The recovery plan includes actions and measures under 9 pillars:

- Governments/States
- Regulators
- Suppliers and Service Providers
- Customers
- Maintenance and MROs
- Cost Management
- Cargo Operations
- Workforce
- Strategies to maintain business continuity

# AFRAA COVID-19 RECOVERY PLAN (9 Pillars)

## GOVERNMENTS/STATES

- Economic **stimulus**
- Direct subsidies to **keep employment**
- **Loans** at reduced fees
- **State guarantee** on loans
- **State guarantee** to ensure debt provision from IFIs
- **Tax** reliefs and/or deferral

MINISTRY OF FINANCE - MINISTRY OF TRANSPORT

## REGULATORS

- **Temporary extension** of required certificates for **crews**
- **Temporary extension** of recurrent training certificates
- Clarify and coordination of **NOTAMs publications**
- Flexibility on **passenger's protection rules**
- Waiver for **slot utilisation** rules (2020&2021)

CIVIL AVIATION AUTHORITIES (CAAs)

## SUPPLIERS SERVICE PROVIDERS

- **Communicate** with suppliers and Service Providers
- **Negotiate** payments deferrals
- **Find new suppliers or Service Providers** in case of default
- **Renegotiate contracts** and restructure agreements

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## CUSTOMERS

- **Clarify policy** for outstanding bookings
- Inform on COVID -19 **protection measures** taken
- Assess post-COVID-19 **new requirements from passengers**
- Ensure **Standard Operating Procedures** are put in place for **passengers health screening and protection** by the industry
- Implement initiatives to regain **confidence in flying**

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## MAINTENANCE MROs

- Aircraft **storage procedures**
- Perform **Maintenance** due during the downtime period
- Execute "**greentime**" programs
- Review **maintenance programs**
- Re-evaluate **MRO sourcing** strategy
- Enhancement of **MRO activities after the COVID-19**

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## COST MANAGEMENT

- Adopt **cost containment** and cost reduction measures
- Manage efficiently **fuel conservation** to reduce cost while protecting the environment
- Update **systems** and increase **digitalization**
- Promote **direct sales** and revisit the current **cost of sales network**
- Revisit **overhead costs**

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## CARGO OPERATIONS

- **Utilization of passenger aircraft** cabin and belly for cargo operations during COVID-19 period
- **Capacity sharing** and cooperation to meet supply chain needs during COVID-19 period

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## WORKFORCE

- Workforce **wellbeing measures**
- Workforce **Health protection measures**
- Connect with employees and **keep** them **motivated**
- Elaborate a temporary plan willing to **preserve the capabilities**
- Elaborate a plan for **Excess Workforce**

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## STRATEGIES TO MAINTAIN BUSINESS CONTINUITY

- Evaluate **short-term liquidity, secure credit lines**, analyse the impact of **using assets as collateral**
- **Assess financial and operational risks** and respond quickly
- Determine how the crisis affects **budgets and business plans**
- Monitor **early indicators for demand** and **reposition** the fleet and network collectively in AFRAA framework
- **Optimize** the fleet utilization collectively in AFRAA framework