

# AIRSIAL'S ENTRY AMID PANDEMIC TERMED BOLD



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**W**hile the country's three operational airlines have been taking cost-cutting measures against the backdrop of a crisis that the global aviation industry has been facing since the outbreak of coronavirus, the decision of AirSial to enter an already saturated market is being seen as a bold move that may give a tough time to competitors but will benefit the people.

The market situation can be gauged from a recent report of the International Air Transport Association (IATA) predicting that airline revenues this year will plunge by 60 per cent as a result of the coronavirus pandemic that "threatens the survival of the air transport industry".

Pakistan's commercial aviation sector is no different from the rest of the world as its

airlines are taking drastic measures, including job cuts, for their survival.

## **RPT licences**

Over the years, the Civil Aviation Authority had granted Regular Public Transport (RPT) licences to many airlines. Some of the airlines went out of business like Aero Asia. Currently six airlines — the Pakistan International Airlines (PIA), Airblue, Shaheen Air International (SAI), Bhoja Air, Air Indus and Serene Air — possess RPT licences but only three of them are operational as CAA's certified operators.

Issued by the CAA director general with the federal government's approval for carriage of passengers and cargo services, RPT licence is only a permission to develop an organisation on ground. It is not

considered a permission to operate an aircraft for which an airline must obtain an Air Operator Certificate (AOC) from the CAA. The CAA puts certain conditions that an airline needs to meet before starting its flight operations. A fleet of minimum three aircrafts is the first such requirement for initiating passenger flights while one aircraft is needed for cargo operations. For getting an AOC, a company must register its fleet in Pakistan.

The CAA had earlier suspended the operations of Bhoja Air and Air Indus in 2012 and 2015, respectively, while SAI's operations were suspended in 2018. Air Indus, which lost two aircraft in the 2014 terrorist attack on Karachi airport that led to the suspension of its operations in 2015, says on its website it is planning to import three latest models ATR 72-600 to restart