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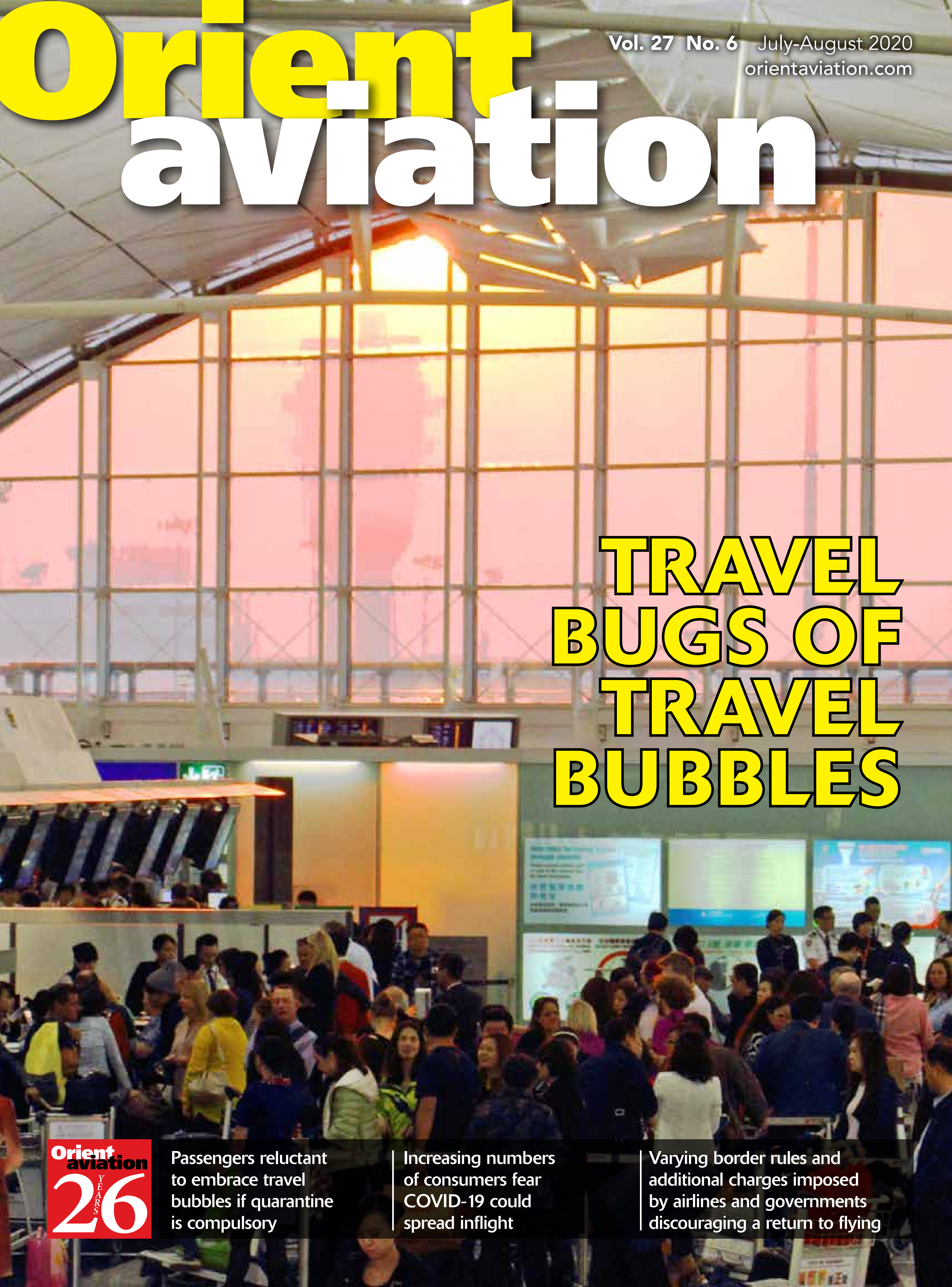

TRAVEL BUGS OF TRAVEL BUBBLES

Orient aviation 26 YEARS

Passengers reluctant to embrace travel bubbles if quarantine is compulsory

Increasing numbers of consumers fear COVID-19 could spread inflight

Varying border rules and additional charges imposed by airlines and governments discouraging a return to flying

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Pilot cheating has to stop at Pakistan's airlines

In an age when airlines, airline bodies and regulators constantly repeat the mantra that safety is the industry's number one priority, it is absolutely astounding that a year-long investigation by the Pakistan Civil Aviation Authority (PCAA) has found 40% of the country's airline cockpit crew held fake pilot licences.

Flag carrier, Pakistan International Airlines (PIA) alone has suspended 150 of its cockpit crew pending further investigations after the study was published last month. Overall, 262 out of 860 active Pakistani pilots had not sat the pilot exams themselves. Unfortunately, said minister for aviation, Ghulam Sarwar Khan, pilots also were appointed on a political basis and merit was ignored when employing pilots.

The timing of these revelations could hardly have been worse. On May 22, PIA flight PK8303 crashed into a Lahore suburb shortly after taking off for Karachi, resulting in 97 fatalities. It should be said that a preliminary report on that accident has stated the captain and first officer were adequately qualified and experienced, although their records and documents are under scrutiny.

That aside, it is not the first time Pakistan has found to have underhand dealings involving airline crew. In 2018, PIA sacked 50 employees, including pilots and cabin crew, who were found to be holding fake high school degrees. In Pakistan some carriers only require pilots to send in their licences, hours logs and medical records when applying for a job. All three can easily be faked in a country with an aviation authority clearly wanting when it comes to safety oversight.

Pakistan is not alone in this practice. In 2011, two pilots in India, one from IndiGo Airlines and another from Air India, were arrested for holding fake pilot licences. It is a shocking indictment of an industry that prides itself on operating at the highest levels of safety.

The International Air Transport Association (IATA) said the pilot licence irregularities identified in Pakistan represented a "serious lapse" in safety controls. That is an understatement. The International Civil Aviation Organization (ICAO), the United Nations body representing global regulators, should take immediate and drastic action to investigate the abuse of professional pilot standards and ensure the PCAA stamps out the practice once and for all. ■

TOM BALLANTYNE
Associate editor and chief correspondent
Orient Aviation Media Group

REX taking it to the big boys on lucrative capital city routes

Regional Express (REX), was facing shutdown after the COVID-19 pandemic hit. Only weeks later, the Australian domestic carrier has announced it is taking on the Qantas Group and Virgin Australia with the launch of competing flights on the lucrative "Golden Triangle" of Melbourne, Sydney and Brisbane. Associate editor and chief correspondent, Tom Ballantyne, reports.

It was not exactly a major network announcement. But as the **Qantas Group** was ramping up domestic flights last month it put out a brief statement that announced it had commenced flying to Byron Bay on the New South Wales north coast. And from July 20, it declared, it would be launching a service from Sydney to the regional centre of Orange in the state's mid-west.

"After years of locals calling for the flying kangaroo to fly to Orange, the iconic red tail will touch down there for the first time in a few weeks," **CEO of Qantas regional arm QantasLink, John Gissing** said. "We are bringing much needed competition to the route, which has been a monopoly for many years. These flights to Orange

will make it easier for Sydney residents to discover one of NSW's most beautiful regions and its world-class restaurants and wineries."

The monopoly to which Gissing refers comes in the form of **Regional Express** or **REX**, the world's largest operator of Saab 340 turboprops. Fifty seven of the sturdy aircraft fly to regional destinations in New South Wales, South Australia, Victoria, Queensland, Tasmania and Western Australia.

There is good reason why Qantas wants to play in REX's backyard. Sydney-based REX has decided to invade Qantas' patch, planning a March 2021 launch, with up to 10 jets, on the golden triangle of Australian trunk routes between Sydney, Melbourne and Brisbane. In effect, it aims to capture some of the lucrative market dominated by Qantas, Jetstar and Virgin Australia.

REX's deputy chairman, John Sharp, said the airline has the infrastructure at the three major cities. "It will simply be an incremental expansion for REX to embark on domestic [between capital city] operations." He added the flights would be a "hybrid model", offering affordable air fares that will include baggage, meals, pre-assigned seating and airport lounges.

The announcement of the bold strategy surprised the industry given REX had warned in March it was about to cease flying because of the COVID-19 crisis. Soon after, it became the beneficiary of some US$206 million in Australian government aid aimed at helping regional airlines survive. Additionally, it will receive a second allocation of funds from a broader $495 million airline relief package.

REX plans to lease five to 10 narrow-body jets, either A320s or 737s. It also is evaluating the modernization of its somewhat aged turboprop fleet. In June, it signed a Memorandum of Understanding with European turboprop manufacturer, ATR, to cooperate in studying optimized solutions for the replacement and modernization of its fleet.

The agreement has the potential for REX to complement and expand its existing broad domestic route network with a mix of ATR 42s and 72-600s. The airline and air framer also intend to explore financing and training options, in particular flight crew ab-initio training.

All in all, with Virgin Australia expected to be back in the air after negotiating its way through receivership, Australia's major city trunk routes could become rather crowded. When the pandemic passes, there also is potential for REX, given it succeeds with its initial jet foray, to expand to other destinations.

It certainly has the backing to grow. The majority of its shares are held by a group of Singaporean businessmen, led by Kim Hai Lim, an industrialist and the airline's executive chairman. Other major investors are Lee Thian Soo, who has extensive international business experience and is the chairman and owner of a company supplying specialty medical devices, systems and drugs to healthcare institutions in ASEAN, and Joe Tiau Tjoa, the managing director of Singaporean wholesaler Greatland. ■

Airline emissions scheme builds digital tool kit to verify CO_2 reductions

The world's airline operations may be crippled by COVID-19, but the industry is pressing ahead with implementation of the **International Civil Aviation Organization's (ICAO)** Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA). The United Nations body said last month the latest countries to announce participation in the pilot phase of CORSIA are Rwanda and Kazakhstan, bringing the States committing to the scheme to 85, or 76.76% of international aviation.

ICAO has officially launched the CORSIA Central Registry (CCR). The CCR is one of the five CORSIA "Implementation Elements." It is a crucial step, as Volume IV of Annex 16 to the Chicago Convention obliges States to fulfill their reporting requirements only through it.

"Despite the challenging circumstances, ICAO has been working diligently to put in place all Implementation Elements of CORSIA to ensure it remains on track and States have the tools available to comply with their CORSIA reporting requirements," said ICAO Council President Salvatore Sciacchitano. ICAO secretary general, Dr. Fang Liu, emphasized that "the launch of the CCR brings us closer to the full implementation of CORSIA. In the best spirit of ICAO's No Country Left Behind initiative, ICAO will continue efforts to ensure the preparedness of all its Member States for CORSIA, including CORSIA training program for management of the CCR.

Secure Cloud-hosted CCR has been designed to store CORSIA specific information and data about airlines, verification bodies, CO_2 emissions, CORSIA eligible fuels claimed and cancelled emissions units. It will retain records from ICAO States for the duration of the Scheme. ■

New THAI leadership under pressure to produce rescue plan by August court deadline

The revolving door continued in full swing at **Thai Airways International (THAI)** last month with the news **Chansin Treenuchagron** is the new acting president of THAI, a position he took up one month less two days after he joined the carrier as an independent board director in an earlier board clear out.

A former president of Thailand's oil and gas group, PTT Plc, Chansin has his work cut out for him. The board and THAI's leadership must submit a working draft for the carrier's rehabilitation to Thailand's Bankruptcy Court on August 17. The list of debtors is long. It includes debenture holders, banks, lessors, several categories of suppliers and passengers with cancelled tickets.

To assist in the rehabilitation process, Baker and McKenzie have been appointed legal advisors, EY Corporate Advisory Services accountants and Financial Securities Co. as financial consultants.

Chansin succeeds Chakkrit Parapuntakul, who will remain THAI's second vice chairman. ■

IATA pays tribute to general counsel Jeff Shane and names Karen Clayton his successor

"The entire aviation world owes a huge debt of gratitude to Jeff, who joined IATA after a distinguished 25-year career in public service and 15 years in private practice," said International Air Transport Association director general and CEO, Alexandre de Juniac, when he announced Shane's recent retirement.

"While in public service he was recognized for his role in establishing an Open Skies policy for the United States and he was a principal architect of the U.S. Department of Transportation's approach to international aviation alliances and anti-trust immunity, " de Juniac said.

At IATA, Shane and his legal team achieved "a landmark agreement with CFM International to adopt pro-competitive "Conduct Policies on engine maintenance that will result in significant savings for our members", the IATA boss said.

Shane's successor, from July 1, is **Karen Clayton**, who will add the role of general counsel to her duties as IATA's corporate secretary, including ownership of IATA's Strategic Priorities, the association said.

Clayton joined IATA in April last year from Air New Zealand where she was general counsel and company secretary for the airline from 2016. ■

Hong Kong government announces Cathay Pacific Airways board observers

Cathay Pacific welcomed "the designation of Carlson Tong and Rimsky Yuen by the Government of the Hong Kong Special Administrative Region (HKSAR) as observers on the board of Cathay Pacific. We look forward to working with them closely in their role", a company statement said. Yuen was the HKSAR's justice minister from 2014-2018. Tong, the chairman of the Securities and Futures Commission for six years from 2012, also was a board director of Airport Authority Hong Kong from 2017 to mid this year. The new appointees do not have voting rights and will oversee the government's US$3.5 billion funding support package for the airline group. ■

Struggling NokScoot slain by competition - not just COVID-19

The coronavirus pandemic claimed an Asia-Pacific victim last month in Thailand-based regional carrier, **NokScoot**, a joint venture between Singapore Airlines-owned Scoot and Thailand's Nok Air. The LCC announced it was unable to cope with the impact of COVID-19. The carrier's closure will leave most of its 450 staff without a job with the exception of a small team being retained to work through the liquidation process. The company promised to pay staff full benefits in accordance with Thailand's labour laws.

NokScoot was established in 2014, with Nok owning 51% of its shares and Singapore's Scoot holding the remaining 49%. Thai Airways International, now under bankruptcy protection, has equity of 13.28% in Nok Air, another carrier in a fragile financial state. NokScoot has routes to seven cities in China, three in Japan and to New Delhi, Singapore and Taipei. Even before the coronavirus outbreak began, the LCC was losing money in an intensely competitive LCC market. "Unprecedented challenges arising from COVID-19 have exacerbated the situation," a board statement said. NokScoot's five 777ERs will be returned to Scoot. ■

TRAVEL BUGS OF TRAVEL BUBBLES

Establishing travel corridors between individual countries are being planned to help restore international air travel to operating strength. But opening "air route bubbles" is complicated and burdened with irritants and costs for travelers. Associate editor and chief correspondent, Tom Ballantyne, reports.

Opening a bilateral air bridge between two countries with low coronavirus infection rates appears, on the surface, to significantly assist in the rebooting of international air travel. In reality, these proposed "travel bubbles" are proving near impossible to implement.

Nervous governments are hesitant to remove the border restrictions designed to protect their citizens from a second wave, or even a third of the COVID-19 pandemic. If agreement is reached between countries to implement travel bubbles, tough rules surrounding clearance for passengers to fly are deterring them from taking advantage of the loosened rules.

An example is Singapore. A COVID-19 travel bubble between Singapore and China has been touted as the first step in restarting trade between the two countries. But it is only for essential travel between Singapore and six cities in China: Shanghai, Guangdong, Tianjin, Chongqing, Jiangsu, and Zhejiang.

At the time of writing, to travel in the travel bubble passengers must be sponsored by a government agency or a company. They will not have to quarantine if they test negative for the virus. But they have to undergo testing before leaving Singapore, be tested on arrival and on departure from China and again after landing in Singapore. China has negotiated a similar regime with South Korea. The rules hardly encourage passengers to rush into booking an air ticket.

Elsewhere in the region, there has been plenty of talk about air corridors being established but very little action. Australia and New Zealand, where infection rates remain extremely low, have been talking for weeks about a travel bubble between the two countries, with no definitive outcome to date.

Singapore, along with South Korea and Canada, also has been talking to Australia and New Zealand about separate travel bubbles. In June, India's aviation regulator said it was considering "individual bilateral bubbles" with the U.S., the UK, Germany and France. If enacted, the rules would allow airlines of each country in the pact to operate international passenger flights. Given the deteriorating pandemic situation in the U.S. and in India, which is one of the hardest hit victims of COVID-19, it seems highly unlikely a deal with the U.S. will eventuate any time soon.

Hong Kong has been trying, unsuccessfully, to create a travel bubble with its neighbouring Special Administrator Region,

World's busiest air routes in 2019	World's busiest air routes June 2020
Jeju – Seoul Gimpo South Korea	Jeju – Seoul South Korea
Sapporo New Chitose – Tokyo Haneda Japan	Shanghai – Shenzhen China
Fukuoka – Tokyo Haneda Japan	Ho Chi Minh – Hanoi Vietnam
Hanoi – Ho Chi Minh Vietnam	Shenzhen – Chengdu China
Melbourne – Sydney Australia	Guangzhou – Chengdu China
Delhi – Mumbai India	Busan – Seoul South Korea
Beijing Capital – Shanghai Hongqiao China	Busan – Jeju South Korea
Jeddah – Riyadh Saudi Arabia	Shenzhen – Chongqing China
Hong Kong – Taipei International	Shanghai – Guangzhou China
Tokyo Haneda – Okinawa Japan	Chongqing – Guangzhou China

Macau. Japan has been discussing mutual removal of restrictions with Thailand and Australia. Hawaii has said it wanted to open routes to Australia, a major source of its tourism dollars. Taiwan eased restrictions for foreigners from June 29, but not if they are tourists. And 14-day quarantine upon arrival remains mandatory.

Indonesia hopes it can open its tourist magnet of Bali to Thailand, Myanmar and Vietnam under new health protocols and there has been talk of a potential travel bubble between all the nations of Southeast Asia.

At the turn of the month, Thailand opened its international borders to individuals in 11 categories including Thai nationals, spouses, children and parents of Thai nationals, non-Thais on work or retirement visas, guests of the country's government, diplomats and military and emergency services personal and students of educational institutions.

There also has been a great deal of activity in the Middle East, where Gulf carriers, Emirates Airline and Qatar Airways, are leading the return of grounded aircraft to service.

Emirates is boasting of connections through its home hub of Dubai to 40 cities, including many in the Asia-Pacific. New protocols in the United Arab Emirates (UAE) allow international visitors to Dubai but they must undergo stringent health checks and have COVID-19 insurance.

"We are confident the multi-layered measures put in place in the air, on the ground and throughout our city enable us to mitigate risks of infection spread and manage any required response effectively. We believe cities around the world are conducting ongoing reviews and will soon follow suit to update their border entry requirements for international travellers," Emirates chairman and chief executive, Sheikh Ahmed bin Saeed Al Maktoum, said.

"The next few weeks will be a big test for the whole aviation industry in many ways. At Emirates we see a positive trend of traffic building up across our network in past weeks and we are ready to serve our customers."

However, in the words of Association of Asia Pacific Airlines (AAPA) director general, Subhas Menon, "people are talking a lot about travel bubbles, but I only see one in existence - in the European Union. It has removed all cross-border travel restrictions. The other bubbles are yet to come to fruition".

Menon believed China, Japan, South Korea, Hong Kong, Taiwan, Singapore, Malaysia, Australia, New Zealand, Vietnam, Thailand and the Philippines are the most likely candidates for genuine travel bubbles as they have fewer travel restrictions and most of them are reporting lower incidences of COVID-19. Not only must travel restrictions be lifted, but quarantine requirements must be removed, he said.

Overall, the international travel situation is proving to be a tough nut for the International Air Transport Association (IATA), the AAPA and their airline members to crack. Airlines want the lifting of all restrictions to be coordinated on a global scale. The International Civil Aviation Organization (ICAO) has

Travel bubbles a solution?

'Travel corridors or travel bubbles could be a very good instrument to restart operations between two countries or two airports or locations, but it should be temporary and then we should go back to normal operation.

These bubbles should not become permanent otherwise it will be extremely difficult to manage different types of corridors. The complexity would be enormous. Secondly, it would be difficult, when the situation returns to normal, to dismantle these corridors and go back to a normal situation'

International Air Transport Association June 2020

published a recommended system of health checks and layers of protection, but there are indications that the hoped for coordinated approach is far from synchronized in adoption.

The primary stumbling blocks to bubbles, let alone a more general opening of international flights, are quarantine periods and border closures. In the Asia-Pacific alone, countries whose international borders remain closed to international tourists – operating flights are essential air cargo or passenger services bringing citizens home – include India, Myanmar, Thailand, Laos, Vietnam, Hong Kong, Australia, New Zealand, Indonesia, Malaysia and the Philippines. China has recently re-introduced restrictions for entry following a fresh outbreak of the coronavirus in its capital, Beijing. The Australian government has talked about the possibility its international borders could remain closed until late 2021.

Quarantine rules are the second major deterrent to travel. Many countries still insist on a two-week quarantine period for arriving passengers. That dictum, IATA said, is a killer. The association's director general and CEO, Alexandre de Juniac, said last month a recent public opinion poll showed 83% of respondents would not consider travelling if quarantine was imposed on them at their destinations. An analysis of trends during the lockdown period revealed countries that imposed quarantine experienced a drop in arrivals of more than 90%; an outcome similar to countries that had banned foreign arrivals altogether.

It is hard to criticize governments for such measures, given fears of a resurgence of the virus. Australia is an example. Although there has been a spike in cases in the state of Victoria, in the country's major gateway of Sydney there are extremely low numbers of COVID-19 sufferers and nearly all of them are travellers returning from overseas.

It is clear bubbles, wherever they may be implemented, are largely being confined to essential business and official travel or are returning expatriates home. Singapore Airlines (SIA) has confirmed a limited number of two-way transit channels through Changi Airport, which allow SIA and SilkAir customers to book return journeys between approved destinations.

Passengers only can travel with SIA group carriers and their connection in Singapore must be no longer than 48 hours. The group's regional vice president South West Pacific, Philip Goh, said the expansion of transit channels to two-way transit between selected points would provide more opportunities for Australians and New Zealanders who need to travel to do so, including those overseas who are returning home.

"These channels are not about booking an overseas holiday as Australia and New Zealand's borders remain closed to non-citizens. They provide the ability for Aussies and Kiwis, who are overseas in the approved markets in China, Hong Kong, Japan and South Korea to travel with the Singapore Airlines Group through Changi Airport and return home in a COVID-19 safe manner," Goh said.

It is likely this model of limited air bubbles will become more common over time.

Until its announcement on June 29 that it would open its international borders to 11 categories of travelers, Thailand's attitude to bubbles was typical of the region. The country's Centre for COVID-19 Situation Administration (CCSA), said the nation was in "no rush" to open up travel bubbles as more thought was needed about the implementation of the practice.

IATA wants a layered approach to combating the virus. It supports reducing the risk of imported cases by discouraging symptomatic passengers from travelling, implementing health risk mitigation measures, such as screening via non-intrusive temperature checks, and providing Covid-19 testing for travellers from countries perceived to be "higher risk".

The association recommends testing before passengers arrive at their departure airport to ease airport queues and avoid potential contagion. Test data would need to be independently validated to be mutually recognized by governments and securely transmitted to the authorities.

In cases where an infected person does travel, IATA said

It's complicated

Australia is a perfect example of the complications the resumption of airline operations could produce when restrictions are lifted. The national government has barred entry to all foreign visitors into the country allowing Australian citizens to return home but also requiring them to hotel quarantine for 14 days.

Even at a domestic level, a return to full schedule flying is awash with problems. Australia has a federal system and its different States are laying down their own rules with the result the nation has turned into a collection of separate countries when it comes to COVID-19 mitigation measures.

The various rulings make schedule planning for Australian-headquartered airlines, Qantas, Jetstar and Virgin Australia, extremely difficult. Qantas Group, including LCC subsidiary, Jetstar, intends to increase their domestic capacity from 5% to 15% at press time and hopefully to 40% by July 31.

The increased flying schedule is dependent on the timing of each state's relaxation of border closures. Hopes for a relaxation of international travel bans are even gloomier. Australia's federal health minister, Greg Hunt, has strongly hinted international flying may not be able to resume until a COVID-19 vaccine is found – and when that will be is still guesswork.

there should be universal implementation of the Take-off guidelines published by ICAO including mask-wearing during the travel process, sanitization, health declarations and social distancing where possible.

Measures should be backed up by contact tracing for individuals detected as infected with the virus after arrival.

"We say two things to governments," de Juniac said in June. "We understand you don't want to re-import COVID-19 and you want to control the travellers potentially being infected. If you implement the multi-layer approach of ICAO's worldwide guidelines it should significantly reduce the risk of transmitting infection either on board or from country A to country B. Finally, we say we should discourage people with symptoms to travel." ■

In a bubble of its own

With the U.S. breathing heavily down its neck, India is under increasing pressure to establish regional and international travel bubbles, reports Anjuli Bhargava.

In India's corridors of power where bureaucratic complexity is an art form, a "file", typically used to take a final decision on any new policy, can sometimes take a week to journey from one room to the other in the same building on the same floor. The culprit can just be no "person" is available to do the needful. It's how slowly things usually move in government.

And it is why, in the normal course of government affairs, introducing a new and alien concept like a "travel bubble" could take a country of India's bureaucratic obfuscation and size months and even a year to establish.

Firstly, everyone would need to understand the concept, then a junior officer would create a "file" that moves slowly up the power pyramid to the minister in charge who gives it the final nod.

But for a country notorious for its slow decision-making, some situations can speed up "stuff". One of them is the censure of the American government.

Towards the end of last month, in a letter to the Indian authorities, the U.S. Department of Transportation (DoT) said it understood India's national carrier, Air India, was carrying commercial passengers back and forth between the two countries in the "garb" of conducting repatriation flights. According to the DoT, there have been passengers with valid travel documents who had entered the U.S. on these flights when the services only were supposed to be transporting returnees or Indian nationals stranded in the U.S. during the pandemic.

American carrier, Delta Air Lines, argues this is eroding their "competitive advantage" and is a denial of the reciprocal flying rights between the two nations. The Atlanta-headquartered airline said India's evacuation flights had gone beyond "true evacuations" and "Air India may be using its passenger repatriation charters as a way of circumventing the government of India (GOI) prohibition on all scheduled commercial services".

The accusation did not go down too well here in India. Nonetheless, the ministry of civil aviation subsequently issued a statement that said it was mulling travel bubbles with a few countries.

"As we contemplate further opening up in response to demands, we are looking at the prospect of establishing individual bilateral bubbles, India-U.S., India-France, India-Germany and India-UK. These are all destinations where demand for travel has not diminished. Final decisions pursuant to negotiations are expected to be taken soon", an official release on the matter said.

A senior ministry of civil aviation (MOCA) official said the matter was under active consideration since the U.S. had made a veiled threat when it said it would only allow Air India repatriation to continue to July 22 if the flight status matter remains unresolved.

Sources said the lack of clarity around the quarantine policies of individual Indian states could cause a problem [in formulating bubbles] because the situation is pretty chaotic with regard to entry rules between states in the country. For example, if a travel bubble is created between New York and Mumbai and the passenger travelling on that sector does not have Mumbai as his or her end destination in India, quarantine laws could be an issue.

"Each state here is flying its own kite on quarantine rules. It is not clear, even for Indian citizens, let alone foreign passport holders," a senior government official told Orient Aviation on the condition of anonymity.

Before India enters into any bubbles, it must have clarity on the management rules of a passenger entering the country from overseas, he said. ■

University study argues random boarding reduces risk of inflight COVID-19 transmission

By associate editor and chief correspondent, Tom Ballantyne

Preliminary computer simulations conducted by researchers at Embry-Riddle Aeronautical University in Florida suggest random boarding of aircraft, rather than back-to-front boarding – a procedural response to the COVID-19 pandemic – may reduce exposure rates to the COVID-19 virus by about 50%.

In a paper co-authored by Ashok Srinivasan of Florida State University and Dr. Sirish Namilae, associate professor of Aerospace Engineering at Embry-Riddle, confirmed the findings "suggested airlines either should revert to their earlier boarding process or adopt the better random process". Namilae, whose past studies have shown pedestrian dynamics in airport security lines and during boarding and deplaning may impact infection rates, began researching how viruses spread during the Ebola outbreak of 2017.

Critical to the research, he said, is an understanding of how molecules travel. "While back-to-front boarding has been instituted by some airlines to try and reduce contact between people, our simulations show high density clusters can form as people stow their luggage while other passengers are still pushing toward the back of the aircraft," he said.

"We hope our research will prove useful to the airline industry in navigating the current health crisis."

Contact points in the study are defined by a "person-minute" of contact or the number of minutes a person stands within six feet of proximity from someone else while boarding an aircraft. The more these person-minutes were recorded in each of the team's roughly 16,000 simulations — simulations that varied the parameters of walking speed, proximity, number of people, etc., then ran the data through a Frontera supercomputer — the higher the infection probability.

The simulations were then tested on several boarding patterns: front-to-back, back-to-front, through six boarding zones and random boarding through one zone.

"It turns out, the one-zone, random boarding model eventually results in a lower number of contacts," Namilae said. "Other patterns tend to increase the time a passenger waits in close proximity to fellow travelers."

In simulations that assume full capacity of an A320, 43,000 person-minutes of contacts were recorded in the random boarding model compared with 60,000 person-minutes for six-zone boarding, 90,000 person-minutes for back-to-front boarding and even higher for the front-to-back boarding pattern.

"Our analysis indicates airlines that changed to a back-to-front boarding policy erred, exposing passengers to substantially higher infection risk than their original procedures," said Srinivasan.

"This result shows that good intention is not a substitute for good science when it comes to determining policies."

The policy of some airlines to keep middle seats unoccupied, he added, proved effective in significantly reducing infection risk as proven by the team's simulations. They included scenarios where middle seats were left occupied or empty. "The problem is how long can airlines afford to fly with empty seats?"

Namilae asked, and added economics are a consistent consideration in these simulations.

Transporting passengers in multiple smaller aircraft, for example, was shown to pose a lower risk of infection to passengers than if one larger aircraft was used. The challenge is finding a middle ground and for Namilae and his team, that conversation has to begin with the boarding process. "There's evidence of a lot of diseases, such as tuberculosis and SARS, being transmitted on airplanes and in air travel," Namilae said. "Boarding is one of the critical aspects of air travel that contributes to the spread." ■

Air cargo new darling of struggling Mainland airlines

The world's passenger planes may be 99% grounded but demand for freighters is falling short of supply, particularly in China. Associate editor and chief correspondent, Tom Ballantyne, reports.

Air cargo demand may have fallen by 19% year-on-year across the Asia-Pacific in May, the Association of Asia Pacific Airlines (AAPA) has reported, but Chinese air freight operators are going against the trend and scrambling for capacity.

VariFlight, a Chinese aviation data and solutions services provider, said outbound cargo flights from China reached 4,910 in May, a surge of 113.66% year-on-year, and inbound cargo flights to the Mainland jumped 93.42%, to 4,383. The data included only designated freighters and not cargo airplanes converted from passenger aircraft.

China's favourable figures are primarily the result of its leading role in supplying the world with pharmaceuticals and equipment to combat the COVID-19 pandemic, including face masks and other personal protective equipment (PPE).

The Civil Aviation Administration of China (CAAC) said cargo flights have been increasing in frequency between China and 84 international destinations in 51 nations and regions. But elsewhere it has been a different story.

Latest cargo statistics from the International Air Transport (IATA), for May, showed a slight improvement in the market, but with capacity unable to meet demand as a result of the loss of belly cargo operations. Globally, demand during the month fell by 20.3% compared with a year earlier.

IATA said Asia-Pacific airlines reported demand for international air freight declined by 21.3%, a solid improvement over April's drop of 25.2%. Seasonally adjusted freight volumes for May rebounded slightly and have now reached 75% of their pre-COVID-19 levels. Shipments of personal protection equipment are helping to support airlines in the region, the airline association said.

AAPA director general, Subhas Menon, said offered freight capacity decreased by 20.1% for May and average international freight load factor rose marginally, by 0.9 percentage points, to 60.9%.

The results reflected the capacity crunch experienced in preceding months from a sharp decline in passenger aircraft belly-hold space.

"There is a severe capacity crunch in air cargo," said de Juniac. "The result is damaging global supply chains with longer shipping times and higher costs. Airlines are deploying as much capacity as possible, including special charter operations and the temporary use of passenger cabins for cargo. Governments need to continue to ensure vital supply lines remain open and efficient," he said.

"While many have responded with speed and clarity to facilitate the movement of cargo, government red-tape, particularly in Africa and Latin America, is preventing the industry from flexibly deploying aircraft to meet the demands of the pandemic and the global economy."

IATA is urging governments to accelerate approvals for cargo operations, expedite customs clearance for urgently needed medical supplies, ensure there is adequate staff on the ground and provide the land-based infrastructure necessary to move cargo efficiently. ■

China funds passenger-cargo aircraft conversions

China has certainly been one government that has supported the air freight sector. In late May, the Ministry of Finance and the Civil Aviation Administration of China (CAAC) announced it would provide financial support for Chinese and foreign carriers operating cargo deliveries using commercial aircraft.

Airlines also could receive 80% compensation for costs involved in converting passenger aircraft into freighters and would benefit from financial incentives if flying international cargo flights between April 1 and June 30.

Eastern Air Logistics, the freight unit of Shanghai-based China Eastern Airlines, is converting 14 wide-body jets into freighters, which will create the largest passenger aircraft-converted wide-body fleet in the Mainland market.

Sichuan Airlines, headquartered in Chengdu, had three A330 freighters before the pandemic outbreak and has retrofitted eight existing passenger aircraft to freighter configurations. "So far, our cargo flight networks have covered Southeast Asia, Europe, North America and the Middle East," Sichuan Airlines president Li Haiying, told local media. "Sales revenue of the 11 freighters is about 20 million yuan (US$2.8 million) daily. The air cargo business has bright growth prospects and we will continue to develop it."

Virgin Australia begins fight back under new owner

The Asia-Pacific's biggest victim of the coronavirus pandemic, Virgin Australia, is back in the game. Out of receivership and with a new owner, it will be a very different airline to pre-COVID-19 Virgin Australia. Associate editor and chief correspondent, Tom Ballantyne, reports.

It came a little earlier than expected, after U.S. investor, Cyrus Capital Partners, withdrew its bid for Virgin Australia (VA), and accused administrator, Deloitte, of a "lack of engagement" in the sales process. Its decision left Boston-headquartered Bain Capital as the last bidder standing and the new owner of the debt-ridden airline. No-one was saying officially how much the deal is worth, but it is understood the offer was a US$1.13 billion package that included $412 million to assume existing travel credits for passengers and $309 million for VA staff entitlements.

Current VA shareholders - Singapore Airlines (20%), Etihad Airways (20%), HNA Group (20%), Nanshan Group (20%) and Sir Richard Branson's Virgin Group's 10% - will walk away from the negotiating table empty handed.

VA collapsed in April under the weight of US$4.7 billion in debt. It had lost money for seven consecutive years and the coronavirus sealed its fate.

What is certain is VA under Bain will undergo major corporate surgery including job losses, fleet shrinkage and network shrinkage. Current CEO, Paul Scurrah, who had instituted major economies at the airline group before the onset of COVID-19, is keeping his job, at least for the time being.

VA will remain headquartered in Brisbane after the Queensland Government pledged $200 million in support to ensure the airline did not move south.

During the bidding process Bain's local managing director, former Olympic diver, Mike Murphy, declared the U.S. firm was "a stayer, not a player", intimating the new owner was in it for the long run. "We are determined to see Australians have access to competitive, viable aviation services for the long-term and ensure the airline emerges offering exceptional experiences at great value while continuing to service business travelers and those of us travelling for fun or to visit loved ones," he said.

VA will not be returning to its roots as a re-born Virgin Blue, the original budget carrier launched in late 2000. Nor will it be the ambitious player envisaged by long-time CEO, John Borghetti, who transformed the budget Blue into today's full-service Virgin Australia. It will be a "hybrid", far smaller and, given the circumstances, a purely domestic carrier, initially at least.

Murphy told The Australian Financial Review: "We are not looking to attack the very high end of corporate Australia." Murphy added VA's earlier battle for business travellers "was not a happy outcome for anybody".

The top priority for the new VA is fleet rationalization. LCC Tigerair Australia and its fleet of eight A320-200s and six 737-800s will not fly again with the group. The VA fleet of 94 aircraft will be reduced to a maximum of 70 and possibly as few as 60.

The slimming down process will include returning six A330s to lessors and five B777ERs that will become redundant to VA's requirements. It is understood Bain agreed with a plan, devised by Scurrah, to replace the wide-bodies with eight B787s.

Network wise, given the pandemic, there is no potential for international flying in the short to medium term. VA's only long-haul service, to Los Angeles, will be terminated and its planned launch to Tokyo, postponed by the virus outbreak, will be shelved. Longer term, when border restrictions are lifted, international routes VA will fly will be limited to short-haul destinations such as New Zealand, Bali and perhaps the Pacific Islands. Those decisions are some way into the future.

In the meantime, VA will focus on Australia's most profitable domestic routes, including the "Golden Triangle" between Sydney, Brisbane and Melbourne. Bain also has promised to strengthen VA's regional services; important given the Queensland Government's involvement in the carrier, and the fact VA has a strong intra-state network in place.

Bain not only will keep VA's lucrative Velocity Frequent Flyer program intact, along with all the points held by members, and the "pricing architecture" of redemptions – but will "bring the Velocity and Virgin brands closer together".

The Bain purchase has returned a well-known personality to the industry fold. Former Jetstar CEO, Jayne Hrdlicka, played a leading role in Bain's bid for the VA group and is expected to take a seat on group's new board. ■

COVID-19 forces India's carriers to deepen pay cuts and contract supplier commitments

By Anjuli Bhargava

As the COVID-19 virus tightened its grip across India, the country's airline industry metaphorically fell off the cliff and into a desert with only a half filled water bottle for sustenance.

Each investor or employee in the industry is sipping from that bottle in the hope it will not empty before rescue arrives. Refilling the bottle is not an option. Indian aviation's survival depends on ensuring the bottle does not run dry before the coronavirus pandemic is defeated.

The tightening of the financial noose on Indian aviation is happening on the back of one of commercial aviation's most lack luster years in recent Indian history. In 2019, traffic growth slowed to single digits after decades of expansion – and then came COVID-19.

Revenues that had sagged in 2019 hit zero in April after all flights were suspended at midnight on March 23.

But many fixed costs for the industry could not be avoided. Salaries had to be paid, aircraft had to be serviced and lease payments made – although many of these commitments are in abeyance.

India's largest private airline, LCC IndiGo, has the strongest balance sheet among its Indian peers - with a healthy cash balance including free cash. But it still has had to take to the corporate knife. It has instigated pay cuts per grade while protecting lower paid workers, replaced its Airbus ceos with neos, sought more favourable credit terms from suppliers and frozen supplementary rentals and dividend payments. The measures saved the airline more than US$450 million.

In addition, IndiGo is increasing ancillary revenue, a strategy that has been on fast forward for the last year. Ancillary revenues have climbed 30% compared with 12 months ago. But as the weeks have gone by, the LCC has had to further reduce salaries. Captains at the Delhi-headquartered airline are earning 30% less than their take home pay of past times.

Vistara and AirAsia India, both in the Tata stable, recently extended pay cuts across their businesses, but also have spared the lower grades of employees from reduced pay.

Markets are most nervous about Air India, GoAir and SpiceJet. While Air India began with only a 10 per cent cut in salaries, it is expected to sharply increase the pay cut when the realization hits home that not only is the airline broke, but the government is not much better off.

Salary reductions as steep as 50% are expected to be announced in coming weeks for these weakened operators.

On March 16, at the peak of the COVID-19 scare, Mumbai-headquartered GoAir was among the first of the country's airlines to give everyone the jitters. It ceased all international flights, drastically reduced domestic services and asked employees to work from home. The contracts of about 70 expatriate pilots, signed as recently as August last year, were terminated. The pilots concerned have been returned to their home countries with a promise their "full and final settlement would be done in due course".

The airline asked its local employees to take leave without pay with the goal of cutting staff by at least 35% across departments and close to 50% in support functions.

Every department has been asked to draw up a list of staffers to be relieved of their duties. In GoAir's case, sources said the airline faced a double whammy – no business and no capable senior management to handle the crisis.

While GoAir and SpiceJet are in precarious financial health, the latter has the advantage of a committed leader at the helm of the airline, Ajay Singh. Many believe he will "not allow the carrier to go under".

The airline has taken the lead in pushing cargo flights since the lockdown was announced and has kept employee ire at bay by softening the salary blow as far as possible.

From next month the airline has offered cockpit crew a new contract – contingent on the airline managing 26,000 hours of flying in a month – which presents logistical problems if nothing else.

Analysts are asking how the airline expected to fly as much as it proposes and how will crew and support staff keep track of the schedule.

In the meantime, the airline is delaying vendor payments, renegotiating supplier contracts and on constant look out for additional opportunities to preserve cash.

The suffering from this pandemic at India's carriers is universal. All attention is on the proverbial water bottle. ■

Pandemic to provide excuse for AirAsia Group to exit India?

By Anjuli Bhargava

Is conglomerate, Tata Sons, preparing to buy out AirAsia Investments' share of joint venture LCC, AirAsia India? As India's airlines continue their industry-wide struggle to stay in the air, AirAsia India in particular, appears vulnerable to a change in ownership – at a bargain price for the buyer.

The LCC, held by Tata Sons (51%) and Malaysian partner, AirAsia Investments (49%), is reported to be disintegrating at leadership level.

According to sources in the Tata stable, discussions about a buy-out, at a far lower valuation than pre-COVID times, may happen because the two partners have grown weary of each other.

If a deal is struck to dissolve the partnership, it remains to be seen what Tata will do with the LCC. Will it continue to keep it flying or package it and sell it? It is believed the Tata view is that at least the "reins will be firmly in their hands" with AirAsia is out of the picture.

Auditors for AirAsia India parent, AirAsia Investments, have raised doubts about its status as a going concern because its liabilities, before the COVID-19 crisis, exceeded its assets by US$430 million.

Similar concerns about the local joint venture's financial standing have been raised by its India auditors. Pre-pandemic, they said, accumulated losses at the LCC were higher than its share capital and current liabilities exceeded current assets.

According to sources, the AirAsia parent team is "fed up of India and its ways". Running a business in India is never a piece of cake, but the joint venture has faced more than its share of problems from the word go.

Since 2018, after Tata Sons brought in their own man to run the airline and then upped their equity to 51% in April last year, AirAsia Group CEO, Tony Fernandes, has been steadily distancing himself from carrier.

"In the early days, he was sitting in the cockpit and running the airline from afar", said a Tata source associated with the airline from 2014. But the love affair is over, he said.

Can the two partners strike a compromise? AirAsia Investments feels the airline took a lot of its time, effort, attention and finances from 2014 to 2018.

In late 2019, a senior level Tata team went to Malaysia to discuss the way forward with Fernandes, but a watertight article of association between the two partners made exit for either of them difficult.

Almost two years on, the pandemic may provide a way out of the joint venture both parties – the final nail in the coffin of a long and unhappy marriage. ■

MRO AND COMPONENTS

SR Technics pioneers live Remote Table Inspections for engines at Asiana Airlines

Asiana Airlines is a pioneer customer in the Asia-Pacific for **SR Technic's** Remote Table Inspections (RTI), now available at its Zurich engine shop.

Asiana Airlines power plant engineer engine maintenance, Seahee Cho, said last month: "As a customer who shared opinions from the initial introduction of RTI, I found this procedure to be a very efficient and realistic alternative.

"The advantages of RTI are various and it is possible to manage the engine history through video recording and shorten the engine repair rotation.

"In addition, live streaming technology can be used for issues not limited to table inspection that require further discussion. I expect this process will enable more convenient and mutual cooperation."

For airline customers, RTI minimizes customer waiting times, reduces travel time and associated costs and eliminates bottle necks in the engine MRO chain. All results are documented and available in real time to customers.

COVID-19 was the impetus for SR Technics's development of RTI. The company's innovation team designed a virtual RTI solution, live from April, that allows the MRO's customers to follow work on their engines, parts and modules from their home bases.

SR Technics vice president engine services, Owen McClave, said "given the great reduction in travel and face-to-face interactions in recent months, this is another example of how our company has rapidly adapted to market demands while prioritizing the health of our customers and personnel". ■

TRAINING

FlightSafety opens for MRO training business in Queensland

Global professional aviation training company, **FlightSafety International**, has established an MRO learning centre in Queensland, Australia's leading aerospace hub.

The Sunshine Coast facility, north of Brisbane, will offer aircraft technicians maintenance training on Pratt &Whitney Canada engines and Honeywell engines and APUs.

FlightSafety executive vice president sales and marketing, Nathan Speiser, said: "FlightSafety offers conveniently located programs to our customers in the Pacific Rim and elsewhere through our global network of learning centres and training facilities.

"Technicians benefit from FlightSafety's immersive and interactive courseware combined with the use of full-scale systems trainers, major component cutaways, working models and test equipment used to demonstrate procedures and reinforce the information learned in the classroom."

FlightSafety Pratt & Whitney Canada training in the Asia-Pacific also is offered in Haikou, Bangalore and Singapore. MRO training for Honeywell's engines and APUs is available in Haikou.

The aviation training company's Asia-Pacific centres are in Australia, China, Hong Kong, India and Japan. ■

Asia-Europe flights to test new crew health and safety rules

Singapore and the UK are undertaking joint trials to test the crew module of the **International Civil Aviation Organisation's (ICAO) Council Aviation Recovery Taskforce (CART)** Take-off guidelines.

ICAO, the UK and Singapore civil aviation authorities, Changi and Heathrow Airports and Singapore Airlines and British Airways are participating in the trials.

On journeys between the UK and Singapore, measures to be tested with crew include maintaining social distancing, meeting all relevant customs, immigration and health requirements, observing good hand hygiene and reduced interaction with passengers.

During layovers in respective countries, air crew must remain in their accommodation at all times.

Data will be collected and reviewed by participating parties during all phases of the flights and procedures strengthened where necessary.

ICAO secretary general, Dr. Fang Liu, said CART's work had been developed in cooperation with ICAO Council member states, colleagues from the World Health Organisation, among many other international organisations and aviation industry partners.

"They have been designed for member states and industry to implement harmonized risk mitigation measures in full accordance with the latest medical and traveler health advice,' she said. ■

Oceania carrier, Samoa Airways, signs CPaT for aviation distance learning

Samoa Airways, based in Apia in Oceania, has contracted E-solutions aviation training company, **CPaT Global**, to provide multi-year distance learning solutions for its aviation training requirements.

The courses will include tailored programs for the 737-800 and 737MAX types, 40 general subjects, a mobile learning management system and interactive aircraft diagrams.

CPaT Global's vice president, Capt. Greg Darrow, said "the addition of Samoa Airways to the CPat family is an exciting time. Working with Samoa Airways to bring the most advanced and comprehensive distance learning program to their pilots will be greatly beneficial to all involved".

"Samoa Airways was looking for a training program that could provide the assets we need while maintaining a cost-effective solution. CPaT was able to provide an E-learning program for our pilots which met our needs and our budget," the airline said.

When unrestricted by the Covid-19 pandemic, Samoa Airways flies from its home hub in Apia to Sydney and Auckland, code-shares with Fiji Airways to Nadi and Honolulu as part of the Pacific Partnership Alliance and operates turboprop services from the Samoan capital to Pago Pago.

CPaT has 250 clients worldwide ranging from airlines, airline training associations and flight training academies to universities, governments and corporate flight companies. ■

Alsim closes first New Zealand simulator deal

Flight simulator manufacturer, **Alsim**, has sold one of its AL42 simulators to Auckland's Ardmore Flying School. The privately-owned training academy has trained more than 10,000 pilots for commercial and private licences since it was established in 1961.

Its students have access to 16 C172 single engine and two Diamond DA42 Twin Star multi-engine aircraft complimented by three simulators.

Its new Alsim simulator is an exact replica of the Diamond DA42, built using genuine aircraft parts and fitted with the most up-to-date Garmin G1000 avioinics suite, the simulator manufacturer said.

"Alsim was chosen for its attention to detail, fantastic and open communication and the quality of the equipment. The visuals provided allow for excellent handling training," Ardmore Flying School CEO, Ian Calvert, said. "The IFR procedures, combined with the full IOS gives scope to challenge trainee pilots to extend their capabilities and skills." ■

TECHNOLOGY

Sabre announces leadership team for restructured Travel Solutions business

Global software and technology provider, **Sabre Corporation**, has announced a new leadership team for its Travel Solutions business which now combines its airline and agency focused businesses.

Dave Shirk will continue as president of Travel Solutions reporting to CEO, Sean Menke. He will be responsible for product development, sales and account management, delivery and professional services and strategy.

Other promotions and appointments are the following executive vice presidents: chief product manager Wade Jones, chief technology officer Dave Moore, chief commercial officer Roshan Mendis, chief services officer, Cem Taylor, and head global business operations, Blair Austin.

"We began this journey more than two years ago with the unveiling of our SabreNext strategy and the creation of our Travel Solutions organization under the leadership of Dave Shirk," Sabre president and CEO, Sean Menke, said at the turn of the month.

"Since then we have been taking difficult steps to transform this company, which culminated in the announcement of Sabre's strategic initiatives earlier this year and the organization alignment we announced last month.

"Today, we are sharing additional details about recently appointed executives who will be responsible for delivering the next generation of retailing, distribution and fulfillment for new and existing customers." ■

COVID-19 intensifies pace of commercial airline digital transformation

Despite current financial challenges airlines and Information technology (IT) suppliers are continuing to invest in distribution, loyalty programs and supply chain management, a new survey has revealed.

Frost & Sullivan's Global Airline IT Market, Forecast to 2025, found expectations of passengers are compelling carriers to embrace digital enablers, propelling a digital transformation journey that will fundamentally change traditional airline IT strategies.

Impacted by COVID-19, the airline IT market is estimated to drop back marginally and generate revenue of $20.74 billion by 2025. Previously, the market had been forecast to reach $25.1 billion by the mid-2020s, from $21.20 billion in 2019.

"Despite the adverse impact of COVID-19 on the industry, airlines are increasingly focusing on adopting next-generation digital solutions such as mobility, machine learning (ML), Big Data analytics, and artificial intelligence (AI) to identify cost-saving and revenue-generating opportunities," Frost & Sullivan aerospace and defence research analyst, Abhilash Varkey Abraham, said.

"Additionally, a few major airlines have committed to migrating their entire IT infrastructure to the cloud in the next three to five years. This trend is likely to expand, mainly among low-cost carriers."

Asia-Pacific airlines are expected to be the key growth engine for the industry in the medium to long term, he said.

With airlines losing $25 billion due to disruptions in operations from COVID-19 and with 50% of them addressable via digital solutions, a huge opportunity exists for IT suppliers to innovate and expand their portfolios, Frost & Sullivan forecast. ■

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