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# ascend

Taking your airline to new heights

A man in a dark pinstriped suit and tie is smiling and holding a small white model airplane. He is standing in front of a window with horizontal blinds. The background is slightly out of focus.

## World's Happiest Airline

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الخطوط الجوية الأفريقية

**AFRIQIYAH** AIRWAYS

# Enjoying The Tailwind

While other carriers in Africa have struggled during difficult times, Afriqiyah Airways has been able to ride the storm out time and time again. It stays true to its objective of linking Africa's cities together without making its passengers suffer through lengthy layovers, it takes advantage of modern technology, and it knows just when and where to expand in support of future growth and ongoing success.

■ By Lynne Clark | *Ascend Staff*



Photos: Afriqiyah Airways

Roman philosopher Seneca said, "Luck is when preparation meets opportunity." According to that definition, Afriqiyah Airways has been "lucky."

While airlines worldwide have been slashing flights to match dropping demand during the ongoing global recession, Afriqiyah is among the handful of African airlines that have bucked the trend. Instead of slashing flights, the carrier is looking beyond regional expansion and is eyeing more lucrative international destinations.

The nine-year-old, state-owned carrier flies once a day between Libya's capital city, Tripoli, and Benghazi and has no plans to add more domestic routes. Currently, it has direct flights between Tripoli and 17 destinations in north, west and central Africa and the Middle East as well as to European destinations such as Paris, Brussels, London, Rome and Amsterdam.

When it was formed, Afriqiyah had hopes to become Africa's favorite airline, as spelled out in its corporate mission "to link the African countries directly with one another, without the need to suffer through the long connecting flights from Africa and Europe and then back to Africa again."

Afriqiyah Chief Executive Officer Rammah Ettir told reporters last year the airline has largely accomplished that goal.

"We have made Tripoli a gateway to and from Africa, shortening routes from Europe and then developing the network to cover a considerable number of African destinations, which will be further extended to Asia and North America," he said.

The most immediate new route extension planned by the airline is to Beijing and Guangzhou, China. In the future, Afriqiyah Airways also plans to introduce new services to Leon and Milan and hopes to expand to the United States — particularly New York's John F. Kennedy International Airport and Houston, Texas, which has headquarters for many U.S. oil companies.

Afriqiyah Airways began positioning itself for international expansion in 2006.



**Afriqiyah Airways planes are painted in red, green, yellow and black (Africa’s traditional colors), with the numbers 9.9.99, referring to the birth date (Sept. 9, 1999) of the African Union.**

The carrier signed a memorandum of understanding for the acquisition of six Airbus A320s and three A319s, plus an option for three A330-200s. It has already taken delivery of three A319s, and has deployed them on the new Dubai route. Two of the three A330s were also delivered last year and used to inaugurate new routes to Dhaka, Johannesburg and Kinshasa.

At the time Afriqiyah was expanding its route service, executives realized the

old reservations system was outdated and began searching for a new technology partner. In 2005, the airline partnered with *Sabre Airline Solutions*® and chose components within *SabreSonic*® *Customer Sales & Service* to effectively manage its travelers and distribution channels.

“Afriqiyah was aiming to implement a state-of-the-art solution for its commercial functions, and the technology from *Sabre Airline Solutions* was the right choice,”



**According to Afriqiyah Airways director of commercial operations, Khaled Sawese, the collaboration with *Sabre Airline Solutions* was critical in helping the carrier gain efficiencies and grow revenues.**

said Khaled Sawese, director of commercial operations for Afriqiyah Airways. "The system we had at the time was unreliable and was unable to connect with other global distribution systems."

Sawese said the partnership with *Sabre Airline Solutions* was a key element in helping the airline become more efficient and grow revenue to increase its value in a short period of time. The technology company believed in Afriqiyah Airways and was willing to engage in a "risk-reward" initiative.

"In addition to the *SabreSonic CSS* implementation, *Sabre Airline Solutions* was prepared to share the risk with Afriqiyah and embarked with us in a risk-reward type of engagement, where both companies needed to work hand-in-hand to be where we are today," he said. "This project was successful, and we are pleased that *Sabre Airline Solutions* has helped us improve our processes and procedures, which has also helped improve our financial performance."

### Early Headwinds

In the late 1980s, the country's air transport sector was feeling the affects of the isolation imposed by United Nations sanctions banning all flights to and from Libya and prohibiting the supply of all aviation equipment. Flag carrier Libyan Arab Airlines was on life support having borne the brunt of sanctions. The year before the imposition of United Nations sanctions, the carrier had 35 passenger aircraft, but it shrank to just one operational Fokker F28 and one Boeing 727 by 1999.

"There were many days when we did not have a single aircraft in the air," Captain Sabri Shadi, former Afriqiyah Airways chief executive officer and now chairman of the Libyan African Aviation Holding Company told *Airline Business* in a 2008 interview. "We had 450 pilots in the airline at that time; they were not doing anything.

"The damage done was so great. It was really difficult to recover. Although the United Nations sanctions had been lifted, the U.S. embargo carried on for another four years. I tried so hard to find solutions for the fleet, and although we signed a letter of intent with Airbus in late 1999, we were unable to buy new aircraft until early 2006."

With questions about the viability of Libyan Arab Airlines, it seems paradoxical that the Libyan government would establish another state-owned airline.

"At that time, the Libyan government was asked to bail out struggling West African multinational Air Afrique," Shadi said.

Also, Libyan Arab Airlines was not in good shape and was suffering badly from the consequences of the sanctions, but it



**Afriqiyah Airways' Airbus A319 aircraft cabins are configured with 16 business-class and 96 economy-class seats with the latest in in-flight entertainment. Both cabins are designed with comfortable seats and warm interior lighting.**

was then politically unacceptable to shut it down.

"So, many elements came together," Shadi said. "The government, therefore, decided to establish a new airline specifically to link Libya with Africa and ultimately connect Africa with the rest of the world. This was the thinking behind Afriqiyah Airways. It was possible that Libyan Arab Airlines would not recover and, in such a situation, Afriqiyah was in place to serve as the state airline."

As it turned out Libyan Arab Airlines (now Libyan Airlines) survived and now flies to 10 destinations in Europe, five in North Africa and three in the Middle East.

To resolve the anomaly of two national airlines, the Libyan government has placed both Libyan Airlines and Afriqiyah Airways under a single state-owned holding company, Libyan African Aviation Holding Company, with the two carriers expected to merge by 2011.

### Taking Advantage Of Tailwinds

Today, Afriqiyah Airways has carried more than 1 million passengers and is focused more on its arrival than departure. After a long period of sanctions and isolation, Libya appears to have turned a corner and is now occupying the international limelight thanks to the country's booming oil- and gas-driven economy. A growing number of foreign investors are traveling to the country to take advantage of lucrative business opportunities sprouting up around oil and gas industries, and an ambitious

multi-billion-dollar infrastructure development plan focused on the renovation and construction of airports, roads, railways, housing, schools, hospitals, and water and sanitation projects.

Afriqiyah CEO Ettir estimated that 70 percent of the airline's business consists of passengers transiting Tripoli on their way between Europe and various African capitals. The most heavily traveled routes for business are between Tripoli and Paris, Accra, London and Dubai.

Only 15 percent of Afriqiyah's passengers are tourists, but Ettir expects that to change as the country begins to see results from infrastructure improvements. In Tripoli alone, 10 five-star hotels are being built and a number of four- and three-star hotels are already complete. In fact, whole tourist villages are now operational and many more are being erected throughout the country.

Libya is undoubtedly ready for takeoff, and Afriqiyah Airways is clearly prepared to enjoy the tailwind. **F**

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