

Decentralisation of CAAB's role, fair competition from Biman crucial to save country's private airlines

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Dhaka : The private airlines of the country are on the brink of collapse as they are having to face a staggering amount of BDT 2630 net loss per seat on domestic flights. The drop in business is led by rising jet fuel cost, uneven competition from the flag carrier and hostile policies from the government.

Same goes for Biman Bangladesh Airlines. However, as it is our national flag carrier, the airline is backed by the government while private airlines see no light at the end of the tunnel.

To save the private airlines from this horrible crisis, industry stakeholders urged to decentralise Civil Aviation Authority of Bangladesh's role from all segments of aviation.

They also pleaded to have Biman stopped from dumping fare and capacity as well as asked the flag carrier to compete with the private counterparts fairly.

The calls were made at a workshop with journalists titled "Aviation Industry in Bangladesh: Prospects and Challenges" organised by the Aviation Operators Association of Bangladesh at Daily Star premises in the capital on September 15.

The workshop was presided by Anjan Chowdhury, President of AOAB, and presented by Mofizur Rahman, Secretary General of AOAB and Managing Director of NOVOAIR.

In his inaugural speech, Anjan Chowdhury, President of AOAB, said, "The aviation industry of the country stands on over BDT 15 thousand crore investment. Over seven thousand

people are directly involved in the trade while 29 operators are flying."

"Millions of foreign currency are being brought by the airlines while they uphold the image of the country to incoming travellers."

"Yet, the government does not prioritise the industry. Their mindset needs to be changed," he said.

Secretary General of AOAB Mofizur Rahman in his speech, said, "CAAB's responsibilities must be decentralised. There should be separate authorities for Civil Aviation, Airport and Aviation Tariff just like it is in South Asia."

He further noted that jet fuel cost has risen 126 per cent in the last one decade due to the monopoly of Bangladesh Petroleum Corporation that has, in turn, increased the operating cost of the airlines that they are struggling to meet.

"Policy support from the government is all we ask for. The private airlines have to pay 6 per cent surcharge monthly. There is no country on earth that charges over 6 per cent surcharge even yearly," he claimed.

Lutfur Rahman, CEO of US-Bangla Airlines in his speech, said, "Biman should stop competing with the private airlines unfairly. They should stop using wide-body aircraft on domestic routes of 20-minutes flight time like Dhaka-Chattogram. This is leading to capacity and fare dumping that is, in turn, affecting the private airlines that are not backed by the government."

High officials of various airlines, helicopter companies, flying schools and journalists of the country were also present on the occasion.