

Biman in complete disarray even on its 50th year

- A Monitor Desk Report

Date: 01 March, 2022



The logo for Biman Bangladesh Airlines' 50th anniversary. It features a large '50' with a red swoosh through the '0'. Below the '50' is the Biman logo and the text 'Biman BANGLADESH AIRLINES'. A red banner across the bottom says 'ANNIVERSARY' and '4th January 2022'. The years '1972-2022' are at the very bottom.

- BDT 1,000cr damage to passenger cabins while being used to carry cargo irresponsibly
- BDT 1,223cr loss over lease of two B777s from Egypt Air due to non-transparent agreement
- New Dash-8 grounded due to engine damage caused by pilot error
- Suspension of Biman's online sales for 6 months over payment dispute with service provider
- Windshield crack of Boeing 737 led to cancellation of flight and return to base
- Flights to KSA in danger of closure amid lack of routine administrative measures by Biman
- Unwise faulty decision to operate long-haul aircraft on short routes causing loss of valuable cycles

Dhaka : Airlines all over the world including Bangla-desh are in great distress due to situation created by Covid-19 pandemic. On top of it, Biman Bangladesh Airlines Limited is now in great financial and operational disarray, mainly due to faulty management and avoidable incidents.

Some recent incidents have caused colossal financial loss to Biman Bangladesh Airlines.

The situation in Biman is so concerning that just recently Prime Minister Sheikh Hasina had to intervene. She asked the national flag carrier to strengthen online services, extend regional network, ensure proper maintenance of new aircraft and acquire two cargo aircraft for cargo services.

A casual look at these incidents will show that the national flag carrier of the country is suffering from not so wise and active management.

On top of these incidents is one in which interior passenger cabins of eight aircraft have been badly damaged while transportation of cargo. Others include pilot error grounding one new aircraft, broken windshield on Boeing 737-800, online booking breakdown harming Biman, lease of defective aircraft costing Biman heavily and unwise use of large aircraft on short-haul routes costing many valuable cycles.

BDT 1,000cr damage

In a bid to offset losses from passenger flight suspensions during the pandemic, the Biman authorities decided to use passenger aircraft to transport goods.

An example of gross mismanagement is the way eight passenger aircraft were used for carrying cargo resulted in huge damage to the passenger cabins of all the eight aircraft. Biman authorities decided to deploy eight new passenger aircraft for transporting cargo, including heavy chemical products, medical and pharmaceutical shipments and dry fish. Unfortunately, no protection against possible damage to existing passenger seats and other equipment and facilities were taken.

Of the eight aircraft, damage to six aircraft- four Boeing 777-300 ERs and two Boeing 737-800s were comparatively less, but the interior and various parts of two Boeing 737-800 aircraft, leased from Ireland's Celestial Aviation Trading Ltd in 2009, were fully damaged, it is learnt.

Many seats, entertainment systems, interior decor, toilets, floors, and overhead locker of these aircraft suffered heavy damage.

A parliamentary standing committee on civil aviation ministry came down heavily on Biman's respective top officials for damaging of interiors of several aircraft of Biman Bangladesh Airlines while transporting cargo items for more than a year since March 2020.

The parliamentary watchdog also asked Biman's Managing Director and CEO Dr Abu Saleh Mostafa Kamal to come up with the details of those incidents before the committee's next meeting scheduled to be held within a month.

"The committee wanted to know why Biman's respective officials were not careful to protect its valuable equipment and interiors while turning the passenger flights into cargo flights during the Covid-19 pandemic," a member of the committee and Awami League MP said after the meeting at the Jatiya Sangsad Bhaban, wishing to be anonymous.

It is understandable that Biman wanted to generate some income through operating cargo flights when there was almost no passenger flight during the global Covid-19 pandemic, the lawmaker said, adding, "But it cannot be acceptable that you will damage the aircraft's seats and many other interior items in the name of earning some income."

Another lawmaker, who was also present at the meeting, said that they came to know from media reports that Biman has caused a loss of around BDT 1,000 crore due to the damages.

"We also wanted to know whether any syndicate was involved in this process," the lawmaker added.

Meanwhile, sources in Biman said, the national flag carrier authorities have formed an internal committee to investigate the matter.

Of the eight aircraft, four Boeing 777-300 ERs and two Boeing 737s had incurred slightly less damage, but the interior design and various parts of two Boeing 737-800 aircraft were damaged heavily.

The one that developed a crack on the windshield was one of the two which were slightly damaged. It was leased from Ireland's Celestial Aviation Trading Ltd in 2009 for the Biman fleet.

The leasing conditions say that the aircraft needs to be returned in its original state at the end of the lease durations.

Biman now plans to buy this aircraft as Celestial Aviation Trading Limited has refused to take back the two damaged aircraft. Additionally, it will cost a lot more money to return the aircraft to their previous condition than buying them.

It may be noted that during Covid-19 pandemic, a number of airlines in the world including US Bangla Airlines of Bangladesh used passenger aircraft to transport cargo. There is no report of damage to aircraft interior, similar to Biman.

BDT 1,223cr loss over lease of two planes

Biman incurred a loss of about BDT 2,200 crore due to taking a lease of two Boeing 777 aircraft from Egypt in 2014 through a "non-transparent agreement", which was against the interest of Biman, the parliamentary body said.

Leased from Egypt Air in 2014 for five years with stringent conditions that went against Biman's interests, the extended range planes remained grounded since 2017 due to engine defects.

One was returned to Egypt Air in July 2019 and the other in October of the same year.

"Biman had to pay BDT 56 crore to Egypt Air for breaching the terms of the lease, BDT 600 crore for the lease, BDT 310 crore for leasing four engines, around BDT 250 crore to United Airlines for repairs, and around BDT 7 crore to Vietnam Airlines Engineering Company for using its Bay," said former civil aviation and tourism secretary.

As per the lease agreement, Biman was to pay BDT 10 crore a month to Egypt Air even if the planes remained grounded.

A civil aviation and tourism ministry probe body in March 2019, concluded that the terms and conditions of the "non-transparent" lease agreement went against Biman's interests.

It was found that a section of Biman officials inked the deal for personal gains and did not want the planes to fly. They benefited while the planes remained grounded, sources said quoting the probe report.

The revenue collected from the operation of these two aircraft was BDT 2,200 crore and the cost behind the two was BDT 3,300, according to sources at the parliamentary body.

Engines of Dash-8 'damaged'

A relatively new De Havilland Canada Dash-8 aircraft of Biman Bangladesh Airlines has been grounded since February 2 due to "damaged engines caused by pilot error".

The damage allegedly happened when pilot deployed the aircraft's emergency power system- typically used to avoid an impending accident- in mid-air on the way to Sylhet from Dhaka on February 1, according to Biman officials.

This caused damage to the aircraft's two engines, which will now cost the carrier a huge sum to repair, the officials said.

As is practice, the pilot is supposed to report the incident to the authorities concerned and make an entry in the logbook such that the aircraft is not used until the repairs are done.

But the concerned pilot, who is also the deputy chief of training at Biman, did not report the matter to the proper authorities, the airline's flight crew members said on condition of anonymity.

As a result, the "unfit aircraft" was used on the return flight to Dhaka with 49 passengers on board.

There was a real possibility of the engines exploding during the flight, they claimed. Even after landing in Dhaka, the matter was not reported to the engineering department. And the plane was being prepared for use the next day. At the last minute, the aviation engineering department revoked the flight permit seeing data in the system logs that the emergency power was used.

Since then, the 74-seater aircraft, one of the three purchased from Canada's De Havilland, has remained grounded.

De Havilland Canada and engine manufacturer Pratt and Whitney have been asked to assess the damage.

Biman has formed a probe body to know under what circumstances the pilot used the emergency power, and whether there was any fault in his handling of the aircraft.

Suspension of Biman's online sales

Biman Bangladesh Airlines' online ticket sales were suspended from August 10, 2021 without prior notice. It is because its online sales partner Travelshop Ltd suspended the service, causing problems for passengers during the ongoing Covid-19 pandemic.

Travelshop claimed they were forced to suspend the service as Biman did not pay its dues.

"Travelshop was hired temporarily in 2019 to sell tickets online under a mutual agreement to encourage the country's service providers," Biman Managing Director and CEO Dr Abu Saleh Mostafa Kamal said.

"But the company [Travelshop] repeatedly failed at various stages to provide the full services expected by the airlines. They suddenly stopped their services from Tuesday in an unethical manner and tried to create confusion," he said.

"We are going to ensure the provision of advanced online services through a world-recognised service provider soon," the Biman MD said.

However, an announcement on February 24 informed, Biman's new Passenger Service Solution (PSS) started work from February 29.

Windshield crack

A Boeing 737 of Biman Bangladesh Airlines was brought back recently from Malaysia after a windshield crack was noticed mid-flight enroute to Kuala Lumpur. The aircraft was grounded for around 12 hours at Kuala Lumpur airport before it was flown back to Bangladesh. The cause of the windshield crack was not immediately known.

An official of flight operations central control said the Boeing 737 landed safely in Kuala Lumpur after taking off from Hazrat Shahjalal International Airport with around 128 passengers on Tuesday. It cancelled the return flight.

A rescue aircraft was sent to bring passengers on the same day, said Biman spokespersons.

So far, there have been at least two cases, including this one, where the aircraft, including a new Dash-8, had to return to base due to engine defects and other causes recently.

Flights to KSA in danger of closure

The mismanagement in Biman has reached to a level where routine administrative measures are found to be lacking.

In the absence of timely action, Biman is faced with losing its right to fly to Saudi Arabia for failing to operate with one general sales agent in the Kingdom. General Authority of Civil Aviation (GACA) of Saudi Arabia could suspend Biman flights anytime for noncompliance.

The Bangladesh Ambassador to the Kingdom Mohammad Javed Patwary termed the situation "horrifying" and blamed Biman for it. In a letter to M Mahbub Ali, the state minister for civil aviation in Bangladesh, Patwary said Biman management could not respond properly to GACA's repeated reminders.

"Biman is well aware of the problem of moving from one GSA [general sales agent] to another. They should have had good planning. But in the absence of this practice, Biman officials in the foreign countries are in an embarrassing situation," the Ambassador wrote.

Unwise faulty decision

In its 50-years history, Biman is now for the first time equipped with new modern

aircraft in adequate number. In fact, right now Biman has not enough foreign routes to efficiently deploy these aircraft-B787s, B777-300s and B737s.

Despite having a large fleet of modern aircraft, Biman Bangladesh Airlines is struggling to properly use these mainly due to absence of route.

While Biman is not in a position to properly use these aircraft, it is occasionally using these long haul aircraft on short domestic and regional routes.

For instance, medium-haul Boeing 737-800s are used on three domestic routes- Sylhet, Chattogram, and Cox's Bazar - while the ultra long-haul B787s and B777-300 ERs are being used to transit through Chattogram and Sylhet. This is increasing cost of operations of these flights and well as losing valuable cycles of these aircraft.

The efficient utilisation hour for a short-haul Dash-8 aircraft is eight hours while it is above 10 hours for 777 and 737 aircraft.