

German flag carrier shuts down regional subsidiary

- A Monitor Desk Report

Date: 18 April, 2026



Dhaka: Lufthansa has announced the immediate permanent grounding of all 27 operational aircraft of its regional subsidiary Lufthansa CityLine, accelerating the unit's previously planned 2028 shutdown.

The German national carrier cited a sharp rise in kerosene prices, which it said have more than doubled compared to pre-Iran War levels, along with mounting losses from ongoing labor disputes, as the primary drivers behind the decision.

The airline also announced it will withdraw four older Airbus A340-600s from its core long-haul fleet at the end of its summer schedule, with the winter schedule seeing short- and medium-haul operations trimmed by five additional aircraft.

Last week, Lufthansa was embroiled in wage disputes with two groups.

Pilots from the union Vereinigung Cockpit staged a two-day walkout over company pension plans, while cabin crew members were striking for better working conditions.

The overlapping strike actions have caused widespread disruptions. Frankfurt Airport operator Fraport reported 656 cancellations out of 1,313 scheduled flights at the hub, mostly attributed to Lufthansa.

The developments have even overshadowed the airline's 100th anniversary celebrations.

V