

Kuwait Airways expands USD 6b deal with Airbus for 31 planes

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Dhaka: State-owned Kuwait Airways has expanded a USD 6 billion deal with Airbus for 31 jets, restructuring an agreement reached in 2014, the airline announced on February 21.

"We have managed to agree on a monumental restructuring that will position Kuwait Airways in a much stronger place to succeed for the next 15 years," company chairperson Ali Al-Dukhan said.

The new agreement, which adds three new aircraft to the existing order of 28, includes nine Airbus A320neo, six A321neo, three A321neoLR, four A330-800neo, seven A330-900neo and two A350-900.

Al-Dukhan mentioned the reshaped deal, aimed at giving the airline greater flexibility after the travel industry was rocked by the coronavirus pandemic, now carried a "total value of about USD 6 billion."

"Although corrections were made in 2018, the deal needed further corrections to suit Kuwait Airways' future, especially with the need to transition and become more flexible in a post-Covid aviation industry," he added.

Negotiations took place against the backdrop of bribery allegations that cost Airbus billions of dollars in settlement fees in other countries in 2020.

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