

THENASHRA

Industry's Pulse & Arab Aviation



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New European Commission assumes office on 1 November - p. 37

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Foreword

In spite of the challenging times that the industry and the business environment as a whole is undergoing due to health concerns resulting from the Ebola outbreak, conflict zones and instability in some countries, and weakening global markets, a number of Arab airlines are managing to record positive financial results and attract more passengers. In the UAE, in the first half of the 2014-15 fiscal year, Emirates Airline recorded a net profit of USD 514 million, up 8% compared to the same period in 2013-14 carrying 23.3 million passengers between 1 April and 30 September 2014, up 8.4% from the same period in 2013; meanwhile Etihad Airways recorded an increase of 29% in revenues in Q3 2014 carrying 3.9 million passengers during the quarter. Air Arabia also recorded a USD 135.58 million net profit for the first nine months of 2014, up 46% compared to the corresponding period of 2013 serving over 5.1 million passengers in the first nine months of 2014, a 13% year-on-year increase. In the KSA, Saudia Airline reported an increase in the number of passengers during the first nine months of 2014 by 11.6% reaching 21.1 million passengers and is currently planning

for 3 IPOs where it hopes to raise at least USD 2.7 billion through selling its shares in three divisions as it moves closer to full privatization. These airlines and indeed many others in the region have also expanded their reach during the past period within the Arab world and with other regions. Tables showing the Arab airlines' expansion during the past period are shown on pages [15](#) and [29](#) of The Nashra.

Catering for this expansion and future expansion plans, the airlines are deploying newer aircraft; notably, Emirates received its 100th Boeing 777-300ER last month, while Etihad is planning to lease two of the type from Jet Airways, according to The Economics Times, and Qatar Airways received 2 Boeing 787 Dreamliners and one Boeing 777. Qatar Airways and Gulfstream also signed an MoU to purchase 20 aircraft for Qatar Executive. Meanwhile, Air Cairo received its 6th A320 aircraft.

A number of airports in the region are also overcoming the challenges facing the industry and the business environment as a whole. Bahrain, Jordan, UAE, Qatar, and Oman's airports have all witnessed an increase in passenger and cargo volumes during the past period with Dubai International offering over 8.5 million international seats in September 2014, the highest in the region, followed by Doha and Abu Dhabi with 3.2 million seats and 2.2 million seats respectively.

Recognizing that air traffic management is one of the most important issues that require the attention of states in the region and that such an issue needs a collective regional effort, the UAE GCAA is officially endorsing and hosting the Future Air Transportation Systems Summit in Dubai on 18-19 January 2015 which is being held alongside the ICAO Middle East ATM Enhancement Programme (MAEP) meeting. Such gatherings and initiatives are catalysts for a much needed attention to the issue of ATM in the region. Challenges in ATM are not unique to the Arab world, indeed it is a problem in every region where the speed in traffic growth is exceeding the speed in ATM improvements. This problem is famous in the EU with the delayed implementation of the Single European Sky. In the US, the FAA and industry have recently developed a Next Gen Priorities Joint



Implementation Plan where they specified a number of Next Gen initiatives to implement with specific milestones, locations, timelines and metrics to meet.

Relations between Arab states and third countries have been enhanced lately with Egypt initialing an air services agreement with Ireland, UAE inking an open skies agreement with Sierra Leone, while Qatar updating some provisions in its air services agreement with Brussels.

On the global level, ICAO Council has adopted a unanimous resolution condemning MH17 downing over Ukraine earlier in 2014 and approved a conflict zone work programme for ICAO for 2015. Separately, IATA and Travel Capitalist Ventures created an NDC innovation fund that would support innovation in airline distribution using the NDC standard.

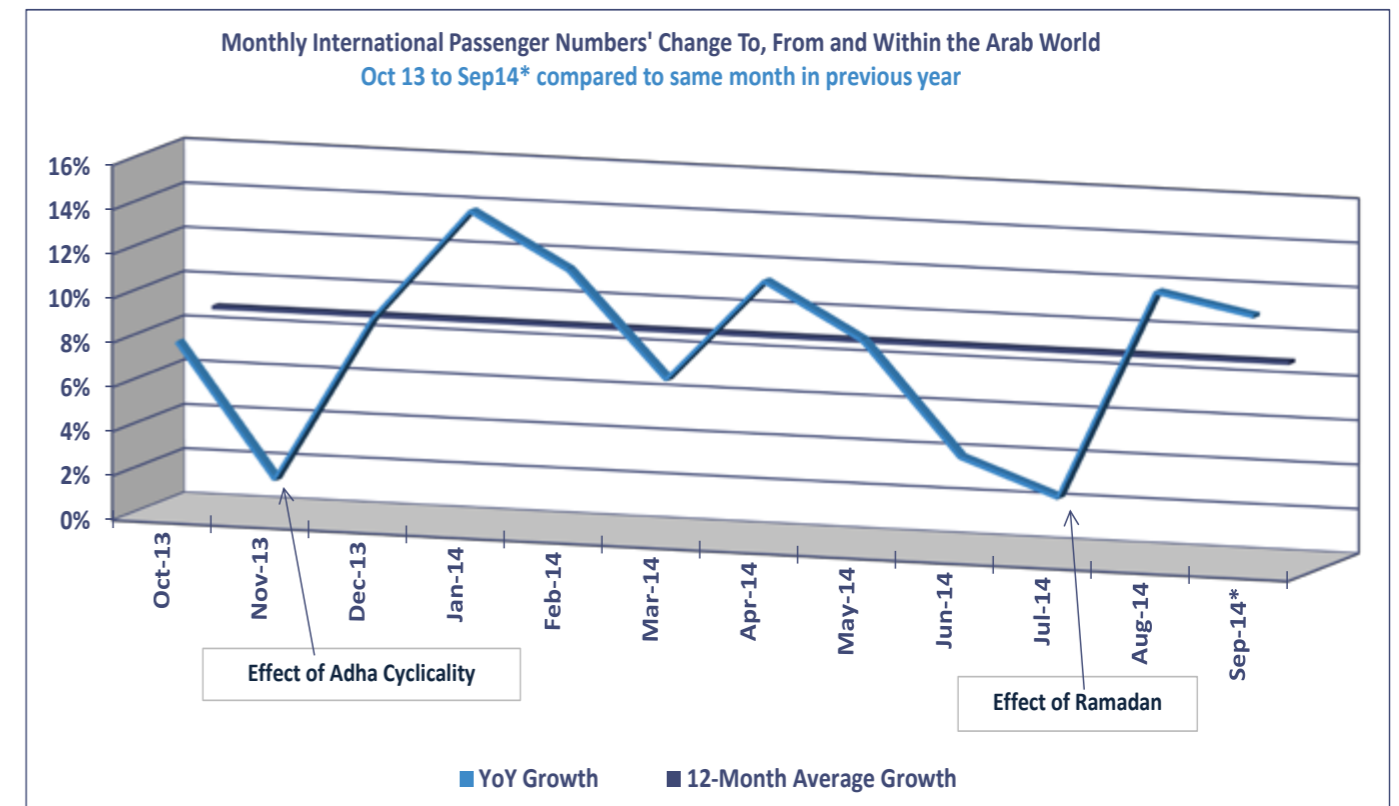
We focus on the Spanish aviation market in this issue. With a population of 46.7 million people, more than 28 million passengers used Spanish airports in 2013, creating a ratio of 0.6:1 of passengers to population. The Spanish aviation market links 315 cities worldwide, whereby the highest share of traffic of Spain is with Europe with Barcelona-London city pair having the highest number of seats offered from Spain in September 2014. More details are available on [Page 40](#).

AACO's 47th Annual General Meeting will be held next week from 18 to 20 November 2014 in Dubai under the Esteemed Patronage of HH Sheikh Ahmed Bin Saeed Al Maktoum, President, Dubai Civil Aviation Authority, Chairman & Chief Executive Emirates Airline & Group, and Chairman Dubai Airports and by kind invitation of this year's AGM Chairman, Sir Tim Clark, President of Emirates Airline. In addition to discussing strategic and internal issues of importance to AACO member airlines, this year's AGM features input from the Arab Civil Aviation Commission and IATA in addition to a discussion panel moderated by Mr. Richard Quest, CNN Anchor and Correspondent, gathering a number of highly esteemed speakers who will discuss the future of Arab airlines and whether protectionism policies do protect airlines.

AACO looks forward to this AGM which has proven to be an attractive yearly event for AACO member airlines, partner airlines and aviation stakeholders to gather, network and discuss issues of interest to the Arab air transport industry.

OVERALL TRAFFIC - ARAB WORLD

We estimate international passenger numbers to, from, & within the Arab world to have grown by 11.6% in September 2014 compared to September 2013, which follows an increase of 12.4% in August 2014 compared to August 2013.



Source: AACO, IATA

*Estimated

In September 2014, AACO members increased the number of their offered seats to, from, and within the Arab world by 21.7%, while other airlines decreased their number of seats offered by (10.3%), leading to 12.4% year-on-year increase in the total number of seats offered.

**AVIATION
WITHIN THE
ARAB WORLD**



GROWTH

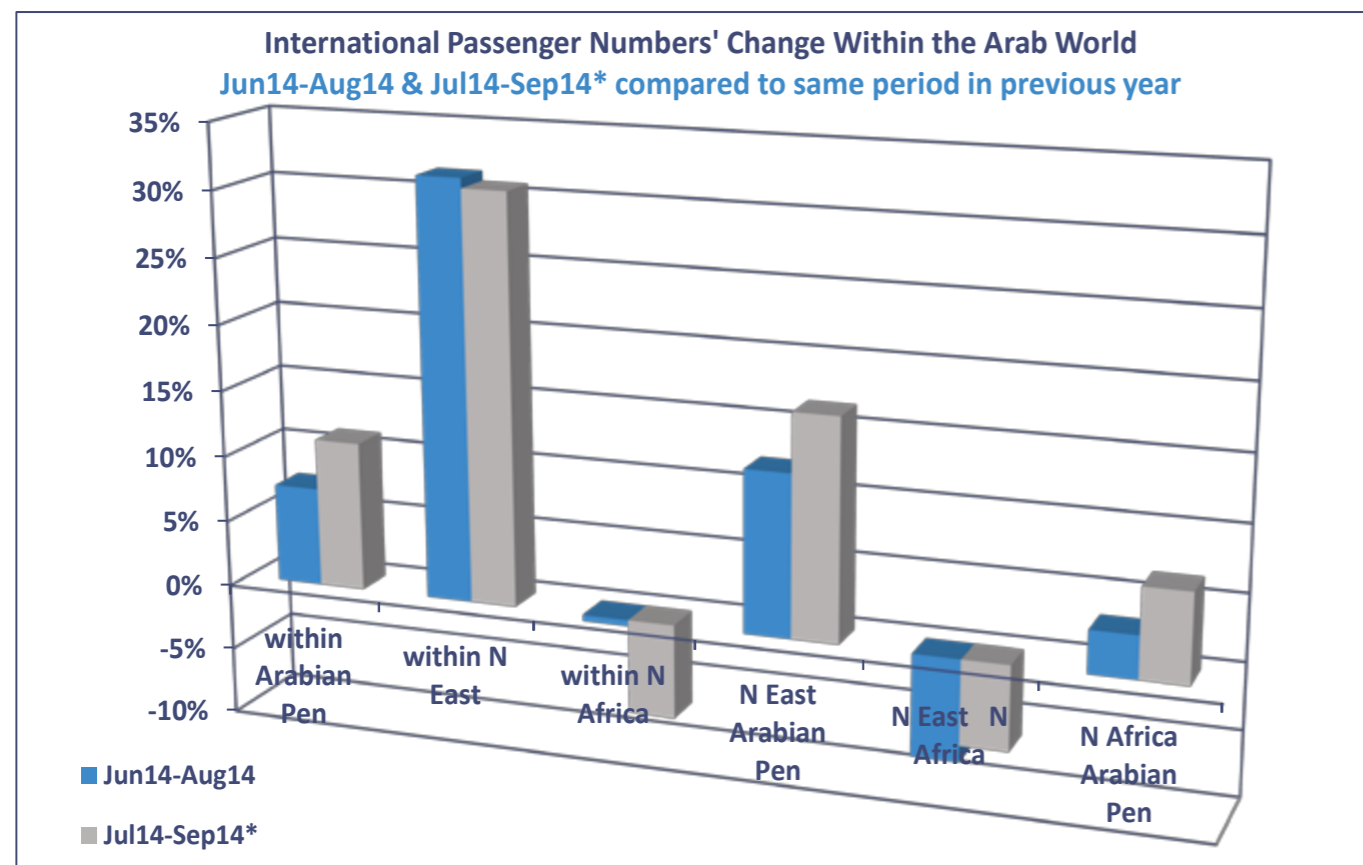
PASSENGER TRAFFIC

International passenger numbers within the Arab world are estimated to have grown by 15.1% in September 2014 compared to September 2013. This follows an increase of 15.5% in August 2014 over August 2013.

Passenger traffic within the Arab World	Sep 14* over Sep 13
Within Arabian Peninsula	12.6%
Within Near East	30.1%
Within North Africa	(4.5%)
Between Arabian Peninsula & Near East	18.8%
Between the Near East and North Africa	1.8%
Between Arabian Peninsula & North Africa	21.2%

Source: AACO, IATA

*Estimated

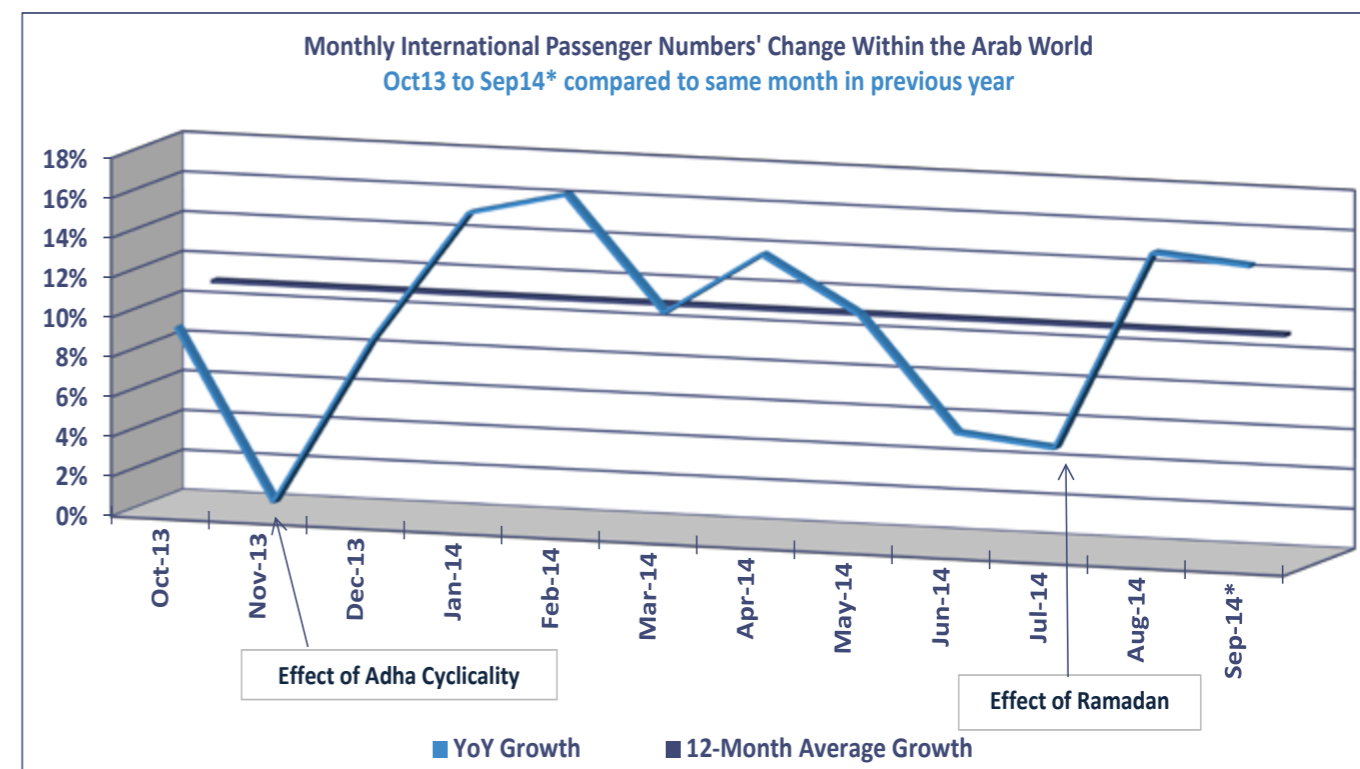


Source: AACO, IATA

*Estimated

Passenger numbers within the Arab world reported a 9.1% growth between June 14 & August 14 compared to same period in the previous year.

Passenger numbers within the Arab world reported a 12.1% increase between July 14 & September 14* compared to same period in the previous year.



Source: AACO, IATA

*Estimated

ARAB AIRLINES ECONOMICS

Emirates Group announces half year performance: The Emirates Group announced on 12 November 2014 its half-yearly results which show steady performance and growth, despite a challenging business environment marked by ongoing health pandemic concerns, regional conflicts, and weakening global markets.

The Emirates Group revenues reached USD 12.9 billion for the first six months of its 2014-15 fiscal year, up 12% from USD 11.5 billion from the same period in 2013.

Net profit for the Group rose to USD 607 million an increase of 1% over the results in 2013. The Group's cash position on 30 September 2014 was at USD 4.4 billion, compared to USD 5.2 billion as at 31 March 2014. This is due to ongoing investments mainly into new aircraft and other airline related infrastructure projects.

In the past six months, the Group continued to develop and expand its employee base, increasing its overall staff count by 5% to over 79,000 compared with 31 March 2014.

Emirates Airline

During the first six months of the fiscal year Emirates received 13 wide-body aircraft – 6 A380s, 7 Boeing 777s, with 11 more new aircraft scheduled to be delivered before the end of the financial year (31 March 2015). Emirates also expanded its global route network by launching services to four new destinations – Abuja, Chicago, Oslo, and Brussels, exponentially increasing



the number of city-pair flight options that it provides to customers across the globe with each new city served.

Against the backdrop of unprecedented external challenges which led the airline to suspend the highest number of routes in a year and temporarily ground part of its fleet due to the runway closure, and despite a strong performance of the US dollar against other major currencies impacting revenues, Emirates continues to make a profit. In the first half of the 2014-15 fiscal year, Emirates net profit is USD 514 million, up 8% from the same period in 2013-14.

On average, fuel prices only softened marginally and towards the end of the six-month period. Fuel remained a large component of the airline's cost, accounting for 38% of operating costs compared with 39% during the first six-month period in 2013.

In the first half of its financial year 2014-15, Emirates reported continued business growth, both in terms of capacity on offer and traffic carried. Capacity measured in Available Seat Kilometres (ASKM), grew by 6.5%, whilst passenger traffic carried measured in Revenue Passenger Kilometres (RPKM) was up 9.8% with Passenger Seat Factor increasing and averaging at 81.5%, compared with 79.2% in 2013. Emirates carried 23.3 million passengers between 1 April and 30 September 2014, up 8.4% from the same period in 2013. The volume of cargo uplifted was up by 5.4%, a remarkable growth and performance against the market trend.

Emirates revenue, including other operating income, of USD 12.0 billion was higher by 11% compared with USD 10.8 billion recorded in 2013, reflecting strong passenger and cargo demand.

Ethad Airways revenues increase 29% in Q3 2014: Ethad Airways reported total revenues of USD 1.8 billion for the third quarter of 2014, an increase of 29% year-on-year, achieved on the back of accelerated passenger and cargo growth during the summer.

A total of 3.9 million passengers travelled with Ethad Airways between July and September 2014, 30% higher than the three million passengers from the same period in 2013. Ethad Cargo also outperformed the global market, carrying 144,498 tonnes of freight and mail during the third quarter, a year-on-year increase of 9%, on only 1% capacity growth.

Ethad Airways have carried 10.5 million passengers and almost 415,000 tonnes of cargo between January and September 2014.

Organic growth was supported by codeshare and equity partnerships in the third quarter of 2014, delivering an estimated 1.1 million passengers onto Ethad Airways flights (+41% year-on-year) and contributing revenue of USD 352 million, which represented 27% of the airline's passenger revenue. During this period, a new partnership agreement was signed with Philippine Airlines (PAL), covering codeshare flights, loyalty programs, airport lounges, cargo, and co-ordination of airport operations. Ethad Airways also expanded existing codeshares with partners such as Korean Air, KLM Royal Dutch Airlines, Air New Zealand and S7 Airlines.

Ethad Airways' passenger carrying capacity, measured in Available Seat

Kilometres (ASK), was 22 billion by the end of Q3 2014, an increase of 16% over the same period in 2013. The airline's fleet expanded to 105 aircraft, with three aircraft delivered in the third quarter.

Cargo revenue was USD 284 million in the third quarter of 2014, a year-on-year increase of 16%. Ethad Cargo remains on track to become a billion dollar business in 2014, having reported USD 804 million in revenue during the first three quarters of the year.

Ethad Airways' workforce grew to 22,886 employees by the end of the third quarter, up 38% year-on-year. Part of this significant increase can be attributed to the airline's acquisition of Abu Dhabi Aircraft Technologies LLC (ADAT) from Mubadala earlier in 2014.

Within the core airline, 1,716 employees are UAE nationals, 28% more than the same period in 2013, and Emiratis are the number one nationality group at manager level.

Air Arabia posts record nine months net profit of USD 135.58 million, up 46%: Air Arabia announced on 11 November 2014 its financial results for the first nine months ending 30 September 2014.

Air Arabia's net profit for the first nine months of 2014 stood at USD 135.58 million, up 46% compared to USD 92.84 million reported in the corresponding period of 2013. For the nine months ending 30 September 2014, the airline posted a turnover of USD 0.76 billion, an increase of 17% compared to USD 0.65 billion in the same period of 2013. The low-cost aviation pioneer served over 5.1 million passengers in the first nine month of 2014, a 13% year-on-year increase. The average seat load factor – or passengers carried as a percentage of available seats – for the same period stood at 82%.

Air Arabia's net profit for the third quarter of 2014 was USD 68.33 million, up 22% compared to USD 56.08 million reported in the corresponding period of 2013. For the three months ending 30 September 2014, the airline posted a turnover of USD 0.29 billion, an increase of 25% compared to USD 232.5 million in the same period of 2013. Air Arabia served over 1.75 million passengers in the third quarter of 2014, a 15% increase compared to 1.52 million passengers in the same period of 2013. The average seat load factor – or passengers carried as a percentage of available seats – for the same quarter stood at 80%.

Rotana Jet switches UAE operational bases: Rotana Jet has transferred its scheduled-operations base from Al Bateen Executive Airport to Abu Dhabi International from 26 October. In addition, the airline has also switched its Dubai operations from Dubai International to Dubai World Central. Despite the changes, Rotana will continue to use Al Bateen Executive Airport as a base for its private jet services.

Source: ch-aviation.com

Saudia hopes to raise USD 2.7 billion with 3 IPOs: Saudia plans to raise at least USD 2.7 billion through the sale of shares in three more of its divisions as it moves closer towards full privatization, it has been reported.



The airline's ground-handling, cargo and maintenance units are the next planned to be sold.

An initial public offering of the ground-handling unit, valued at USD 0.54 billion, would take place "in weeks," Saudia Chief Financial Officer Mr. Muhammad Albakri said during a visit to Dubai. The sale of shares in the cargo unit was planned for 2015, while the maintenance section of the business would IPO in 2017, he was quoted as saying. Saudia will sell 30% of both at "at least" double the value of the ground-handling division, he said.

Saudia Catering was the airline's first business to be sold publicly, raising USD 347 million after the sale of a 30% stake in 2012. Other units yet to be sold are airlines and flight academy. No dates for those IPOs have been announced.

Source: Arabian Business

Saudia transports over 21 million passengers in 9 months: Saudia transported a total of 21,116,905 passengers during the first nine months of 2014. This is an increase of 11.62% compared to the same period in 2013, during which the carrier transported a total of 18,918,726 passengers, the Saudi Press Agency reported.

H.E. Eng. Saleh Ben Naser Aljasser, Director General of Saudia, said the airline recorded an increase of 10,419 in the number of flights operated during the period. The number of services rose to 142,529 from 132,110 services in 2013. The airline managed to maintain 90.56% punctuality in the operation of flights during the period.

Source: The Saudi Gazette

NEW APPOINTMENTS

Palestinian Airlines appoints Capt. Zeyad Albada as Director General: Palestinian Airlines appointed Capt. Zeyad Albada as Palestinian Airlines' new Director General following the resignation of Capt. Walid Tamim. Capt. Albada assumed his new post on 19 October 2014.

Mr. Al-Hafez elected Royal Jordanian's Chairman of the Board of Directors: Royal Jordanian's Board of Directors elected Mr. Suleiman Al Hafez Chairman of the Board as of 2 November 2014.

The election of Mr. Al Hafez comes after the government appointed him its representative on the Royal Jordanian Board of Directors. Mr. Al Hafez replaces H.E. Eng. Nasser Lozi who resigned from the post that he had occupied since 2006.

Captain Haitham Misto appointed Royal Jordanian Acting CEO: Royal Jordanian Airlines' Board of Directors appointed Captain Haitham Misto as acting President/CEO of the airline, starting 26 October 2014.

Captain Misto had been Head of Flight Operations at Royal Jordanian since December 2013. He joined Royal Jordanian as a pilot in 1983. Captain Misto holds a master's degree in aviation management from Maastricht University.

EXPANSION

ROUTES

Airline	From	To	Date	Weekly Freq.	Aircraft Type
G9	Sharjah	Al Jouf	26 Oct. 14	2x	A320
QR	Doha	Djibouti	26 Oct. 14	3x	A320
SV	Gassim	Dubai	1 Jan. 14	6x	N/A

Air Arabia launches 11th route in Saudi Arabia to Al Jouf: Air Arabia announced that it will launch a non-stop service to Al Jouf - Kingdom of Saudi Arabia - from 26 October 2014.

Al Jouf is the 11th destination of Air Arabia in the Kingdom. The scheduled flights will operate biweekly from Sharjah International Airport.

Air Arabia currently connects to 10 other destinations in the Kingdom directly. These include: Abha, Dammam, Gassim, Hail, Hofuf, Jeddah, Medinah, Riyadh, Taif and Yanbu. Over 100 weekly non-stop flights of Air Arabia operate to Saudi Arabia from the carriers hubs in Sharjah, Ras Al Khaimah and Alexandria.

Qatar Airways commences flights to Djibouti: Qatar Airways has launched on 26 October 2014 a three-times-weekly non-stop service to Djibouti. The Doha-Djibouti route will be served with an Airbus A320 featuring up to 12 seats in Business Class and up to 132 seats in Economy.

Saudia to start international services from Gassim in 2015: Saudia is set to commence its first scheduled international services out of Gassim later in 2015. Ch-aviation schedule data shows the carrier will connect the central Saudi Arabian town with Dubai International with a 6 weekly service beginning 1 January 2015.

Source: Ch-aviaiton



CAPACITY AND DEMAND

Passenger Air Services Within the Arab World - Sept. 2014 - SRS Analyzer

AACO members increased the number of seats offered within the Arab world by 23% in September 2014 compared to September 2013 whereas other airlines decreased that number by (57.2%), leading to an 11.3% year-on-year increase in the total number of seats offered within the Arab world.

Available Seats within the Arab world for international and domestic routes constituted **24.3%** and **10.4%** respectively of the total available seats to, from, and within the Arab world in September 2014.

Capacity* of Top 10 Carriers within the Arab World (Int'l Operations)			
Airline	ASKs (Million)	Departures	Seats
EK	1,236.6	2,368	810,363
MS	913.5	2,896	583,749
QR	829.0	4,596	877,795
SV	741.4	2,501	503,690
FZ	696.2	3,401	642,789
EY	485.8	2,238	361,068
G9	453.2	2,122	343,764
GF	294.0	2,942	427,408
RJ	287.5	1,793	227,748
XY	277.0	1,228	225,872
Grand Total	8,300.7	36,738	6,682,728

* Includes scheduled capacity and not actual flown capacity

Source: AACO, SRS Analyzer

FLEET

Emirates welcomes its 100th Boeing 777-300ER: Emirates celebrated another milestone with the delivery of the airline's 100th Boeing 777-300ER.

The Boeing 777-300ER forms the backbone of the Emirates fleet with the aircraft type currently operating to 77 destinations on the airline's global network. Sir Tim Clark, President of Emirates Airline said, "We have 204 more Boeing 777s on order, which supports over 400,000 jobs in the United States of America, including those from various suppliers such as General Electric which provides the GE90 engines that power all of our 777-300ERs."

Ethihad Airways plans to lease Boeing aircraft from Jet Airways: Ethihad Airways said it plans to lease two Boeing 777-300ER aircraft from Jet Airways. Source: The Economic Times

Egypt's Nile Air cancels order for seven A321ceos: Nile Air has cancelled an order with Airbus for seven A321-200s, Airbus latest figures show. The order, placed in 2007 and firmed in 2009, was originally for nine A321ceos.

Source: ch-aviation

Qatar Airways expands fleet with delivery of 3 new aircraft: Qatar Airways took delivery of 3 new aircraft as 2 Boeing 787 Dreamliners and one Boeing 777 joined its fleet. The delivery brought the airline's fleet count up to 139 passenger and cargo aircraft. The three aircraft arrived to Doha on 29 October.

Qatar Airways and Gulfstream sign agreement for new aircraft order: Qatar Airways signed a Memorandum of Understanding with Gulfstream Aerospace Corp. for the purchase of up to 20 aircraft to join Qatar Executive. The agreement was announced in conjunction with Gulfstream's introduction of a family of business jets, the Gulfstream G500 and G600.

The Memorandum of Understanding establishes the initial agreement for Qatar Airways to order up to 20 Gulfstream aircraft, including firm orders and options for the wide-cabin G500 and G650ER. The MoU marks the beginning of a new relationship between Qatar Airways and Gulfstream.

Air Cairo receives a new A320 aircraft: Air Cairo has received a new A320 aircraft, which will be the 6th A320 aircraft for the airline.

Upon its arrival to Cairo airport, Mr. Yasser El Ramly, Chairman and CEO of Air Cairo, announced that the carrier will operate new flights to Tbilisi in Georgia and Prague in Czech Republic and Lisbon during the upcoming season. He added that the airline is planning to serve further destinations, which require adding more aircraft to its fleet.

LAURELS

Emirates wins in-flight dining award from Saveur Magazine: Emirates has won Saveur Magazine's Culinary Travel Award for Best In-Flight Dining: First Class & Business Class for the second consecutive year.

The Saveur panel also recognised Emirates' Onboard Lounge - available to First Class and Business Class passengers on A380 flights.

Ethihad Airways named one of the world's most in-demand employers by LinkedIn: Ethihad Airways has been recognized as one of the world's most attractive employers on LinkedIn's 'Global 100 InDemand Employers' list. LinkedIn announced the rankings at its 2014 Talent Connect conference held on 22 October 2014 in San Francisco. Ethihad Airways was ranked as the 82nd most in-demand employer among other notable companies, including Google, Apple and Expedia.

Ethihad Airways wins top accolade in Germany: Ethihad Airways has been named Best Performing Airline 2014 at the Munich Exchange forum in Germany. The awards ceremony, now in its 16th year, took place at a gala event at Munich Airport, attended by airline and airport executives.

Ethihad Airways was selected as the winner following the successful expansion of operations from Munich in February 2014, when the airline increased flights to and from its Abu Dhabi hub to double-daily.



Gulf Air wins threefold at GITEX Technology Week: Gulf Air was recognized threefold during the recent GITEX Technology Week 2014, a renowned IT expo that was held in Dubai, winning the GITEX 2014 Cloud Award for 'Best Big Data Solution', the ACN Arab Technology Award for Harnessing Innovation of the Year and the Global Enterprise Connect (GEC) Award for Best Company/Organization for Green IT initiatives.

Qatar Airways voted best business class airline for the second year running at the Business Traveller Awards 2014: For the second year in a row, Qatar Airways has been named "Best Business Class Airline" at the high profile Business Traveller Awards 2014, held in London. The award follows major recognition in July, at the Farnborough Air Show, where Qatar Airways was again named "Best Business Class Airline" by Skytrax. At the Business Traveller Awards 2014, Qatar Airways was also named as a finalist in several other categories - Best Airline, Best Long-Haul Airline, Best Economy Class, Best Middle Eastern Airline and Best Cabin Staff.

Qatar Airways is the Best Middle East Airline for fifth consecutive year: Qatar Airways has been honored for the fifth consecutive year as Best Middle East Airline at the 2014 Business Traveller Asia Pacific Awards.
Source: The Peninsula

TECHNOLOGY & E-COMMERCE

Emirates, Dubai Airports to deploy location technology in pilot programme: Dubai International will soon deploy location technology pilot programmes in a bid to enhance customer experience, according to executives from the programmes. Thousands of bluetooth beacons and radio-frequency identification (RFID) tags have already been deployed all around the world in airports, retail stores, museums and sports stadiums. The technology helps user locate where they are, what's around them and where they need to be.
Source: Gulf News

Emirates empowers airport staff with launch of new mobile app technology: Emirates recently empowered its airport staff with the latest mobile application designed to deliver the best service to customers. Called the Journey Manager, this custom-designed application enables the airline's team of airport staff to get real-time information that will enable them to respond to customers' needs with greater efficiency, regardless of where they are in the airport. Developed by Emirates in cooperation with Samsung and Etisalat, Journey Manager runs on the recently launched Samsung Note 4. Emirates' managers and supervisors using the application now have increased operational awareness. At a glance they are able to check the status of both inbound and outbound flights, which helps them to assess potential areas of concern and better manage operations, especially in the event of a disruption.

Etihad Airways selects SAP as a strategic technology partner for business transformation: Etihad Airways announced on 23 October 2014 the selection of SAP as a strategic technology partner to deploy a range of key software solutions to deliver the latest technology to the Etihad Aviation Group. The airline plans to deploy the enterprise resource planning application SAP® ERP together with a range of cloud-based products across its vital business functions, including human resources, finance, procurement and supply management and business intelligence. Etihad Airways will deploy cloud solutions for some of its key business solutions, including talent management solutions from Success Factors, an SAP company, procurement and business-to-business collaboration from Ariba, an SAP company, and the SAP HANA® platform for real-time business databases and applications.

Etihad signs two-month Aventus NowCast evaluation agreement: AVTECH Sweden AB announced that it has entered into a commercial agreement with Etihad Airways related to the implementation of AVTECH's Aventus NowCast Descent ("Aventus") service, for Etihad's operations into London Heathrow (UK), Abu Dhabi (UAE) and Jakarta (Indonesia). The agreement is planned to run for two months, during which a thorough joint analysis will be executed within Etihad's operations at these three airports, in turn forming the basis for subsequent negotiations and agreement on delivery of the service to Etihad's full network.
Source: AVTECH Sweden

Saudia to introduce "Book and Pay" system: As part of its efforts to make optimum use of its seat capacity and meet actual demand of passengers, Saudia will start implementing a new "Book and Pay" system for its domestic flights effective 1 January 2015. The new system demands from potential passengers to purchase tickets while making reservations, thus canceling the facility of providing certain period of time to purchase tickets. The new system will be introduced to reduce negative practices such as booking seats without any need for travel and canceling them in the last moment, thus preventing actual passengers from using the available seats. It will also put an end to the phenomenon of unauthorized agents, who offer reservation services through the Internet and social media holding seats and selling them to passengers for fabulous prices, sometimes reaching double the price of a ticket. These agents have been exploiting the present system of providing a specific timeframe to purchase tickets after making reservations. Before introducing the new "Book and Pay" system, Saudia had implemented a series of programs to make maximum use of available seats on its flights, which helped in reducing no shows. The new system is supplementary to those programs that would enable to make optimum use of available seats and prevent unauthorized agents from misusing them, thus benefiting actual passengers.



TRAINING

New program launched to train 200 cadets for Air Algérie: CAE Oxford Aviation Academy announced that it has signed a contract with Air Algérie to train 200 new cadets for the airline on an Airline Transport Pilot License (ATPL) training program over the next four years. The cadet training will be delivered in Oxford, UK and Phoenix, USA. The first course is scheduled to start in early 2015 with additional courses commencing at four to six month intervals thereafter.

Source: CAE Oxford Aviation Academy

GCAA signs up with ICAO to facilitate international training programmes: The U.A.E., represented by the General Civil Aviation Authority (GCAA), has signed a Memorandum of Understanding (MoU) with the International Civil Aviation Organization (ICAO) to reinforce international cooperation programmes initiated by the authority together with the aviation authorities in different countries. The agreement was signed by GCAA Director-General, Mr. Saif Mohammed Al Suwaidi and the Secretary-General of ICAO, Mr. Raymond Benjamin, at the office of the ICAO Secretary-General in Montreal, Canada.

Under the agreement, the GCAA will provide technical and logistic support in order to facilitate international training programmes in the domain of civil aviation, organized by ICAO in its headquarters or within member states territories.

Source: Emirates News Agency (WAM)

ARAB AIRPORTS

Top 20 Airports by International Seats Offered on Operations To, From, and Within the Arab World - September 2014

Top 20 Airports by Int'l Seats Offered on Operations To, From, and Within the Arab world			
Airport	Number of Seats	Airport	Number of Seats
DXB	8,565,978	SHJ	836,784
DOH	3,227,092	AMM	835,775
AUH	2,199,381	BEY	806,722
JED	1,713,988	IST	797,919
CAI	1,663,846	LHR	770,416
KWI	1,342,605	CDG	637,587
RUH	1,115,006	TUN	593,984
BAH	1,087,240	ALG	542,825
MCT	927,260	DMM	540,069
CMN	857,894	BOM	538,122

Source: AACO, SRS Analyzer

25% rise in August passenger movement at Bahrain International Airport: A 25% increase in passenger movements has been recorded at Bahrain International Airport (BIA) in August 2014 compared to a year ago.

Ministry of Transportation (MoT)'s Civil Aviation Affairs Director for Air Transport Mrs. Ebtissam Al Shamlan said that the increase in August 2014 resulted in a total of 825,903 passengers travelling through the airport in August.

Mrs. Al Shamlan stated that predictions indicate that the Airport will witness higher growth in passenger movements till the end of 2014, as a result of the Ministry's modernization programs that will be implemented in the Airport in the near future.

Source: Bahrain News Agency (BNA)

Queen Alia International Airport sets new September passenger traffic benchmark: Airport International Group (AIG) announced that it has surpassed the 600,000 passenger traffic (PAX) September benchmark for the first time in the Airport's history. During September 2014, PAX went up 9.5% to register at 614,336 PAX compared to 561,205 PAX in September 2013. Since the beginning of 2014 and up until September, year-to-date (YTD) PAX reached 5,554,309, representing an 11.8% increase as opposed to 4,969,779 YTD PAX over the same period in 2013.

Aircraft Movement (ACM) rose by 12.8% to stand at 6,395 ACM in comparison to 5,669 ACM during September 2013. YTD ACM came in at 56,021 ACM, which is a 9.5% surge over the same period in 2013.

Source: AIG

5.9 million passengers through Muscat International Airport by the end of August 2014: Muscat International Airport witnessed a consistent growth in aircraft movements and passenger numbers by the end of August 2014. The total number of flights increased by 1.1% reaching 54,038 flight movements, compared with 53,459 recorded during the same period in 2013. The number of international and domestic passengers handled at the end of August 2014 reached 5,915,528 passengers, compared with 5,528,361 passengers in 2013, reflecting an annual increase of 7%.

Breaking down the figures issued by the National Centre for Statistics and Information (NCSI), the total number of international flights in Muscat International Airport by the end of August 2014 reached 47,390 flights, compared with 47,132 flights during the same period in 2013, representing an annual increase of 0.5%. Statistics also reveal the total number of international arrival, departure and transit passengers recorded at Muscat International Airport increased by 6.8%, reaching 5,352,541 passengers, compared with 5,010,091 passengers during the same period in 2013, this figure is represented by 2,677,122 arrival passengers, 2,651,802 departure passengers and 23,617 transit passengers.

The total number of domestic flights at Muscat International Airport by the end of August 2014 reached 6,648 flights, representing an increase of 5.1% when compared to 6,327 flights during the same period in 2013, while the



total number of domestic passengers increased by 8.6%, reaching 562,987, compared with 518,270 passengers recorded during the same period in 2013.

Qatar's new Hamad International Airport sees 10% increase in passenger footfall during September 2014: Hamad International Airport (HIA) announced an increase in its monthly passenger statistics compared to those at Doha International Airport (DIA). HIA saw a 10% passenger increase through its doors in September 2014 compared to September 2013 at DIA. A total of 2,201,271 travelers departed, transferred and arrived into Qatar during September 2014. Cargo, mail and aircraft movements have also increased at HIA with an additional 13.6% of cargo traffic, an increase of 4.7% of mail and 7.6% more aircraft movements in September 2014.

Abu Dhabi International Airport sees 24% increase in traffic for September 2014: Abu Dhabi Airports has reported a 23.9% increase in passenger traffic during the month of September as compared to September 2013.

The airport's passenger statistics showed that 1,696,651 passengers used the airport during September 2014, growing from 1,369,051 in September 2013. Aircraft movements increased to 13,070 in September 2014, recording 14.9% growth when compared with 11,379 movements logged in September 2013. Cargo activity handling rose to 67,881 tonnes representing a 9.6% increase when compared to 61,913 tonnes in September 2013.

The top five routes from Abu Dhabi International Airport during September 2014 were Doha, London, Bangkok, Manila and Bombay.

Dubai International's passenger traffic up 9.9% in September: Passenger traffic at Dubai International continued its upward trend in September by registering 9.9% growth, according to the latest traffic report issued by operator Dubai Airports. Passenger traffic in September totaled 5,942,628 compared to 5,407,326 recorded in the corresponding month last year, an increase of 9.9%. Year to date traffic (Jan-Sept) rose 6.2% to 52,422,547, compared to 49,379,165 recorded during the first nine months of 2013.

The passenger per aircraft movement increased by 4.6% to 201.8 from 192.9 year on year. Aircraft movements totaled 30,871, up marginally by 0.4% compared to the 30,746 recorded during September 2013. Year to date movements totaled 257,981 compared to 273,317, a contraction of 5.6%. The dip in year to date aircraft movements at Dubai International is largely due to the closure of runways for the upgrade and refurbishment between May and July and the shift of all pure cargo flights as well as some general aviation flights to Al Maktoum International at Dubai World Central (DWC) earlier in 2014. Freight volumes rose 2.8% in September with 202,415 tons passing through the facility compared to 196,823 tons recorded during the same month in 2014. Year-to-date cargo traffic totaled 1,763,283 compared to 1,793,596 tons recorded in the first 9 months of 2013, down 1.7%, again due to the shift of freighter flights to DWC.

Source: Dubai Airports

Surge in freight traffic at Al Maktoum International continues in Q3 2014:

The surge in freight volumes at Al Maktoum International at Dubai World Central (DWC) continued in the third quarter of 2014 with triple-digit growth, according to traffic report issued by operator Dubai Airports.

DWC recorded 243,284 tons of freight in the third quarter, a sharp increase of 462.5% from 43,252 tons recorded during the corresponding period in 2013. The spike, fuelled mainly by the completion of the shift of all pure cargo flights, including Emirates SkyCargo, from Dubai International to Al Maktoum International (DWC) in May 2014. The year to date cargo in September reached 519,851 tons, up 255.6% from 146,181 tons recorded during the first nine months of 2013.

Passenger numbers totaled 155,997 in the third quarter as a result of temporary flights operated by some passenger airlines during the runway upgrade project at Dubai International between 1 May and 20 July. The year to date passenger traffic (Jan-Sept) totaled 734,126.

Source: Dubai Airports

Ruler of Sharjah inaugurates Sharjah International Airport's new runway:

H.H. Sheikh Dr. Sultan bin Mohammad Al Qassimi, Member of the Supreme Council and Ruler of Sharjah, and H.E. Sheikh Sultan bin Mohammad bin Sultan Al Qassimi, Crown Prince and Deputy Ruler of Sharjah, inaugurated the new Runway of Sharjah International Airport. The first flight on the new runway was by the Ruler's aircraft with H.H. and senior dignitaries on board. The runway has a length of 4,060m and a width of 60m, and will allow for unrestricted operations of the largest aircraft including Airbus A380, Boeing 747-800, and Antonov 225 type aircraft. Eight new link taxiways and two high-speed runway exits were constructed as part of the same project. These additions will increase the connectivity between the runway, passenger terminal, and cargo aprons and also improve the efficiency of the fuel burn of aircraft on ground from touch down to the apron stands.

The new runway is also equipped with modern aeronautical lighting and air-field systems, which will increase safety standards and allow operations in reduced levels of visibility (CAT II). The new infrastructure has built-in allowances for equipment to be easily upgraded to allow operations during low levels of visibility (CAT IIIB) in the future.

A new Air Tower Control was established with the latest air navigation and air control systems, for emergency situations to ensure the smooth and continued air operations at Sharjah International Airport.

The new runway, which was completed in two years at a total cost of USD 136.13 million, will enhance passenger and cargo capacity, reinforcing Sharjah Airport's role as a gateway to the Emirate of Sharjah and the UAE.

Source: Sharjah International Airport



AIR TRAFFIC MANAGEMENT

Egypt improves workflow automation with electronic AIP: Egypt's National Air Navigation Services Company (NANSC) have successfully added COMSOFT's electronic document management system CADAS-EPS to their repertoire, for automatic creation of their digital documentation.

CADAS-EPS, previously GroupVerve from Synclude, is a collaborative document management system specially designed for aeronautical information publications such as AIP, supplements and circulars, and is an essential tool for modern AIS offices around the world. It is also a crucial landmark in the migration from AIS to AIM according to the ICAO Roadmap.

CADAS-EPS is ready for configuration to comply with European Regulation EC 73/2010, commonly known as AIS Data Quality (ADQ), and as an immediate consequence NANSC will benefit from vastly increased workflow automation for the management, editing and publishing of their aeronautical information documentation, while guaranteeing no reduction in data quality.

COMSOFT and NANSC benefit from a strong working relationship which began in 2008 with the modernisation of their ATM architecture with AMHS. In 2012 the Egyptian ANSP also chose COMSOFT's FPL 2012 converter for the conversion from old to new flight plan formats, in support of the ICAO driven FPL2012 migration, and in May 2014 completed an Aeronautical Information Management project with COMSOFT's CADAS AIM at its core.

Source: CANSO

DANS announces it will be joining CANSO to broaden its global reach in the ATM industry: Dubai Air Navigation Services (DANS) has announced its decision to apply to join the Civil Air Navigation Services Organization (CANSO) whose members support 85% of global air traffic.

DANS utilized CANSO's Operations Standing Committee Conference taking place in Dubai to make the formal announcement about joining the organization, which is the global voice of air traffic management. The fulltime annual membership of the region's leading independently-managed ANSP will be effective from January 2015.

As CANSO is recognized for being the global voice of air traffic management, having a new organization that operates in the fastest growing, and complex ANSP environment becoming a full member will yield a lot of mutual benefits for both organizations.

DANS will share its industry expertise and knowledge on its experience in handling very complex projects like high-intensity runway operations, operations in extremely complex airspace and sharing knowledge of operating the largest fleet of Airbus A380s. DANS is also looking to learn from the best practices of ANSPs across the world such as the safety best practices that will support the challenges of growth complexities in the UAE.

Source: Dubai Air Navigation Services

UAE GCAA to tackle airspace capacity issues with traffic expected to double by 2030: The Middle East is one of the fastest growing aviation markets in the world, with the International Air Transport Association (IATA) forecasting an annual growth rate of 6.3% for the region. This is reflected by Dubai International Airport ousting London's Heathrow as the world's busiest airport for international flights earlier in 2014.

In order to keep pace with this growth, heavy investments in high capacity airports are being made in Dubai, Abu Dhabi and Doha. Similar investments to modernize the region's airspace are required to keep up with Air Traffic Management (ATM) capacity demands which, in turn, could begin to constrain the region's economic development.

Specific resolutions, such as de-conflicting air routes, reducing bottlenecks and implementing flexible use of airspace to enhance airports and airspace capacity must be discussed on a regional level in order to be resolved. To help tackle these issues, it was announced that the UAE General Civil Aviation Authority (GCAA) is officially endorsing and hosting the Future Air Transportation Systems Summit in Dubai on 18 - 19 January 2015. This summit will be held alongside another GCAA hosted event, the ICAO Middle East ATM Enhancement Programme (MAEP) Meeting that will also be held in Dubai on 20 - 22 January 2015.

The Future Air Transportation Systems Summit is organised by Streamline Marketing Group.

Source: GCAA

GLOBAL

ARAB

AVIATION



SPREADING OUT

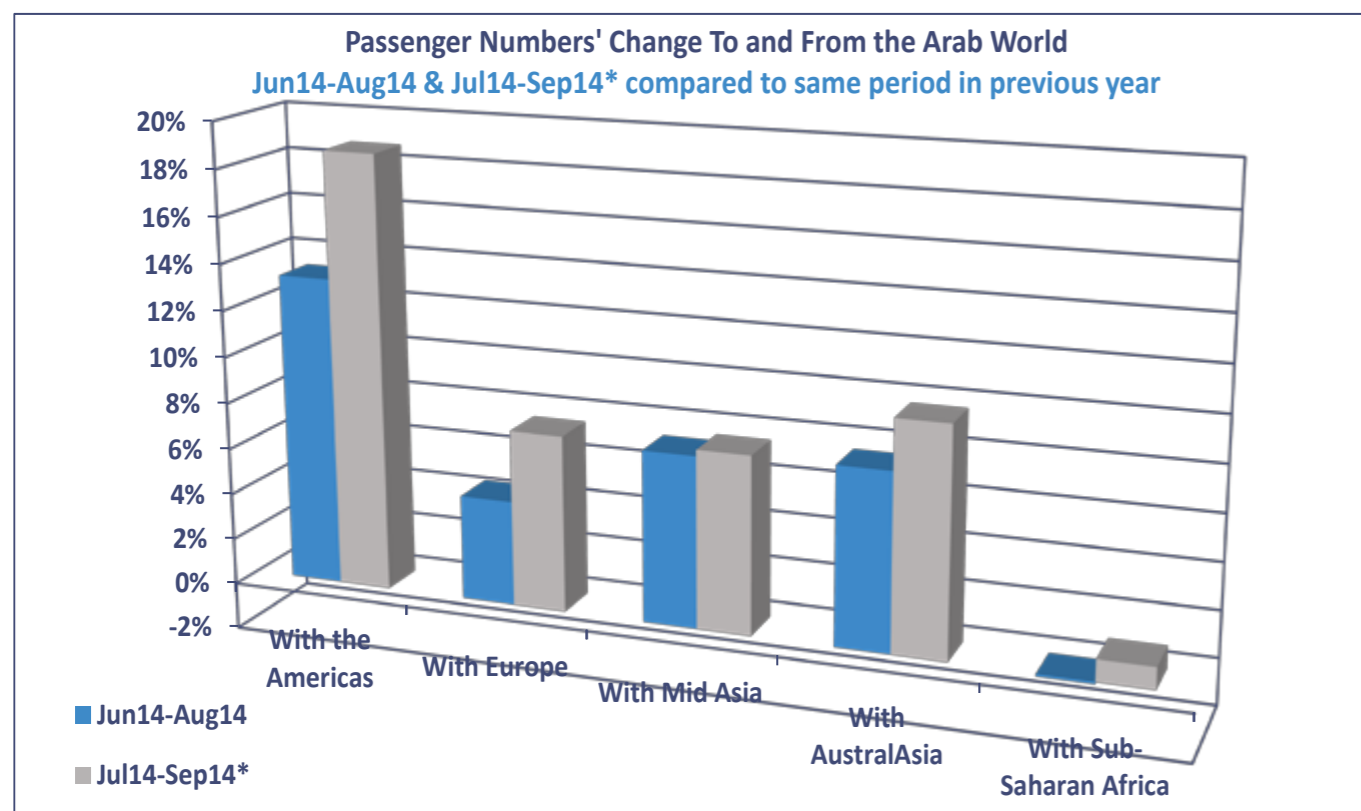
PASSENGER TRAFFIC

Passenger numbers on routes to and from the Arab world are estimated to have grown by 10.4% in September 2014 compared to September 2013, after a growth of 11.4% in August 2014 over August 2013.

Traffic to and from the Arab world	Sep 14* over Sep 13
With the Americas	26.7%
With Europe	11.2%
With Mid Asia	8.7%
With Far East and Australasia	8.5%
With Sub Saharan Africa	2%

Source: AACO, IATA

*Estimated

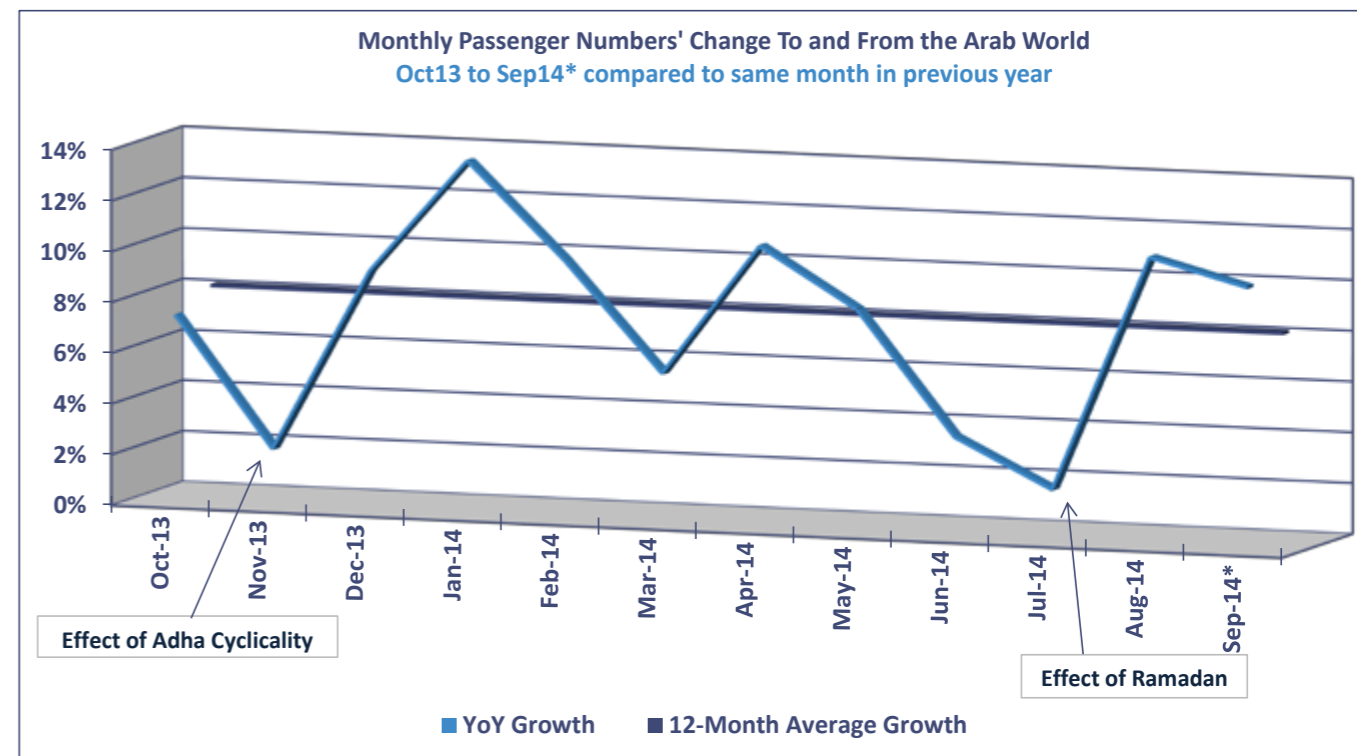


Source: AACO, IATA

*Estimated

Passenger numbers to and from the Arab world market reported a 6% growth between June 14 & August 14 compared to the same period in previous year.

Passenger numbers to and from the Arab world market reported a 8% increase between July 14 & September 14* compared to the same period in previous year.



Source: AACO, IATA

*Estimated

ROUTES

Airline	From	To	Date	Weekly Freq.	Aircraft type
AH	Jijel	Marseille	3 Nov. 14	2x	B737-600
AT	Casablanca	Paris Orly	8 Jan. - 21 Feb. 15	unchanged	B787-8
		New York JFK	22 Feb. 15	unchanged	
EK	Dubai	Budapest	27 Oct. 14	7x	A330-200
EY	Abu Dhabi	Phuket	26 Oct. 14	7x	A330-200
		Dallas/Fort Worth	16 Apr. 15	3x to 7x	B777-200LR
FZ	Dubai	Mumbai	28 Oct. 14	5x	B737-800
		Prague	5 Dec. 14	4x	
		Bratislava	6 Dec. 14	2x	
		Sofia	14 Dec. 14	2x	
G9	Sharjah	Tbilisi	30 Oct. 14	2x	A320
GF	Bahrain	Moscow	28 Oct. 14	4x	A320ER
		Hyderabad	15 Dec. 14	5x	A320
Shiraz	3x				
QR	Doha	London	10 Oct. 14	unchanged	1 daily flight up-graded to A380
		Bangkok	5 Jan. 15		
		Frankfurt	Jan. 15		1 daily flight up-graded to A350
QR Cargo	Doha	Delhi	30 Oct. 14	2x to 3x	A330F
		Stavanger via Brussels	3 Nov. 14	1x	



Air Algerie commences flights between Jijel and Marseille: Air Algerie commenced its biweekly flights between Jijel and Marseille on 3 November. The route is being operated by a Boeing 737-600 aircraft.

Royal Air Maroc to deploy initial B787 on Casablanca-Paris flights: Royal Air Maroc has outlined its provisional B787-8 timetable with delivery of its first on order from Boeing due before year-end. The airline will deploy the aircraft on daily Casablanca - Paris Orly flights over the period 8 January to 21 February 2015. Thereafter, the type will be deployed on its services to New York JFK. Source: ch-aviation

Emirates inaugurates flights to Budapest: Emirates has launched on 27 October a daily non-stop service to Budapest, marking its first entry into Hungary. Emirates' daily flight to Budapest is operated with a wide-body Airbus A330-200 aircraft in a two-class configuration, which offers 27 seats in Business Class and 251 Economy Class seats. With the new daily service, Emirates SkyCargo will offer 12 tons of belly-hold cargo capacity in each direction.

Etihad Airways commences daily non-stop flights to Phuket: Etihad Airways commenced on 26 October 2014 daily non-stop flights between Abu Dhabi and Phuket, the airline's second destination in Thailand. A two-class Airbus A330-200 aircraft operates the Abu Dhabi-Phuket sector with 22 seats in Business Class and 240 seats in Economy Class.

Etihad Airways to increase frequency of Dallas service to daily: Etihad Airways will increase the frequency of its new service to Dallas/Fort Worth in the United States to daily from 16 April 2015. Dallas/Fort Worth will be introduced into Etihad Airways' global route network on 3 December 2014 with an initial three flights per week service, prior to the upgrade. A Boeing 777-200LR aircraft will be operated on the route, offering 8 seats in First Class, 40 seats in Business Class, and 177 seats in Economy Class.

Mumbai touchdown marks flydubai's 25th weekly flight to India: flydubai celebrated on 28 October 2014 the arrival of its inaugural service to Mumbai. This brings the number of cities the airline serves in India to seven and the number of weekly flights to the country to 25. flydubai is operating five flights a week between Dubai and Mumbai.

flydubai announces three new destinations in Central and Eastern Europe: flydubai has announced that it will begin flights to Bratislava in Slovakia, Prague in the Czech Republic and Sofia in Bulgaria. flydubai will operate two flights a week between Dubai and Bratislava starting from 6 December 2014, four flights a week between Dubai and Prague starting from 5 December 2014, and two flights a week between Dubai and Sofia starting from 14 December 2014.

Air Arabia commemorates 11th anniversary with first flight to 100th global destination Tbilisi: Air Arabia marked its eleventh year of successful operations with its first flight to Tbilisi, Georgia on 30 October, becoming Air Arabia's 100th global destination.

Air Arabia will fly twice weekly to Tbilisi from its Sharjah hub.

Gulf Air's maiden flight to Moscow takes-off: Gulf Air launched its four weekly direct services to Moscow on 28 October. Gulf Air's direct Moscow flights will depart from Bahrain 4 times a week and will be operated by an Airbus A320-ER aircraft with 110-seat capacity in a two-class configuration of 14 Falcon Gold flatbed seats and 96 Economy class seats.

Gulf Air returns to Hyderabad from 15 December 2014: Gulf Air announced that it will recommence flights to Hyderabad with 5 weekly flights, starting from 15 December 2014. The airline will be operating an A320 on the route.

Gulf Air to resume flights to Shiraz: Gulf Air announced that it will be recommencing flights to Shiraz. Becoming the airline's 40th destination, the capital of Fars Province in Iran, Shiraz, will be served with 3 weekly flights, starting from 15 December 2014. Gulf Air will be operating an A320 aircraft on this route.

Qatar Airways' first Airbus A380 makes its inaugural flight from Doha to London Heathrow: Qatar Airways' first A380 has commenced services on the Doha-London route marking another major milestone for the airline. The arrival of the A380 on the Doha-to-London service reinforces Qatar Airways' presence in the United Kingdom, with six flights a day between the two cities in addition to direct services from Doha to Edinburgh and Manchester. Qatar Airways will add a second A380 to the Doha-London route in December 2014. Qatar Airways took delivery of its first A380 on 17 September 2014, with the inaugural flight to London occurring on 10 October 2014. The aircraft has commenced operations on the QR003 and QR004 London-Doha services.

Qatar Airways to introduce its A380 service to Bangkok: Qatar Airways' A380 aircraft will soon touchdown in Bangkok, Thailand, following the inaugural service to London Heathrow introduced earlier in October. The airline is scheduled to commence A380 service between Doha and Paris Charles De Gaulle, followed by an additional London service by the end of 2014. And now, Qatar Airways is ready to bring this aircraft to Thailand. Beginning 5 January 2015, passengers travelling to and from Bangkok on Qatar Airways QR836/QR833 will fly on board the new A380.

Qatar Airways to launch Frankfurt as first A350 route: Qatar Airways has announced Frankfurt as the first route for its A350 Xtra Wide Body (XWB) aircraft to be received before the end of 2014.



Frankfurt will be operated non-stop daily with an A350 starting from January 2015. Qatar Airways currently flies twice-daily to Frankfurt.

The 283 seats are divided across a dual cabin layout, configured in Business Class and Economy Class; 36 seats and 247 seats respectively.

Qatar Airways Cargo adds Stavanger to its network: Qatar Airways Cargo launched freighter service to Stavanger in Norway, effective 3 November 2014. Stavanger is being served once a week by an Airbus A330F freighter, with the freighter making a stop at Brussels before heading to Stavanger Airport and then returning to Doha. The airline received its seventh Boeing 777 freighter on 2 October 2014, bringing up the total freighter fleet to 10. Furthermore, a third A330 freighter frequency was added to the Doha-Delhi route, effective 30 October 2014.

CAPACITY AND DEMAND

Passenger Air Services to & from the Arab World - Sept 2014 - SRS Analyzer
AACO members increased the number of seats offered to and from the Arab world by 20.7%, while other airlines decreased the number by (0.2%) which resulted in a growth of 13.1% in the total number of offered seats to and from the Arab world.

Percentage of the Total Available Seats To and From the Arab World	
With Europe	30.1%
With Mid Asia	17.9%
With Australasia	9.9%
With the Americas	2.9%
With Sub Saharan Africa	4.5%

Source: AACO, SRS Analyzer

Capacity* of Top 10 Carriers (Arab World & Europe)			
Airline	ASKs (Million)	Departures	Seats
EK	7,907.7	3,850	1,598,140
QR	2,671.1	2,537	595,075
EY	2,006.4	1,745	408,174
TK	1,048.3	2,721	504,783
AT	809.6	2,787	421,324
BA	794.4	783	177,193
LH	676.5	957	188,215
SV	627.7	715	157,352
MS	589.1	1,288	218,402
AF	487.2	1,234	208,697
Grand Total	26,548.1	40,515	8,287,485

* Includes scheduled capacity and not actual flown capacity

Source: AACO, SRS Analyzer

Capacity* of Top 10 Carriers (Arab World & Australasia)			
Airline	ASKs (Million)	Departures	Seats
EK	7,637.7	2,664	1,099,303
QR	3,218.8	1,626	467,564
EY	2,460.6	1,137	343,379
SV	844.9	325	113,609
QF	660.5	124	55,800
CX	443.4	229	71,219
5J	404.1	126	54,936
MS	293.8	114	38,534
PR	245.1	110	33,220
JT	244.9	62	30,752
Grand Total	18,873.3	8,025	2,712,792

* Includes scheduled capacity and not actual flown capacity

Source: AACO, SRS Analyzer

Capacity* of Top 10 Carriers (Arab World & Mid Asia)			
Airline	ASKs (Million)	Departures	Seats
EK	2,405.3	3,068	1,049,427
QR	1,152.9	2,088	422,406
SV	1,004.4	1,029	287,830
G9	852.4	2,058	333,396
9W	849.5	2,012	327,380
EY	722.8	1,849	293,876
FZ	706.3	1,512	285,768
AI	697.6	1,250	245,470
IX	548.4	1,149	206,820
WY	447.2	1,338	200,878
Grand Total	12,677.2	24,162	4,932,709

* Includes scheduled capacity and not actual flown capacity

Source: AACO, SRS Analyzer



Capacity* of Top 10 Carriers (Arab World & Sub Saharan Africa)			
Airline	ASKs (Million)	Departures	Seats
EK	2,658.6	1,351	486,616
QR	407.5	502	90,532
AT	374.4	801	124,709
MS	293.6	456	77,258
ET	249.4	685	116,946
EY	245.9	261	53,163
KQ	100.8	175	31,833
FZ	90.5	150	28,350
SV	75.1	174	27,646
TU	65.0	110	18,834
Grand Total	5,068.8	5,580	1,223,675

* Includes scheduled capacity and not actual flown capacity

Source: AACO, SRS Analyzer

Capacity* of Top 10 Carriers (Arab World & the Americas)			
Airline	ASKs (Million)	Departures	Seats
EK	3,804.1	772	316,748
QR	1,681.1	486	144,722
EY	1,204.8	338	102,306
SV	593.9	176	54,044
UA	295.5	98	26,656
RJ	263.1	104	27,576
9W	250.6	60	22,680
MS	219.4	70	24,080
DL	190.8	58	15,602
AT	179.3	130	29,900
Grand Total	8,839.5	2,366	783,954

* Includes scheduled capacity and not actual flown capacity

Source: AACO, SRS Analyzer

COLLABORATION

Ethihad Airways Partners unveiled: Etihad Airways unveiled Etihad Airways Partners, a new brand which brings together like-minded airlines to offer customers more choice through improved networks and schedules and enhanced frequent flyer benefits.

Initially, six airlines will participate in the new partnership - airberlin, Air Serbia, Air Seychelles, India's Jet Airways, Darwin Airline, and Etihad Airways. However, any airline can become an Etihad Airways Partner even if it is part of an existing alliance, such as airberlin, which is a member of oneworld.

The key emphasis for Etihad Airways Partners is a strong commercial partnership and shared values.

This will include standardised mileage and tier benefits across all partners, no blackout periods and priority services.

Etihad Airways Partners will also have access to economies of scale and operational synergies such as centres of excellence, shared sales teams in certain destinations, joint procurement of services and supplies, and shared pilot and cabin crew training at the Etihad Airways facilities in Abu Dhabi.

Ethihad Airways links Abu Dhabi and Vienna through new daily NIKI service:

Etihad Airways will provide a new air bridge between Abu Dhabi and Vienna, when it places its EY code on the forthcoming daily service by the subsidiary of airberlin, NIKI (subject to government approval).

The new NIKI flights start on 24 November and will be operated by a two cabin A320 aircraft, configured to carry 12 passengers in Business Class and 132 in Economy class.

Ethihad Cargo to partner with Avianca Cargo on new freighter service between Milan and Bogotá:

Etihad Cargo will partner with Avianca Cargo through a commercial agreement to deploy a freighter flight from Milan's Malpensa Airport, Italy, to Bogotá, Colombia and from Bogotá to Amsterdam.

The new service will operate twice a week beginning 12 November 2014, providing an important cargo connection between Europe and South America.

The flights will also facilitate seamless transportation of goods to other markets around the world by linking the extensive global networks of both Etihad Airways and Avianca Cargo.

In addition to passenger flights by Etihad Airways, Etihad Cargo currently operates four freighter flights per week between Abu Dhabi and Milan, Malpensa. It will also feed traffic from markets across Asia, the Middle East and Africa. Avianca Cargo will provide cargo services through its Bogotá hub, at El Dorado International Airport. The new route will commence with a Boeing 747-400 Freighter, offering a maximum capacity of 105 tons.

Qatar Airways strengthens ties with one world partner S7 Airlines: Qatar Airways and S7 Airlines are set to strengthen their relationship even further with the launch of new codeshare arrangement between the two oneworld



member airlines, which came into place on 8 October.

Under the new codeshare arrangement, Qatar Airways' passengers travelling from Doha will be able to connect onto destinations with S7 Airlines including Sochi, Chelyabinsk, Samara, Kazan, St. Petersburg, Omsk, Perm, Rostov, Yekaterinburg, Tyumen and Helsinki.

Likewise, S7 Airlines customers will be able to book from Moscow to Phuket (Thailand) and Phnom Penh (Cambodia) via Doha.

Members of the airlines' frequent flyer programmes will be able to collect frequent flyer points on each other's flights to their final destinations.

Source: Incentive Travel & Corporate Meetings

ENVIRONMENT

CDM pipeline update:

CDM pipeline update	1 Nov. 2014	Status	# of Projects
Status	# of Projects	Withdrawn	63
At Validation	1,096	Rejected by EB	270
Request for Registration	7	Validation Negative by DOE	267
Request for Review	1	Validation Terminated by DOE	1,912
Correction Requested	0	Registered, no issuance of CERs	4,899
Under Review	0	Registered, CER issued	2,673
Total in Registration Process	8	Total Registered	7,572

Source: UNEP Risø

Settlement Price of ECX EUA and CER Futures on 4 November 2014

	Dec-14	Dec-15	Dec-16	Dec-17
EUAs	€ 6.49	€ 6.60	€ 6.74	€ 6.91
CERs	€ 0.09	€ 0.43	€ 0.43	€ 0.42

Source: IntercontinentalExchange

Study finds a carbon gap of 220 million tonnes in 2023 will require offsetting by the airline industry: Even with improvements in aircraft technology, airline efficiencies and operational improvements, together with the introduction of biofuels, there will be a sizeable carbon gap between commercial aviation forecasts and industry targets by 2023, according to a study by consultancy ICF International. Without these improvements and biofuel take-up, ICF estimates commercial aviation will produce 53% more carbon in 2023 than today, leading to a 33% gap with the industry's goal of capping net emissions from 2020. The consultancy's own forecast is for global CO₂ emissions from aviation to reach 942 million tonnes by 2020 and so form the baseline for the industry's carbon-neutral growth target. With efficiencies and biofuels, the annual carbon gap would be in the region of 220 million tonnes by 2023, which ICF says

will have to be mitigated through carbon offsetting.

ICF estimates global carbon emissions from aviation in 2013 at around 750 million tonnes, a higher assessment than that from the industry itself, which puts the figure at 705 million tonnes. To arrive at the 942 million tonnes by 2020, ICF factored in the industry's goal of improving annual efficiency by 1.5% through to 2020 against a forecasted increase in global flight hours.

The consultancy believes that compared to most recent industry forecasts, changes in aircraft productivity will reduce the number of flights airlines need to operate to carry the same number of passengers. Over the next 20 years, it says, air traffic will grow by 4% and the fleet required to carry that traffic will increase by just 3.1%.

It says the slower growth in flight hours will make it easier for the industry to achieve its carbon-neutral growth from 2020 goal. "Even with a lower forecast in flying hours, however, the baseline outlook for aviation carbon still exceeds industry targets by 42% in 2023," cautions ICF in its 'Mind the Carbon Gap' white paper.

To close that gap, ICF studied a range of technology improvements and efficiencies that airlines and aircraft manufacturers can introduce over the 10-year period that could cut annual carbon output by 8% in 2023. This would reduce ICF's baseline estimate of 1,253 million tonnes of CO₂ to 1,195 tonnes in 2023.

However, ICF estimates that biofuels could contribute to a further reduction of 33 million tonnes of CO₂ in 2023, bringing the carbon gap down to 220 tonnes.

REGULATORY TONE

New European Commission assumes office on 1 November: On 22 October 2014, the European Parliament gave its strong support to the new European Commission with 423 votes in favour, 209 against and 67 abstentions. The new Commission started its term of office on 1 November 2014, and is being led by the Luxembourgian Jean-Claude Juncker.

Source: European Commission

European Union requests meeting on Norwegian Air International's DOT application: In an unprecedented move, the European Commission requested an urgent meeting between the European Union and the United States to discuss Norwegian Air International's pending application for a foreign air carrier permit before the U.S. Department of Transportation. The extraordinary meeting, which is being requested by the Commission on behalf of the European Union as a party to the U.S.-EU Open Skies Agreement, sends a clear message that the European Union is closely watching Norwegian Air International's application, to fly to the U.S from several cities in Europe which has been pending for over eight months. Norwegian welcomed the EU action to protect the rights of European airlines under the U.S.-EU Open Skies Agreement, which obligates parties to grant operating authority "with minimum procedural delay."



Norwegian Air International's application has taken nearly four times as long as applications of other European carriers applying for the same authority.
Source: Norwegian Air International

UK Supreme Court turns down flight delay appeals: The UK Supreme Court has opened the way to a wave of claims against airlines by refusing applications to appeal in two landmark flight delay compensation cases. In an order published by the court, it denied Jet2.com and Thomson Airways Limited leave to appeal in Jet2.com Limited v Huzar and Thomson Airways Limited v Dawson.

A court statement said that a panel of three Supreme Court justices had ordered that permission to appeal be refused in Thomson 'because the application does not raise an arguable point of law' and in Jet2.com 'because the application does not raise a point of law of general public importance and, in relation to the point of European Union law said to be raised by or in response to the application, it is not necessary to request the Court of Justice to give any ruling, because the court's existing jurisprudence already provides sufficient answer'.

Source: The Law Society Gazette

European Commission approves aid to manager of Altenburg-Nobitz Airport (Germany); orders recovery of incompatible aid from Ryanair: Following an in-depth investigation, the European Commission has found public measures granted by Germany to the manager of the Altenburg-Nobitz airport to be in line with EU state aid rules. The measures further the connectivity of the region without unduly distorting competition in the Single Market in line with the applicable aviation aid guidelines. The Commission also found that certain service and marketing agreements concluded between the airport manager and the airline Ryanair/AMS gave the latter an undue advantage estimated at around €300 000, which cannot be justified under EU state aid rules. Ryanair and its marketing subsidiary AMS now need to repay the incompatible aid to Germany.

Source: European Commission

Air Canada Rouge fined for long tarmac delay: Air Canada Rouge has been cited by the US Department of Transportation for violating the tarmac delay rule on an Orlando-Toronto flight in January 2014, resulting in a USD 90,000 civil penalty. Half the amount will be waived if the carrier avoids repeat violations for one year.

Source: Travel Weekly

Tunis Tozeur Nefta Airport: Passengers and aircraft are exempted from special and air navigation charges for 5 years: In an initiative to bolster tourism in Tunisia and to stimulate tourism activity in Tozeur, and in its aim to enable airlines to operate flights to Tozeur Nefta International Airport, the Ministry of Transport has issued a decree that exempts passengers and aircraft, on

international and domestic flights, from special and air navigation fees for 5 years.

The exempted charges include:

- Landing Charges
- Lighting Charges
- Air Navigation Facility Charges
- Parking Charges
- Passenger Service and Security Charges

This decree comes in line with the ministry's decision to enhance connectivity to domestic touristic destinations such as Tozeur by encouraging airlines to operate to this airport.

Source: AeroTunisie.com

Egypt and Ireland initial an Air Services Agreement: Egypt and Ireland initiated an Air Services Agreement (ASA) that will help in introducing air services between the airports of both states.

The ASA allows Irish airlines to operate 8 weekly flights to each of Cairo and Alexandria and unlimited number of flights to Hurghada, Sharm el-Sheikh, Borg El Arab, Luxor, and Aswan; whereas, Egypt-based airlines have been given access to Ireland's 3 international airports (Dublin, Cork, and Shannon).

UAE, Sierra Leone ink Open Skies agreement: The United Arab Emirates represented by the General Civil Aviation Authority (GCAA) has signed an Open Skies agreement with the Government of Sierra Leone.

The agreement was signed by H.E Sultan Bin Saeed Al Mansouri, Minister of Economy and Chairman of General Civil Aviation Authority and H.E Leonard Balogun Koroma, Minister of Transport and Aviation in Sierra Leone.

The two delegations agreed that any number of designated airlines of both parties will have the right to perform scheduled air services between the two countries. The MoU allows full flexibility on the routes, capacity, number of frequencies and types of aircraft, in any type of service (passenger or cargo). The signed memorandum also includes the exercise of fifth freedom traffic rights. In addition, both Parties agreed to allow unrestricted non-scheduled / charter operations between the two countries.

UAE now has air services agreements with over 164 countries, of which 87 are open skies agreements.

Source: General Civil Aviation Authority – UAE

Qatar, Belgium update Air Transport Agreement: Civil aviation authorities in Qatar and Belgium have held talks in Brussels and agreed to update the provisions of the existing air transport agreement between them. A statement released by Qatar Civil Aviation Authority said that the two sides agreed to add more cargo and passenger rights for Qatar Airways.

Source: Qatar Civil Aviation Authority



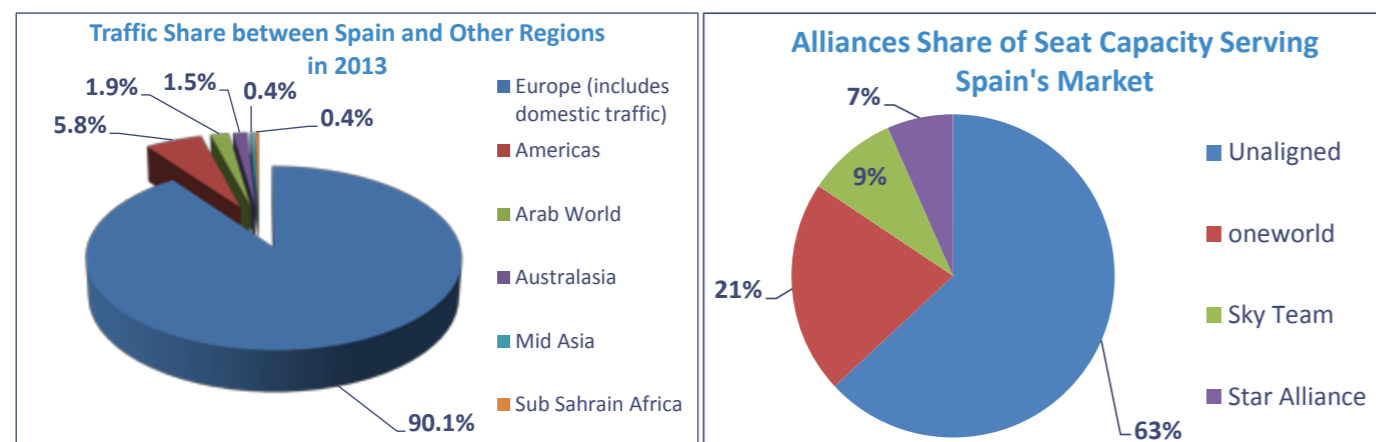
AN AVIATION MARKET IN FOCUS: SPAIN

Kingdom of Spain

- **Population:** 46.7 million
- **Land area:** 504,645 km²
- **Number of passengers in 2013:** more than 28 million passengers were handled by Spanish airports
- **Number of commercial airports:** more than 40 commercial airports
- **Spanish-based airlines:** More than 40 airlines including Iberia, Vueling, Air Europa

Aviation Policy:

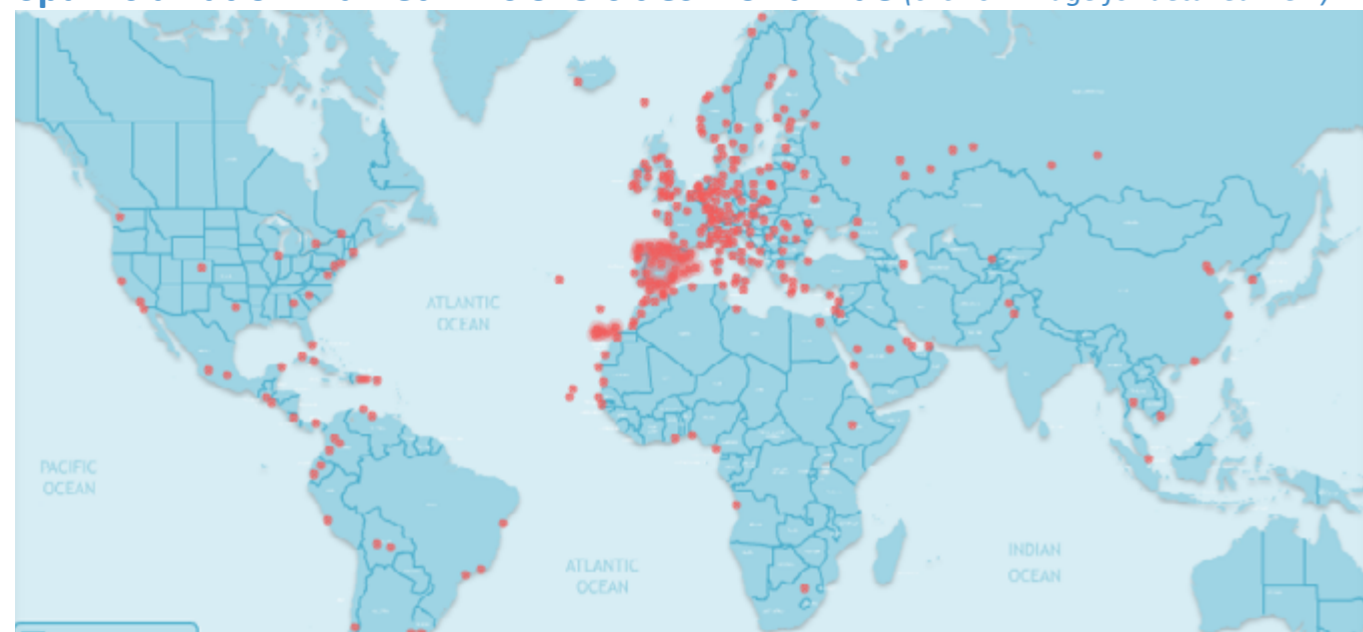
- The Dirección General de Aviación Civil is the statutory authority that oversees and regulates civil aviation in the Kingdom of Spain.
- Spain enjoys an open market in the EEA; and benefits from comprehensive agreements signed between the EU and third countries such as Morocco and Jordan.



For international passengers and based on O&D
Source: AACO, IATA

Source: AACO, FlightMaps Analytics

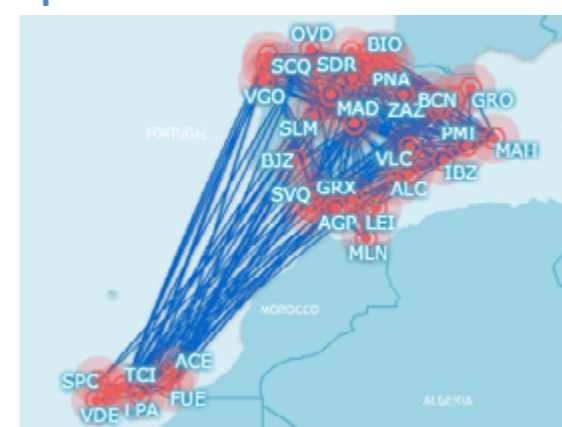
Spain's aviation market links 315 cities worldwide (click on image for detailed view)



Source: AACO, FlightMaps Analytics

September 2014

Spain's domestic aviation in September 2014



Source: AACO, FlightMaps Analytics

The top 10 city pairs on the right accounted for 36.75% of the total seat capacity scheduled within the Kingdom of Spain in Sept. 2014.

Route	Seat Capacity*
Barcelona - Madrid	241,760
Barcelona - Palma De Mallorca	153,887
Barcelona - Ibiza	143,478
Madrid - Palma De Mallorca	136,236
Madrid - Tenerife	133,805
Gran Canaria - Madrid	115,204
Barcelona - Menorca	111,403
Bilbao - Madrid	86,360
Ibiza - Madrid	85,937
Barcelona - Sevilla	79,320

Source: AACO, FlightMaps Analytics

* This includes seat capacity in both directions

Airline	Seat Capacity
Ryanair	3,250,102
Vueling Airlines	2,410,032
Iberia	2,138,450
easyJet	1,537,584
airberlin	1,087,909
Air Europa	861,450
Jet2	601,554
Monarch Airlines	487,874
Norwegian Air Shuttle	486,364
Condor Flugdienst	477,386

Top 10 airlines operating by seat capacity to, from and within Spain in September 2014

The top 10 airlines on the left offered almost 13.34 million seats (73.3% of the scheduled seat capacity) to and from Spain in September 2014.

Source: AACO, FlightMaps Analytics

Top 10 routes by seat capacity to and from Spain in September 2014

Around 1.97 million seats were offered on the top 10 city pairs to and from Spain in September 2014, representing a 10.81% of the total capacity offered to and from Spain.

Route	Seat Capacity*
Barcelona - London	283,598
London - Madrid	277,808
Barcelona - Paris	248,828
Madrid - Paris	214,416
London - Malaga	202,243
Duesseldorf - Palma De Mallorca	172,186
London - Palma De Mallorca	156,940
Alicante - London	148,144
Madrid - Rome	133,578
Barcelona - Rome	130,837

Source: AACO, FlightMaps Analytics

* This includes seat capacity in both directions



WORLD NEWS

ICAO Council adopts unanimous resolution condemning MH17 downing: The 36 State Council of the International Civil Aviation Organization (ICAO), joined extraordinarily during its 203rd Session on 27 October 2014 by the Honorable Dato' Sri Liow Tiong Lai, Minister of Transport for Malaysia, in addition to a high-level Delegation from Ukraine, unanimously adopted a Resolution condemning, in the strongest terms, the downing of Malaysia Airlines Flight MH17 over eastern Ukraine earlier in 2014.

The Resolution was adopted after an address to Council by Minister Liow Tiong Lai, who stood before ICAO in solidarity with the families of the passengers and crew who were lost. Minister Lai outlined a series of statements and recommendations on both MH370 and MH17, all of which were aimed at enhancing related measures supporting greater safety and security in international civil aviation.

In a closely-related development, the Council also reviewed the Report of the Task Force established under ICAO to explore Risks to Civil Aviation Arising From Conflict Zones. The Report proposed that the existing framework for managing international civil aviation remains fit for purpose, that States should continue to be responsible to ensure the safety of operations in their sovereign and delegated airspace, and that airspace users have the ultimate responsibility to decide where they fly.

The proposed conflict zone work programme for ICAO through 2015 was approved by the Council, some aspects of which have already been well-advanced. It was recognized that some aspects of this planning would require further consideration at ICAO's upcoming High-level Safety Conference next February.

"We have reviewed some very challenging international issues today in Council and adopted several key decisions," remarked ICAO Council President Dr. Olumuyiwa Benard Aliu. "We deeply appreciated the impacts which the MH370 and MH17 incidents have had on the families, friends and governments of all of the victims concerned, and the inputs of the government officials from Malaysia certainly assisted in the successful outcome of our deliberations.

Much work remains to be done in the area of conflict zone risk mitigation and the Council remains fully engaged in guiding ICAO's efforts to achieve a practical and effective global solution."

Source: ICAO

Aircraft equipment registry passes half million milestone: The International Registry of Mobile Assets (International Registry) has achieved a major milestone with the announcement that more than half a million registrations have now been filed. The International Registry provides for the registration and protection of financial interests in aircraft objects, such as airframes, engines and helicopters and was created with the view to reducing financing costs. The Aviation Working Group estimates it will save the global air transport industry

USD 161 Billion USD between 2009 and 2030.

The establishment of the International Registry is provided for under an international treaty regime - the Cape Town Convention and Protocol of 2001. This was adopted under the joint auspices of the International Civil Aviation Organization (ICAO) and the International Institute for the Unification of Private Law (Unidroit). The International Registry is supervised by ICAO and operated by Aviareto, a joint venture between SITA and the Irish Government. It is used to establish legal priority in the case of disputes over interests in aircraft objects. Currently, fifty-five States across the world have ratified both the Convention and the Aircraft Protocol.

The International Registry is a fully online business which services this global industry from Dublin. It started operations in 2006 and since then, there have been over 500,000 registrations covering 110,000 aircraft objects with an estimated value of over half a trillion USD. Of those, 27% of registrations are on airframes, 68% on engines and 5% on helicopters. There is now an average of 7,000 registrations each month.

Source: Aviareto

IATA and Travel Capitalist ventures launch NDC innovation fund: The International Air Transport Association (IATA) partnered with Travel Capitalist Ventures to create the NDC Innovation Fund. This fund will support innovation in airline distribution using the New Distribution Capability (NDC) standard. NDC is a travel industry-supported program launched by IATA for the development and market adoption of a new XML-based data transmission standard.

The Innovation Fund is a stand-alone strategic investment fund. It will make investments in small- and medium-sized companies seeking to develop solutions which support airlines and agents as they leverage the enhanced distribution capabilities enabled by the NDC standard.

The Fund is soliciting proposals from companies seeking the capital and strategic/business development support needed to develop applications and services to meet current and future industry distribution needs.

Source: IATA

FAA and industry announce plan to accelerate delivery of NextGen benefits:

The U.S. Department of Transportation's Federal Aviation Administration (FAA) and the aviation community sent a plan to Congress to show how the FAA will accelerate the benefits of key NextGen initiatives over the next three years.

The agreement is the result of several months of collaboration between the agency and the NextGen Advisory Committee, which includes officials from the airlines, airports, general aviation, pilots, labor unions and safety specialists, manufacturers, international aviation, environmentalists and the Department of Defense.

Under the plan, called the NextGen Priorities Joint Implementation Plan, the FAA and the various components of the aviation industry share responsibility to meet specific milestones, locations, timelines and metrics for "high priority, high readiness" NextGen initiatives. These initiatives include Multiple Runway



Operations, Performance Based Navigation, Surface and Data Communications.

According to the plan, the FAA will institute new NextGen procedures through the use of Multiple Runway Operations at 36 airports nationwide to increase airport efficiency and reduce flight delays. The agency plans to deploy satellite-based navigation procedures known as Performance Based Navigation (PBN) at three key metropolitan areas – Northern California, Atlanta and Charlotte – to provide more direct flight paths, improved airport arrival rates, enhanced controller productivity, increased safety due to repeatable and predictable flight paths, fuel savings and a reduction in aviation's environmental impact.

The plan also calls for the FAA to increase Surface Operation data sharing in order to increase predictability and provide actionable and measurable surface efficiency improvements at our nation's airports. Finally, the FAA is accelerating its work on Data Communications services, which upgrades communication between pilots, air traffic controllers and airline operations centers from voice to digital, providing enhanced safety and efficiency of the airspace system, especially under bad weather conditions.

Source: US FAA

ACI Asia-Pacific recorded 3.3% increase in passenger traffic in August 2014:

Passenger traffic maintained a moderate growth rate for the month of August 2014, Asia-Pacific airports recorded a year-on-year increase of +3.3% while airports in the Middle East posted an increase of +9.0%.

In August 2014, Beijing (PEK) was the busiest airport despite almost flat growth (+0.7%) whereas Dubai (DXB), the busiest airport in the region for international passengers, rebounded by +10.8% as the runways resumed operation in late July after the 80-day closure. Many airports in the region reported double digit growth for the month, with 5 airports reaching growth rate in excess of +20%, they include: Bangkok Don Muang (DMK), Bahrain (BAH), Abu Dhabi (AUH), Chiang Mai (CNX) and Cochin (COK).

For year-to-date passenger traffic from January to August 2014, the Middle East continued to lead the region with a strong increase of +8.5%, while the Asia-Pacific posted an increase of +4.6%.

The top 5 busiest airports in the region for the year to date were Beijing (PEK, +1.4%), Tokyo Haneda (HND, +5.7%), Dubai (DXB, +5.7%), Hong Kong (HKG, +5.7%) and Jakarta (CGK, -5.1%). The Middle Eastern airports maintained sturdy growth for the year to date, with Abu Dhabi (AUH, +20.5%), Sharjah (SHJ, +14.2%), and Doha (DOH, +13.8%) posting double-digit growth.

Freight volumes continue to show signs of strong recovery with improvements in global trade and commerce. Cargo traffic recorded robust growth for the month of August 2014. Asia-Pacific airports recorded a year-on-year growth of +8.2% while the Middle East recorded a significant growth of +20.5%. Year-to-date growth was +5.8% for Asia-Pacific and +10.9% for the Middle East. The strong growth in the Middle East was primarily driven by the recent expanded operations at Doha (DOH) and Dubai World Central (DWC).

The top 5 airports in the region with the highest cargo throughput from January to August 2014: Hong Kong (HKG, +6.9%), Shanghai Pudong (PVG, +8.9%), Seoul Incheon (ICN, +4.0%), Dubai (DXB, -2.2%) and Tokyo Narita (NRT, +8.6%). Source: ACI Asia-Pacific

New IATA passenger forecast reveals fast-growing markets of the future: The International Air Transport Association (IATA) released its first 20-year passenger growth forecast, projecting that passenger numbers are expected to reach 7.3 billion by 2034. That represents a 4.1% average annual growth in demand for air connectivity that will result in more than a doubling of the 3.3 billion passengers expected to travel in 2014.

Among the highlights of the report is the expectation that China will overtake the United States as the world's largest passenger market (defined by traffic to, from and within) by 2030. Both markets, however, are expected to remain the largest by a wide margin. In 2034 flights to, from and within China will account for some 1.3 billion passengers, 856 million more than 2014 with an average annual growth rate of 5.5%. Traffic to, from and within the US is expected to grow at an average annual growth rate of 3.2% that will see 1.2 billion passengers by 2034 (559 million more than 2014).

The report, the first from the new IATA Passenger Forecasting service, produced in association with Tourism Economics, analyzes passenger flows across 4,000 country pairs for the next 20 years, forecasting passenger numbers by way of three key demand drivers: living standards, population and demographics, and price and availability.

Future Growth Trend Highlights

- By 2034 the five fastest-increasing markets in terms of additional passengers per year will be China (856 million new passengers per year), the US (559 million), India (266 million), Indonesia (183 million) and Brazil (170 million).
- Eight of the ten fastest-growing markets in %age terms will be in Africa with Central African Republic, Madagascar, Tanzania, Burundi and Kuwait making up the five fastest-growing markets.
- In terms of country-pairs, Asian and South American destinations will see the fastest growth, reflecting economic and demographic growth in those markets. Intra-Pakistan, Kuwait-Thailand, United Arab Emirates (UAE)-Ethiopia, Colombia-Ecuador and intra-Honduras travel will all grow by at least 9.5% on average for the next 20 years, while Indonesia-East Timor will be the fastest growing pair of all, at 14.9%.

While improving living standards, population and demographics, and price and availability create the conditions for improved demand, there is potential for policy-induced obstacles to hinder the development of connectivity.

The aviation industry recognizes that air travel has an environmental impact, and is committed to reducing its carbon footprint. In 2009, the industry agreed three targets which will ensure that aviation plays its part in ensuring a sustainable future.

- 1.5% annual fuel efficiency improvement to 2020



- Capping net emissions through carbon-neutral growth from 2020
- A 50% cut in net emissions by 2050, compared to 2005.

Analysis of the 10 largest air passenger markets defined by traffic to, from and within for the period 2014-2034:

- The United States will remain the largest air passenger market until around 2030, when it will drop to number 2, behind China. Cumulatively over the next 20 years the US will carry 18.3 billion more passengers and China 16.9 billion.
- Currently the ninth largest market, India will see a total of 367 million passengers by 2034, an extra 266 million annual passengers compared to today. It will overtake the United Kingdom (148 million extra passengers, total market 337 million) to become the 3rd largest market around 2031.
- Reflecting a declining and ageing population, Japanese air passenger numbers will grow just 1.3% per year and decline from the 4th largest market in 2014 to the 9th largest by 2033.
- Germany and Spain will decline from 5th and 6th position in 2014 to be the 8th and 7th largest markets respectively. France will fall from 7th to 10th while Italy will fall out of the top 10 altogether in around 2019.
- Brazil will increase passenger numbers by 170 million and rise from 10th to 5th. Its total market will be 272 million passengers.
- Indonesia will enter the top ten around 2020 and attain 6th place by 2029. By 2034 it will be a market of 270 million passengers.

Regional growth highlights:

- Routes to, from and within Asia-Pacific will see an extra 1.8 billion annual passengers by 2034, for an overall market size of 2.9 billion. In relative terms it will increase its size compared to other regions to 42% of global passenger traffic, and its annual average growth rate, 4.9%, will be the joint-highest with the Middle East.
- The North American region will grow by 3.3% annually and in 2034 will carry a total of 1.4 billion passengers, an additional 649 million passengers a year.
- Europe will have the slowest growth rate, 2.7%, but will still cater for an additional 591 million passengers a year. The total market will be 1.4 billion passengers.
- Latin American markets will grow by 4.7%, serving a total of 605 million passengers, an additional 363 million passengers annually compared to today.
- The Middle East will grow strongly (4.9%) and will see an extra 237 million passengers a year on routes to, from and within the region by 2034. The UAE, Qatar and Saudi Arabia will all enjoy strong growth of 5.6%, 4.8%, and 4.6% respectively. The total market size will be 383 million passengers.
- Africa will grow by 4.7%. By 2034 it will see an extra 177 million passengers a year for a total market of 294 million passengers.

Analysis of domestic air passengers markets

- The fastest-growing domestic market will be China, which will grow at 5.6% per year and by 2034 will account for 1.0 billion passengers.

- The United States domestic market will expand by 3.2% per year, to 822 million passengers, an additional 384 million passengers annually compared to 2014.
- The Indian and Brazilian domestic markets will grow at 6.9% and 5.4% respectively. India will be adding 159 million extra passengers and Brazil 147 million. Their total domestic air markets will be 215 million and 226 million.
- Indonesia will be the fifth largest domestic market. It will grow at 6.4%, adding an extra 136 million passengers a year by 2034. The total Indonesian domestic market will be 191 million.
- The remaining top ten domestic markets will be Turkey (annual growth of 5.3%), Philippines (5.9%), Mexico (4.6%), Colombia (6.0%), and Vietnam (6.2%).

Explanation of demand drivers

The Global Passenger Forecast Report explains future trends in passenger numbers by means of three key demand drivers: living standards, population and demographics, and price and availability.

- Living standards have a known effect on the propensity to fly. Countries on a growth curve up to approximately USD 20,000 per capita see correspondingly faster increases in the number of flights taken per person per year.
- Population and demographics reflects not just population trends over the next 20 years but also measures such as the old-age dependency ratio. On these measures, countries such as Japan, Russia, and Ukraine are expected to undergo significant population decline. African nations, on the other hand, are set for rapid population growth. Typically, the nations with growing populations also have younger populations, and working-age groups are more likely to fly than over-65s.
- Price and availability looks to predict future trends of the price of air travel and the extent of future air connectivity. The unit cost of air transport has fallen by a factor of four since 1950. However, the past decade has seen prices bottom out, largely due to the increased cost of oil. In the coming two decades, the downward trend in the real cost of air travel is expected to resume, at a rate of around 1 – 1.5% per year. Air connectivity is expected to increase with the addition of new longer-range mid-size aircraft. Greater liberalization of air markets has the potential to increase global air traffic growth by over 1 percentage point per year.

Source: IATA

IATA Figures -- Strong passenger growth continues in September 2014: The International Air Transport Association (IATA) announced global passenger traffic results for September showing demand growth of 5.3% (measured in revenue passenger kilometers or RPKs) over September 2013. This continues the positive growth trend for passenger demand even though the performance was slightly below the August year-over-year rise of 6.3%. September capacity rose 5.1% and load factor rose 0.2 percentage points to 80.3%.



Sep 2014 vs. Sep 2013	RPK Growth	ASK Growth	PLF
International	5.3%	5.7%	80.5
Domestic	5.3%	4.0%	80.0
Total Market	5.3%	5.1%	80.3

YTD 2014 vs. YTD 2013	RPK Growth	ASK Growth	PLF
International	6.3%	6.5%	79.9
Domestic	5.2%	4.3%	81.0
Total Market	5.9%	5.7%	80.3

International passenger markets

September international passenger demand rose by 5.3% compared to the same month in 2013. This was exceeded by a capacity expansion of 5.7% which resulted in a softening of the load factor to 80.5%, down 0.2 percentage points from the year-ago period.

- **Asia-Pacific airlines** reported September demand growth of 4.8% compared to a year-ago. Although this is a weaker rise than August, the recent trend has been positive and reflects better demand conditions in the region, including stronger trade activity that encourages business travel. Capacity climbed 7.2% and load factor dropped 1.7 percentage points to 76.2%.
- **European carriers** recorded growth of 3.9% in September compared to a year ago, a significant slowdown on the August rise of 7.0%. Along with the impact of the 14-day Air France crew strike, this also reflects a lapse in the Eurozone economic recovery. Indicators show a weakening in key economies including Germany, owing to the Russia-Ukraine crisis and related sanctions, as well as a reversal in prior improvements in consumer confidence. With capacity up just 2.6%, load factor was 84.7%, the highest for any region and a 1 percentage point rise compared to last year.
- **North American airlines** saw international demand rise by just 2.1%. However, underlying trends in business activity are positive and growth in trade volumes has accelerated, boding well for business-related international travel. Capacity rose 3.8% and load factor slipped 1.4 percentage points to 82.4%.
- **Middle East carriers** once again recorded the strongest increase in international air travel, with a rise of 15.8% in September compared to a year ago. Airlines here continue to benefit from the strength of regional economies as well as expansion in export orders that support international business activity and business-related premium travel. Capacity rose 14.9% and load factor climbed 0.6 percentage points to 78%.
- **Latin American airlines** posted growth of 4.6% in September year-on-year, which was a notable slowdown on August (8.3%). Growth in the Brazilian economy remains fundamentally weak and recent indicators

of growth and business activity are showing signs of further weakness, but regional trade volumes have been improving. With capacity up 4.9% compared to a year ago, load factor slipped 0.2 percentage points to 79.9%.

- **African airlines** experienced a 1.8% rise in international RPKs in September compared to a year ago, down significantly from August year-over-year growth of 7%. The deceleration in growth rates cannot be immediately interpreted as a trend change as significant volatility in volumes exists for this region. The effect of any Ebola-related traffic downturn is mostly restricted to Guinea, Liberia and Sierra Leone, but these markets comprise a very small proportion of overall African traffic. Adverse economic developments in some parts of the continent are responsible for the weakness in international air travel for regional carriers. However, South Africa has managed to avoid entering a recession, which could help moderate downward pressure on air travel. Capacity rose 2.6% and load factor fell 0.6 percentage points to 70.5%, the lowest among all regions.

Source: IATA

OUR

PARTNER

AIRLINES



LATEST NEWS

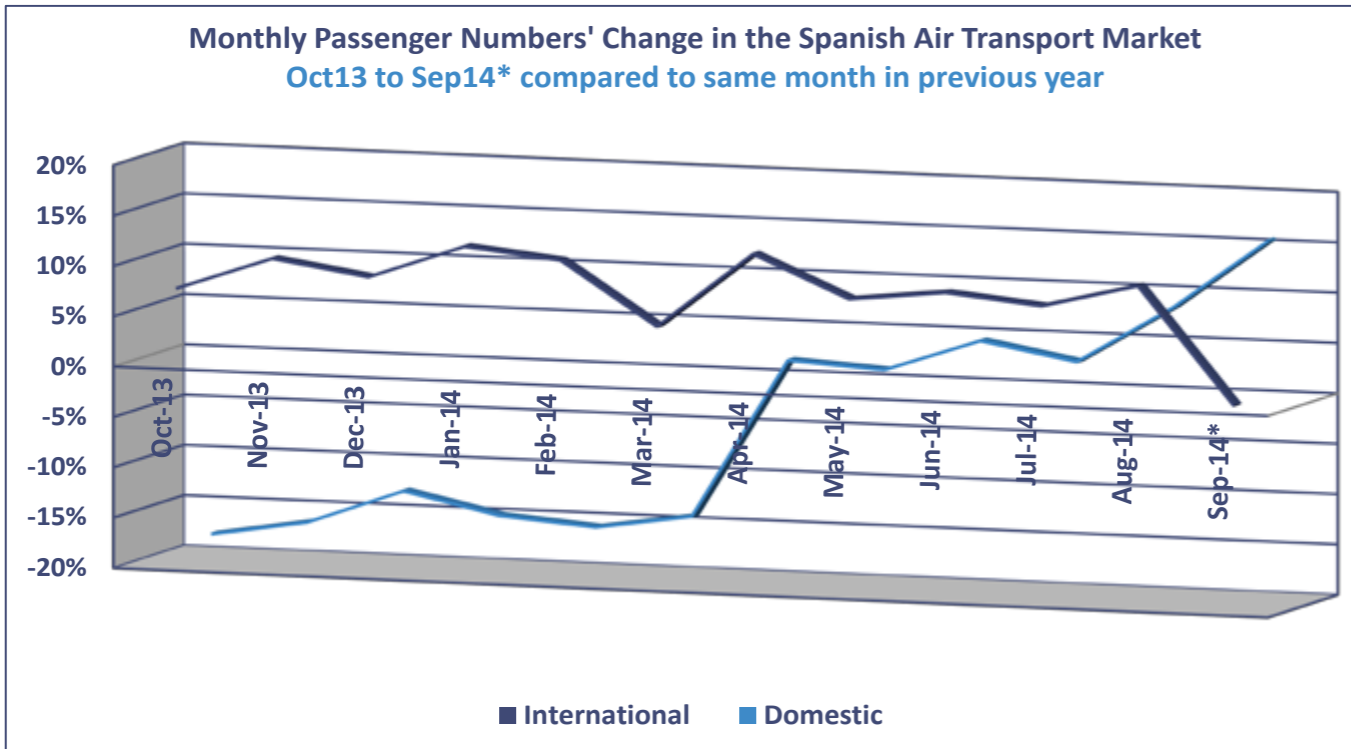
IAG releases 3rd quarter results: International Consolidated Airlines Group (IAG) today (October 31, 2014) presented Group consolidated results for the nine months to September 30, 2014.

IAG period highlights on results:

- Third quarter operating profit €900 million (2013: €690 million) before exceptional items, €210 million better than last year
- At constant currency, third quarter passenger unit revenue down 0.9% and non-fuel unit costs down 4.5%
- Revenue for the quarter up 8.5% to €5,866 million, up 6.9% at constant currency
- Fuel unit costs for the quarter down 7.5% at constant currency
- Operating profit for the nine months €1,130 million (2013: €657 million) before exceptional items, €473 million better than last year
- Exceptional charge of €82 million for currency re-evaluation
- Cash of €5,064 million at September 30, 2014, up €1,431 million on 2013 year end
- Adjusted gearing down 4 points to 46%

SPAIN TRAFFIC

The Spanish air transport market expanded by 11.3% in August 2014 over August 2013 in terms of number of passengers traveling to, from & within Spain, and is estimated to have grown in Sept. 2014 by 2.9% compared to Sept. 2013.

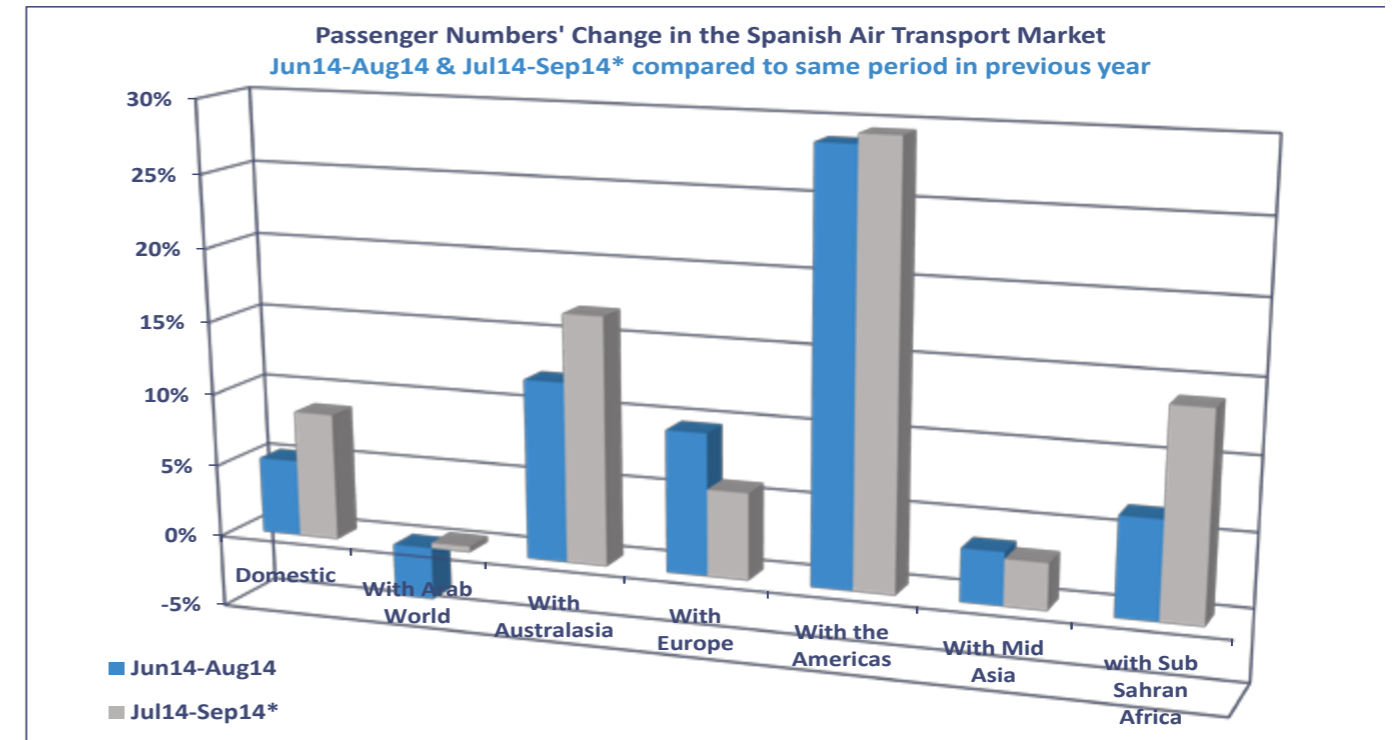


Source: AACO, IATA

*Estimated



Looking at the Spanish market traffic flows, the international European market represented in August 2014 74.4% of the total market, and is expected to have shrunk to 70.6% in August 2014. Traffic between the Arab world and Spain represented 1.6% of the total Spanish market in August 2014, and is estimated to have expanded to 1.7% in September 2014.



Source: AACO, IATA

*Estimated

In August 2014, Ryanair was the biggest carrier operating to, from and within Spain by number of passengers, boarding 3.44 million pax, which represented an increase of 2.9% over August 2013 operations.

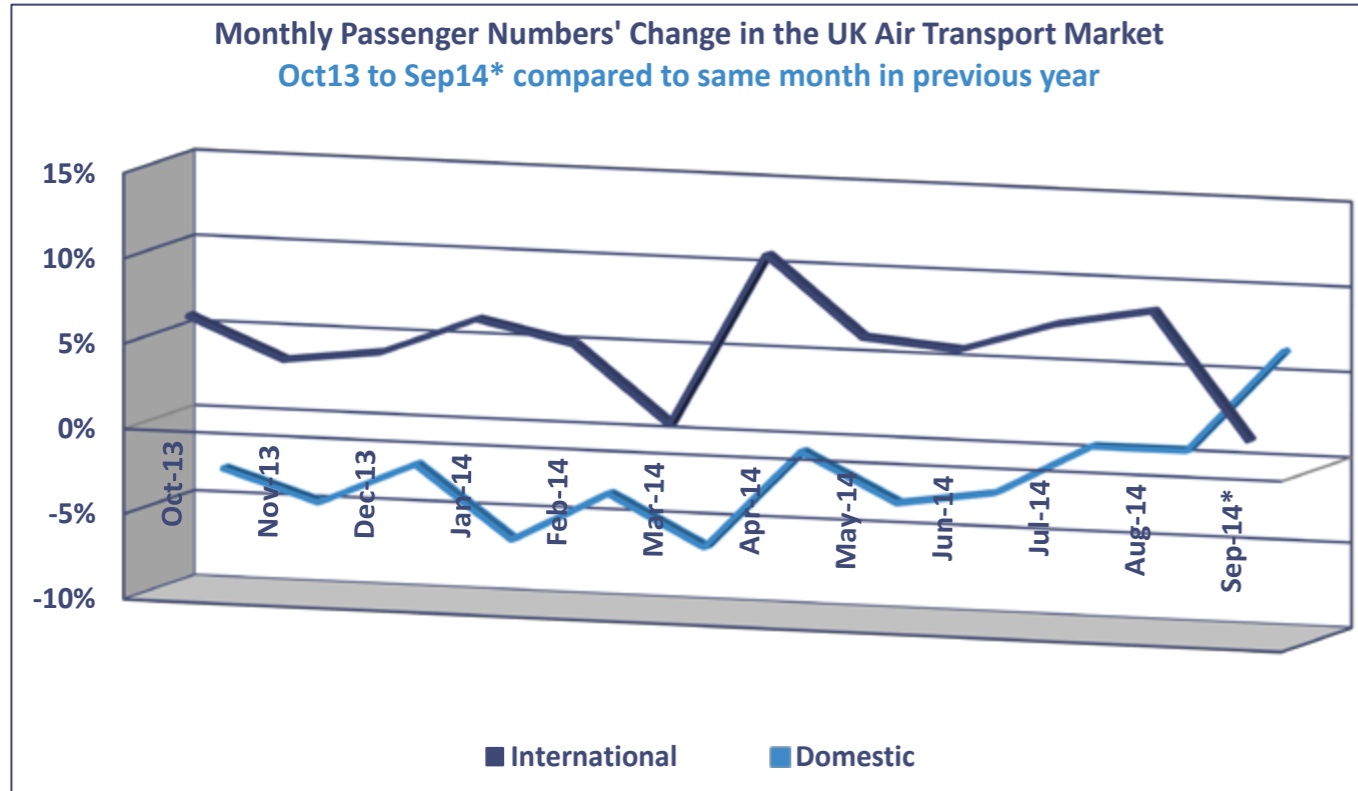
Top 15 Airlines Operating in the Spanish Market					
Airline	Aug-14	Change	Airline	Aug-14	Change
FR	3,448,819	2.9%	DY	456,522	60.4%
IB	1,739,735	6%	LH	333,592	(10.3%)
VY	1,543,330	19.9%	4U	270,836	69.1%
U2	1,477,390	5.4%	DE	248,643	27.4%
AB	1,139,457	4.3%	BA	242,434	17.7%
UX	705,421	5.6%	NT	227,163	7.0%
ZB	500,305	13.7%	LX	216,267	4.6%
LS	460,162	12.2%	Grand Total	16,316,714	11.3%

Source: AACO, IATA



UK TRAFFIC

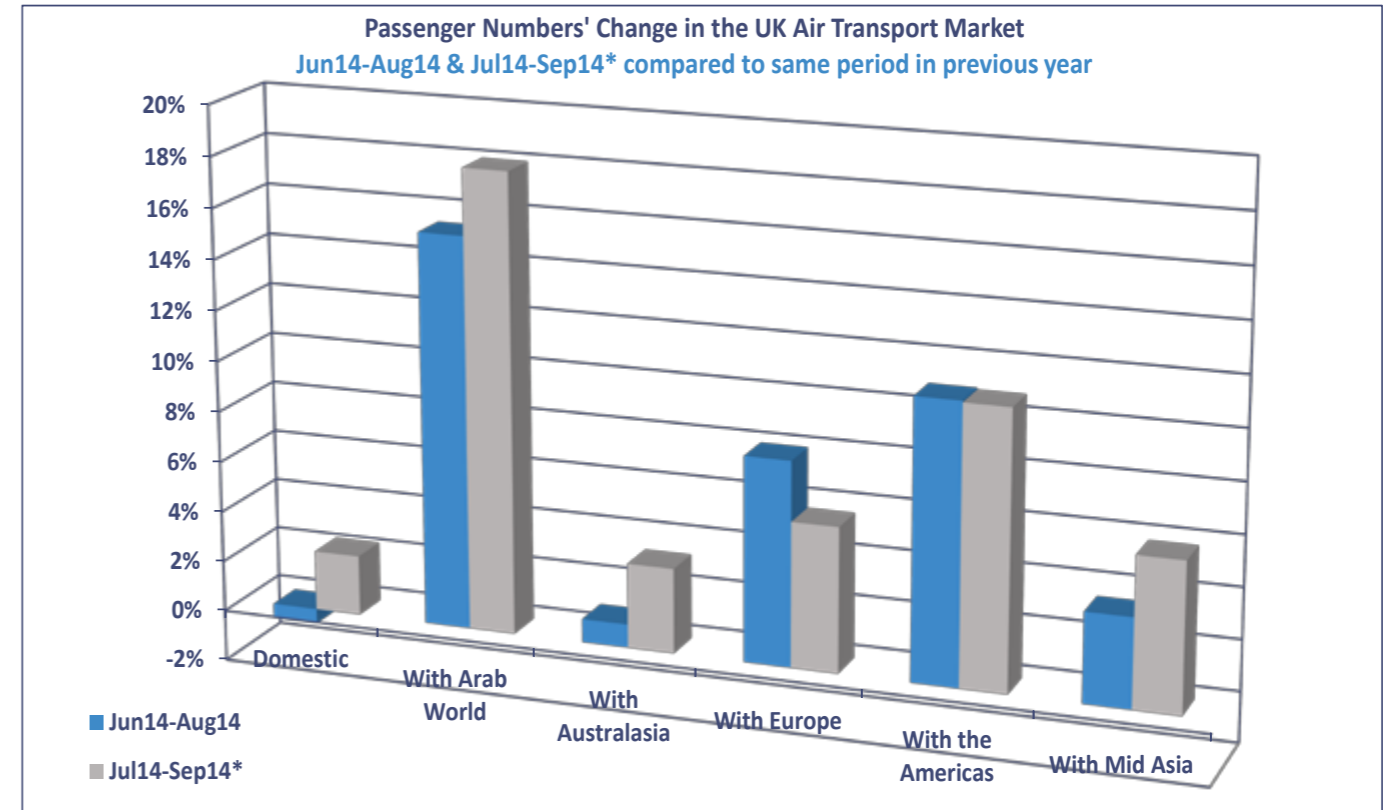
The UK air transport market expanded by 8.4% in August 2014 over August 2013 in terms of number of passengers traveling to, from and within the UK, and is expected to have grown by 2.4% in Sept. 2014 compared to Sept. 2013.



Source: AACO, IATA

*Estimated

Looking at the UK market traffic flows, the international European market represented in August 2014 67.7% of the total market, and is expected to have shrunk to 65.4% in September 2014. Traffic between the Arab world and the UK represented 3.6% of the total UK market in August 2014, and is expected to maintain its position in September 2014.



Source: AACO, IATA

*Estimated

In August 2014, easyJet was the biggest carrier operating to, from and within the UK by number of passengers, boarding 3.94 million pax, which represented an increase of 6.5% over August 2013 operations.

Top 15 Airlines Operating in the UK Market					
Airline	Aug-14	Change	Airline	Aug-14	Change
U2	3,943,140	6.5%	EK	400,852	5.7%
FR	3,471,352	4.4%	LH	390,623	(5.5%)
BA	2,571,125	2.3%	W6	383,890	33.1%
ZB	905,559	16.8%	KL	373,970	2.3%
LS	811,908	13.0%	DY	300,280	36.0%
BE	670,231	5.6%	UA	249,902	(6.2%)
VS	528,289	0.8%	AF	225,009	(4.2%)
EI	508,764	9.6%	Grand Total	19,574,930	8.4%

Source: AACO, IATA



JET AIRWAYS

LATEST NEWS

Jet Airways adds frequencies from Mumbai to Doha, Colombo & Bangkok:

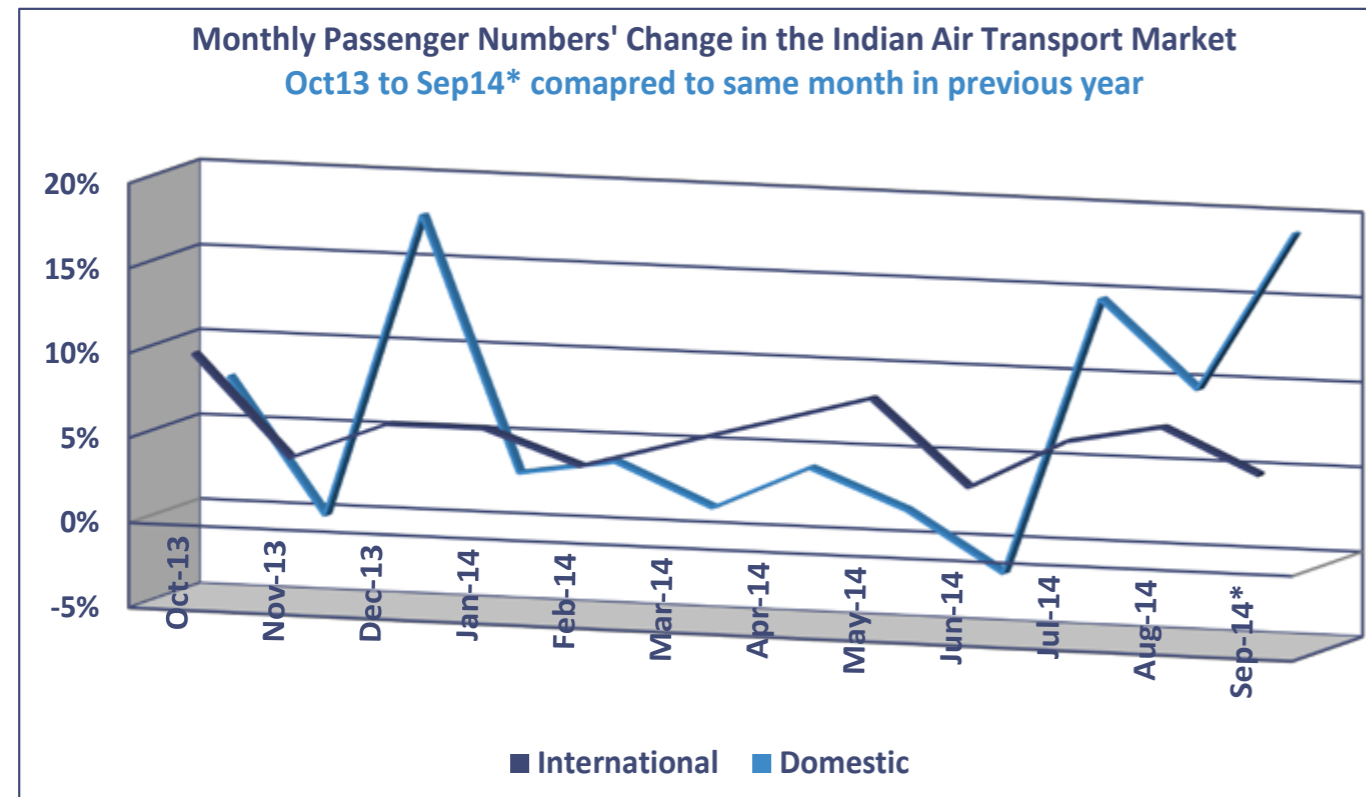
Jet Airways has significantly enhanced its global connectivity with the introduction of additional frequencies from Mumbai to Far East and the gulf region. These additional frequencies being introduced from Mumbai to Doha, to Colombo and to Bangkok will provide guests with the convenience of an additional service.

Doha is currently linked with one flight each from Mumbai, Delhi and Kochi. Due to popular demand, Jet Airways has added a second direct flight from Mumbai to Colombo. With the introduction of this additional flight, the airline will offer convenient options to its guests. Jet Airways is the only airline to operate two flights a day to the island nation .

In addition, Jet Airways introduced a third daily direct service from its international gateway in Mumbai to Bangkok. This would make Jet Airways' the only Indian carrier to operate three flights a day from Mumbai to Bangkok's International Suvarnabhumi Airport as well as providing on ward connections to Ho Chi Minh from Bangkok.

INDIA TRAFFIC

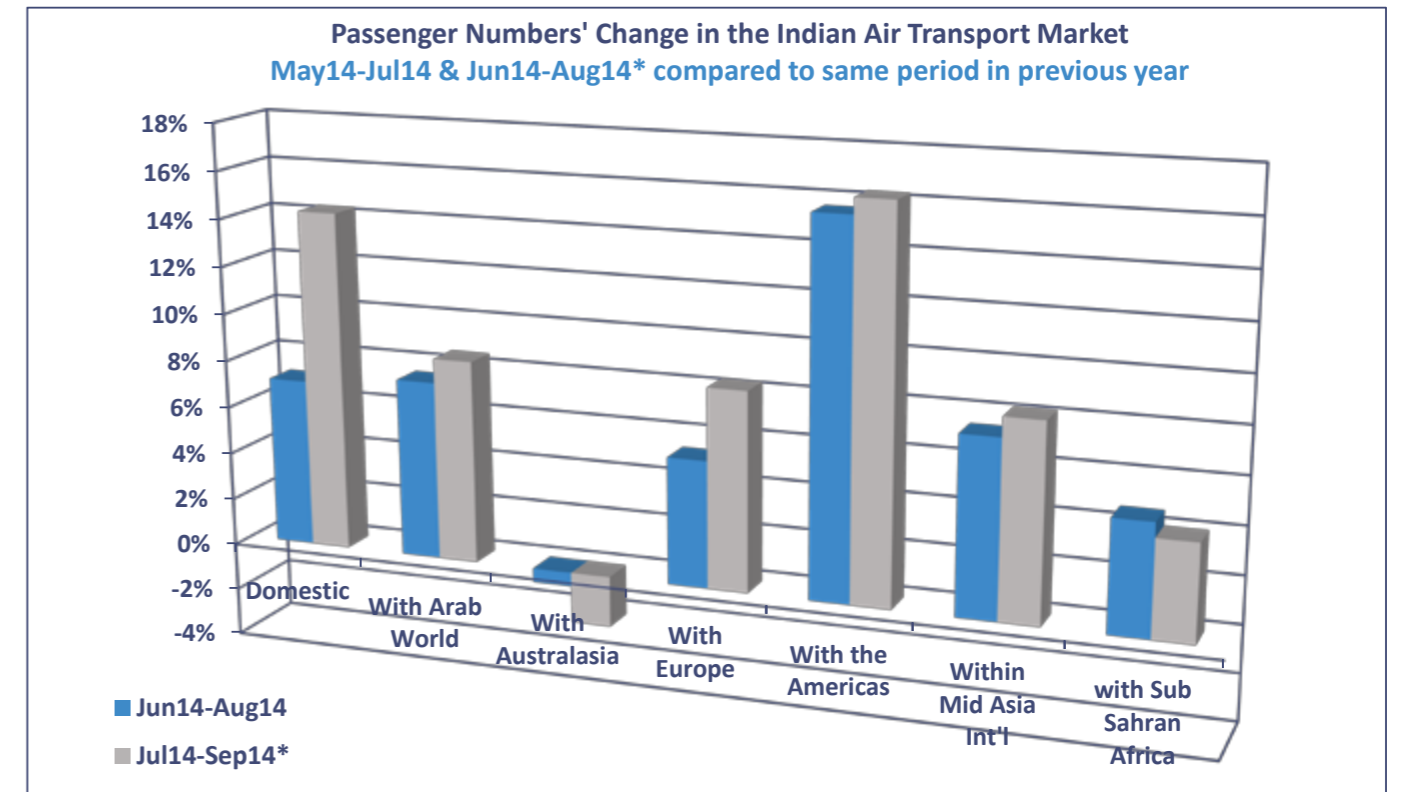
The Indian air transport market grew by 8.9% in August 2014 over August 2013 in terms of number of passengers traveling to, from and within India, and is estimated to have grown by 13.2% in Sept. 2014 compared to Sept. 2013.



Source: AACO, IATA

*Estimated

Looking at the Indian market traffic flows, the domestic market represented in August 2014 56.7% of the total market, and is estimated to have grown to 60% in September 2014. Traffic between the Arab world and India represented 18.4% of the total Indian market in August 2014, and is estimated to have shrunk to 17% in September 2014.



Source: AACO, IATA

*Estimated

In August 2014, Indigo Airlines was the biggest carrier operating to, from and within India by number of passengers, boarding 1.77 million pax, which represented an increase of 18.1% over August 2013 operations.

Top 15 Airlines Operating in the Indian Market					
Airline	Aug-14	Change	Airline	Aug-14	Change
6E	1,774,602	18.1%	QR	152,192	4.1%
AI	1,146,290	4.1%	SQ	132,406	3.6%
SG	1,116,280	14.7%	G9	132,183	(3.8%)
9W	1,046,007	(17.4%)	EY	131,531	106.8%
G8	522,961	27.7%	UL	106,349	9.7%
EK	429,084	11.4%	WY	102,782	(1%)
S2	330,493	40.4%	SV	99,852	20.1%
IX	209,519	(10.3%)	Grand Total	8,767,463	8.9%

Source: AACO, IATA



A STAR ALLIANCE MEMBER

LATEST NEWS

Turkish Airlines starts flights to Kherson: Turkish Airlines's began to operate regular flights on the route Istanbul - Kherson - Istanbul with frequency 4 times per week.

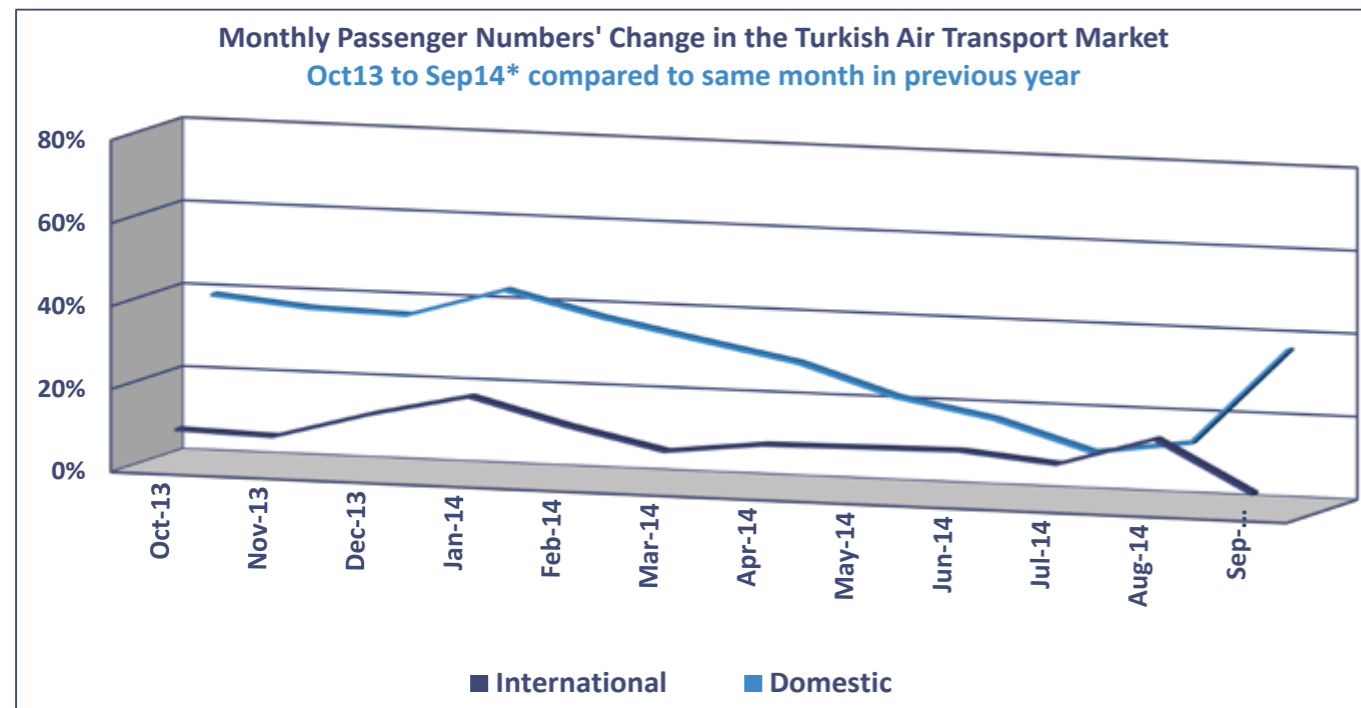
Turkish Cargo named "Overall Carrier Of The Year" and "Combination Carrier of the Year" at Payload Asia Awards 2014: This year, 30th of the annual Payload Asia Awards Ceremony, operated by the most prestigious publications of the worldwide air cargo industry, took place at the Singapore Marina Mandarin Hotel, on 29th October.

The winners are voted by the leading professionals of the sector and with the participation of senior distinguished guests from around the world, the awards were presented to the winners at the ceremony held.

Turkish Cargo has bolstered its position as a leading global player in air cargo industry and besides 'Overall Carrier of the Year' award, which is the most important "Payload Asia Awards" amongst 24 different award categories, has received "Combination Carrier of the Year" award as well!

TURKEY TRAFFIC

The Turkish air transport market in August 2014 grew by 16% over August 2013 in terms of number of passengers traveling to, from and within Turkey, and is estimated to have grown in Sept. 2014 by 17.1% compared to Sept. 2013.

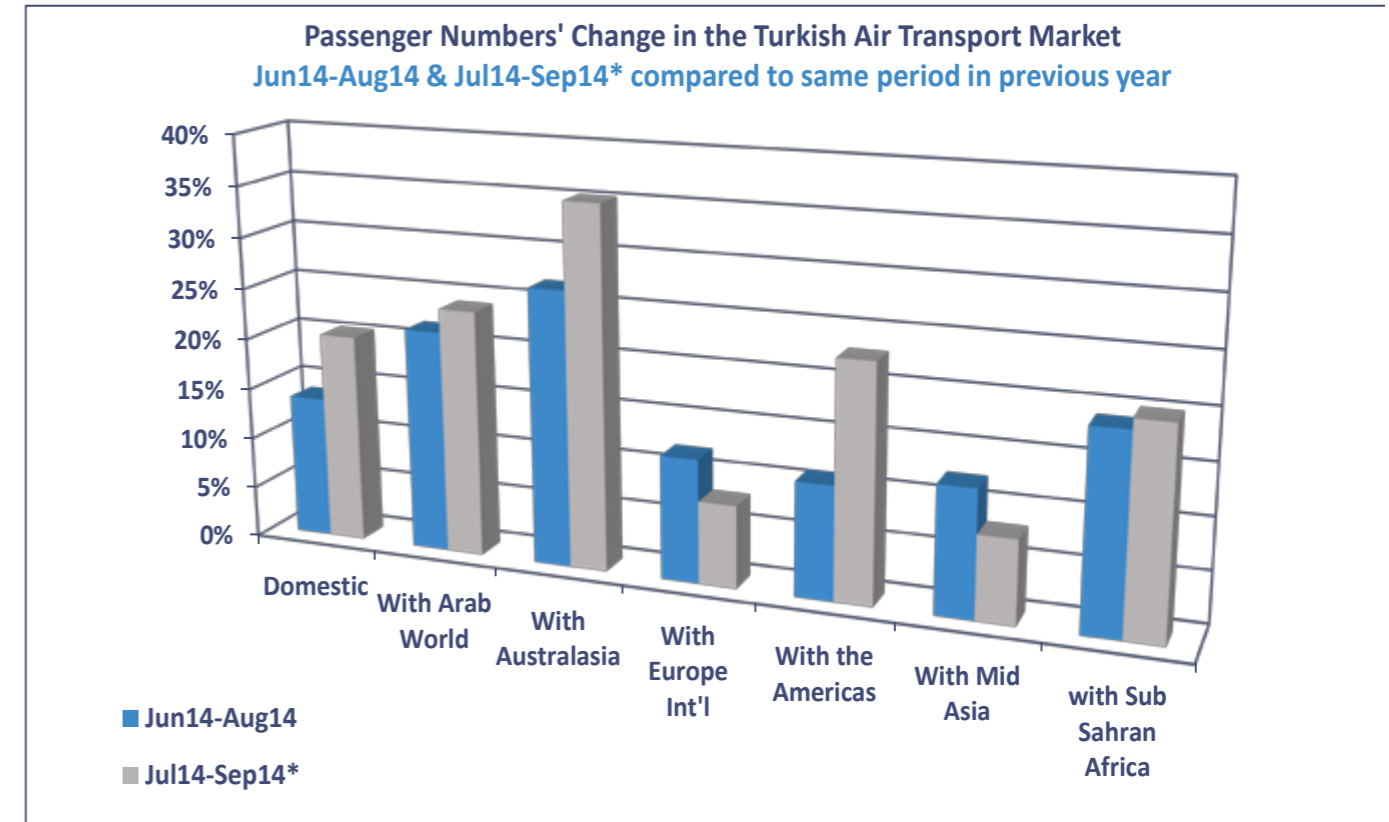


Source: AACO, IATA

*Estimated



Looking at the Turkish market traffic flows, the European market (international traffic between Turkey and Europe) was the biggest market. It accounted for 46.1% of August 2014 traffic, and is expected to have shrunk to 38.7% in September 2014. The domestic market was the second biggest market, accounting for 36.1% of August 2014 traffic, and is expected to have expanded to 43.7% in September 2014. On the other hand, traffic between the Arab world and Turkey represented 7.8% of the total Turkish market in August 2014, and is expected to have shrunk to 7.3% in September 2014.



In August 2014, Turkish Airlines was the biggest carrier operating to, from and within Turkey by number of passengers, boarding 3.45 million pax, which represented an increase of 16% over August 2013 operations.

Top 15 Airlines Operating in the Turkish Market					
Airline	Aug-14	Change	Airline	Aug-14	Change
TK	3,456,792	16.0%	ZB	106,984	12.4%
PC	1,318,396	17.0%	X3	98,116	(3.5%)
XQ	480,688	30.3%	XG	82,944	51.3%
8Q	273,896	18.8%	SU	78,748	39.3%
KK	248,762	22.5%	U2	74,960	(7.3%)
DE	130,024	20.9%	J2	61,845	14.8%
AB	109,628	(20.1%)	4U	60,489	38.1%
LH	108,953	(3.2%)	Grand Total	7,781,860	16.0%

Source: AACO, IATA

OUR

INDUSTRY

PARTNERS NEWS



At the Arab Aviation Media Summit, Airbus announced the findings from its white paper *“Unlocking the Middle Eastern Skies: Opportunities and Challenges for Air Traffic Management.”* Airbus ProSky - the Air Traffic Management subsidiary of Airbus Group - investigated the predicted growth of regional air traffic, the investment required to support its progression and offered solutions to the current challenges. In the UAE, airlines generate approximately 93 million passengers per year - 8% of international air traffic – most of which came through Dubai International Airport (66 million), Abu Dhabi International Airport (16.5 million) and Sharjah International Airport (8.5 million). Emirates alone carried 43 million passengers, whilst Etihad carried 11.5 million. The number of passengers passing through UAE’s airports is set to cross 100 million this year, and that number is expected to grow to 150 million by 2020.

Also at the Arab Aviation Media Summit, some of the UAE’s young, bright stars have attended Airbus “Little Engineer” workshop, set to run in parallel to the summit. Airbus “Little Engineer” workshops are designed to engage students through interactive and tailored robotic program to promote engagement and training initiatives for youth at a grass-root level and to support the growing needs for talent, encouraging nationals to pursue a career in the aviation industry. Over 80 students have attended the workshop organized in partnership with the Ministry of Education and General Civil Aviation Authority (GCAA).

His Highness Sheikh Mohammed Bin Saud Bin Saqr Al Qasimi, Crown Prince of Ras Al Khaimah, met with the children attending The Little Engineer Workshop hosted by Airbus and The General Civil Aviation Authority.

Airbus “Little Engineer” workshops were also held in Abu Dhabi earlier in the month. As part of their joint workshop series Mubadala and Airbus Middle East held a focused A380 TLE workshop for students from at Al Ittihad National Private School in Abu Dhabi.

Also in September, Qatar Airways flew into a new era of travel with delivery of its first A380. At a ceremony in Hamburg hosted by Airbus, Qatar Airways, one of the world’s most pioneering airlines welcomed a new star to its fleet – the A380. In the presence of Akbar Al Baker, Qatar Airways Chief Executive Officer, and Fabrice Brégier, Airbus President and CEO, the airline took delivery of the first of its 10 Airbus A380 aircraft on order. The delivery marks the beginning of a new chapter for Qatar Airways, as it pushes boundaries and expands its operations. The A380, with its unique combination of increased capacity, long-haul range and unbeatable fuel efficiency, will enable the airline to carry its passengers even further and at unmatched comfort standards.

Airbus - AACO Partner since 1997



amadeus Amadeus unveils vision of dynamic, intelligent global travel ecosystem to unlock USD 130 billion in revenues for airlines

by delivering a richer experience for the traveler: Amadeus unveiled its vision for a traveler-centric global travel ecosystem that will meet the demands of a complex and evolving travel shopping environment and unlock more than USD 130 billion in additional airline revenue annually by 2020*.

The increasingly broad range of travel products and services available, as well as the proliferation of channels open to the customer, represent a significant opportunity for airlines to enhance both revenues and profitability. Industry estimates show that airlines are already earning USD 50 billion in annual revenues through the sale of ancillary services, primarily through their direct channels. Amadeus research indicates that a further USD 53 billion could be secured by 2020 by adopting an omni-channel strategy for these ancillary sales. In addition, new innovation in travel technology can bring a further USD 77 billion in the same time frame.

Amadeus believes this will be achieved through the personalization of the traveler offer throughout the entire journey, delivered through every channel by systems that are open, intelligent and dynamic. With deep collaboration across the travel industry, new business opportunities will be created. By bringing together providers and participants across the travel industry at each key touch point in the traveler’s journey, unique customer insights will be leveraged to deliver offers and services that are personalized, relevant and timely.

Three key elements will underpin Amadeus’ merchandising vision:

- The development and roll out of a new Global Merchandising System that will enable airlines to create their offering dynamically, to provide consumers with the most relevant offer at any given time, through any point of sale of any channel, direct or indirect and through any device
- The evolution of our retailing and distribution systems to enable the efficient and effective delivery of enhanced airline content at the point of sale, whether in the direct or indirect channel with a focus on agents’ needs to foster adoption
- Full integration of both the new Global Merchandising System and Amadeus’ retailing and distribution systems with the Amadeus Altéa PSS Suite, delivering a truly joined-up and end-to-end traveler journey across key touch points such as servicing, delivery, disruption management plus ticketing and fulfilment.

The Global Merchandising System, seamlessly delivered through Amadeus’ direct retailing and distribution systems, will draw on real-time intelligence and information from both the buyer and the seller to facilitate the delivery of a personalized offer to each individual search, bringing the right offer more quickly, and clearly offering greater transparency, choice, convenience, and efficiency. It will enable airlines to realize their retailing and merchandising vision by giving them the ability to control the price, placement and promotion of ancillary content across all channels.

The Global Merchandising System and Amadeus’ retailing and distribution channels will be connectivity agnostic, available to Altéa and non-Altéa customers, and will enable the tailoring of airline content in every segment of the subscriber market and through every device, channel and customer touch point. Amadeus envisages that the systems will be compatible with planned NDC XML industry standards.

**Source: Amadeus gathered industry data from sources including IATA and Frost & Sullivan as well as its own proprietary research.*

New study calls on the travel industry to adopt ‘lean’ thinking if it wants to deliver true customer value: A new study launched urges travel businesses to adopt and apply the principles of ‘lean’ thinking across IT and operations, in order to create an industry that can better detect, understand and respond to customers’ increasingly complex and changing needs.

To download a copy of the report please [click here](#).

Amadeus - AACO Partner since 2000



ADNOC Distribution is an integrated oil energy company. Founded in 1973, ADNOC Distribution market and distributes petroleum products and services within the United Arab Emirates.

As one of the largest government-owned petroleum companies in the Arab Gulf, ADNOC Distribution has grown to become a national institution and a major economic driver for the UAE economy.

The company is renowned for its innovative and dynamic approach offering a wide variety of petroleum and natural gas products and services.

ADNOC Distribution is committed to providing its customers and strategic partners with reliable products of exceptional quality and services.

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ADNOC - AACO Partner since 2002



Air France Consulting, a wholly owned subsidiary of Air France is specialized in air transport consulting, training, management and reengineering services, located at Roissy CDG airport.

Air France Consulting calls on about 200 highly specialized international experts coming mostly from Air France and the SkyTeam Alliance who have built a field proven experience and whose competencies are recognized by the industry. Acting independently with flexibility, Air France Consulting proposes a comprehensive approach on key domains of the air transport such as operations, finance and commercial, maintenance, etc... whether to make you a diagnosis or audit, to set up new or improved processes driven by proven change management techniques or define a coaching and training program.

- **Performance and conformity of flight and ground operations:** EU-Ops, IR-Ops and FCL, CRM, SMS, ETOPS, IOSA & ISAGO Assistance, TRTO, Airline operations organization...)
- **Drivers** to reduce costs and increase revenues (Business Plan, Cost control, Network and Fleet, Revenue Management Pricing, Customer Relationship Management, E-business solutions, Fuel conservation Program, ETS, Procurement process...)
- **Fleet Asset Management:** aircraft specifications, acquisition, lease, sales
- **Maintenance Repair Overhaul & Supply Chain:** EASA 145/ 147 / 21 / 66 / 147, MCC, line maintenance and operational regulatory support, maintenance IT support, supply chain optimization
- **Emergency and Crisis Response plan** with a strong emphasis on customer oriented solutions
- Air France Consulting shares the ambitions of its customers through customized solutions, thanks to a flexible structure ensuring responsiveness and close proximity.

For more information, please contact us at, Telephone: +33 1 7425 4162, email: mail.afc@airfrance.fr

Air France Consulting - AACO Partner since 2008



Creating Value * Sector Expertise * Rigor & Discipline

Founded in 2002, Apollo Aviation Group ("Apollo Aviation") is a multi-strategy alternative investment manager specializing in commercial aviation including buying, selling and leasing aircraft and engines. With more than USD 1.30 billion of assets under management as of June 30, 2013, we are one of the world's leading mid-life and mature commercial aircraft and engine operating lessors and investment managers. In the first quarter of 2013, Apollo Aviation formed, AAG Capital Markets LLC, to manage investments in aviation securities.

Led by its founders, William Hoffman and Robert Korn, Apollo Aviation is currently investing a near USD 595 million real asset fund, the Sciens Aviation Special Opportunities Investment Fund II ("SASOF II"), and harvesting a USD 213 million real asset fund, Sciens Aviation Special Opportunities Investment Fund ("SASOF") as well as several private accounts.

We have built a strong team with deep industry knowledge and extensive relationships throughout the world's aviation industry. We seek innovative and creative solutions to create value.

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Apollo- AACO Partner since 2013



As the rapid growth from the Middle East continues to rise, so does the need to see the marketplace as a whole. Focusing on global expansion widens the scope of your competitive landscape. In a market with more

than 100 million fares, nearly 1 million of which are changed every day, it is not that easy. You need access to smart business intelligence to help craft a sound fare management strategy to capitalize on your opportunities. ATPCO's fare management tools put the information you need at your fingertips.

Market View is an analysis tool that provides a comprehensive view of the market. Access your own public and private fare and rule data, Fare By Rule fares, and constructed fares as well as your competitor's public data. Monitor what is happening in all of your key markets to ensure your fare strategy is successful. Then you can navigate within the same environment to make any needed adjustments. You need a tool that can give you up-to-date information on your critical markets. Market View is that tool.

While competition on international routes is greater than ever before, know that you have a trusted technology partner committed to helping you achieve your fare management strategy. To stay ahead, you need the right tool to get the right price in the right market at the right time. Would you like to learn more about ATPCO's fare management tools? We are available to provide counsel and answer questions.

Please feel free to contact us:
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ATPCO - AACO Partner since 2014



Austria's InterSky becomes launch customer for ATR Leading Edgeexchange and repair service: InterSky and ATR have signed a 3-year agreement for a brand new exchange, repair and overhaul service for leading edges of the wing and control surface ribs.

Casting this new service, ATR adds greater flexibility to its wide range of specialist services and bespoke solutions known as the Global Maintenance Agreement (GMA), proposed by ATR to all its operators worldwide. The new Leading Edge maintenance service will help ATR customers to further increase their operational flexibility and dispatch reliability, meeting their requirements in regard to fully serviceable leading edge availability for their ATR fleet.

The leading edge exchange and repair service include replacement of the de-icer boot along with structural repair options. Complete re-skinning of wing leading edge outer surfaces may be performed, when necessary. The comprehensive spares availability at ATR certified repair shops worldwide guarantees reliable uninterrupted operations without major capital investments.

More than 300 aircraft in service are to date covered by ATR's maintenance agreements representing over 30% of total ATR fleet operating worldwide. The current number of the newest generation ATRs insured with the GMA contracts has reached 114 aircraft - 63% of total ATR-600s fleet in operation worldwide and ATR expects this number to rise steeply in the coming years.

ATR - AACO Partner since 1998

Bloomberg

Bloomberg, the global business and financial information and news leader, gives decision makers a critical edge by connecting them to a dynamic network of information, people and ideas.

The company's strength – delivering data, news and analytics through innovative technology, quickly and accurately – is at the core of the Bloomberg Professional service, which provides real time financial information to more than 315,000 subscribers globally. Bloomberg Industries (BI) provides subscribers interactive, continuously updated industry research and data. BI's team of more than 100 research professionals covers over 100 industries globally, offering in-depth data and analysis for each industry's drivers, metrics, competitors, themes and earnings. The BI portal also aggregates information from more than 200 third-party providers.

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Bloomberg - AACO Partner since 2013



BOC Aviation places two Boeing 777-300ER aircraft with EVA Airways Corporation (EVA AIR): BOC Aviation Pte. Ltd. ("BOC Aviation") announced the placement of two Boeing 777-300ER aircraft with EVA Airways Corporation ("EVA

Air") for delivery in early 2017. EVA Air has been a customer of BOC Aviation since 1994, making it one of the company's long-standing customers.

BOC Aviation is the leading Asia-based aircraft leasing company with a portfolio of 246 owned and managed aircraft operated by 58 airlines worldwide, and another 194 aircraft on firm order, as of 30 September 2014. The Company has one of the youngest fleets in the industry with an average owned aircraft age of less than four years.

BOC Aviation prices offshore RMB 1.5 billion in 4-year fixed rate senior unsecured notes: BOC Aviation has priced RMB 1.5 billion (USD 0.25 billion) in 4-year fixed rate senior unsecured notes (the "Notes") at a coupon of 4.2% per annum. The Notes will close on 5 November 2014, subject to satisfaction of customary closing conditions.

The Notes are denominated in offshore Chinese RMB and will bear a fixed interest coupon of 4.2% per annum with interest payable semi-annually in arrears. BOC Aviation will apply the net proceeds to fund its new capital expenditure, for general corporate purposes and/or refinancing existing borrowings.

The Notes will be listed on the SGX-ST, and will be rated BBB- by Standard & Poor's Rating Services, and A- by Fitch Ratings.

BOC Aviation names Mr. David Walton new Chief Operating Officer: BOC Aviation announced the appointment of Mr. David Walton as the new Chief Operating Officer to be based in the Singapore headquarters. Mr. Walton has 28 years of aviation finance and leasing experience. He holds a Bachelor of Arts (Honours) from Stanford University, and a law degree from the University of California, Berkeley.

BOC Aviation - AACO Partner since 2003



Boeing delivers Emirates' 100th 777-300ER: Boeing and Emirates Airline celebrated the delivery of the airline's 100th 777-300ER (Extended Range), marking another milestone in a partnership that began over two decades

ago when the Dubai-based airline ordered its first 777. With this delivery, Emirates will have 142 777s in operation and is the only airline in the world to operate all the 777 variants.

Boeing celebrates groundbreaking for 777X Composite Wing Center: Boeing celebrated the groundbreaking of its new 777X Composite Wing Center at the Everett, Wash., campus. Permitting for the new 1-million-square-foot facility was completed approximately seven weeks earlier than anticipated, allowing for an accelerated start to construction. Boeing is investing more than USD 1 billion in the Everett site for construction and outfitting of the new building.

Boeing begins production on first 737 MAX parts: Boeing has started production of the first 737 MAX fuselage stringers at Boeing Fabrication Integrated AeroStructures in Auburn, Wash. Stringers run the length of the fuselage structure giving it stability and strength.

After forming, Boeing will send the stringers to Spirit Aerosystems in Wichita, Kan. for incorporation into the first 737 MAX fuselage. From there the fuselage will be shipped to Boeing's Renton, Wash. facility where Boeing employees will build the 737 MAX. The program is on track to begin final assembly of the first 737 MAX in 2015. The airplane will be part of the flight test fleet and is scheduled to fly in 2016.

Boeing, Garuda Indonesia announce order for 50 737 MAX 8s: Boeing and Garuda Indonesia announced an order for 50 737 MAX 8s, valued at USD 4.9 billion at current list prices. Garuda Indonesia will purchase 46 737 MAX 8s and will convert existing orders for four Next-Generation 737-800s to 737 MAX 8s. The order was previously accounted for on Boeing's Orders and Deliveries Web site, attributed to an unidentified customer.

Boeing - AACO Partner since 1998



CHAMP Cargosystems SA invests in small and medium size forwarder solutions to accelerate industry change: CHAMP Cargosystems announced the creation of a new subsidiary company, CHAMP Forwarding Systems SA. The new company will be offering the proven Logitude Software as a Service (SaaS) platform focused on the small and medium size forwarder community. The Logitude platform is already fully integrated with CHAMP's leading information and message distribution platform – Traxon CargoHUB

Mr. John Johnston, CEO of CHAMP Cargosystems, commented: "As a leading provider of IT solutions to the air logistics community, and already servicing the largest single community of carriers, ground handlers and GSAs in the world with business critical applications, we want to facilitate the air logistics community in its transition to a fully digitized process. Through our extensive messaging and information exchange platforms we are already servicing the largest forwarders with connectivity solutions and with our Logitude SaaS offering, we will be providing tools to the small and medium size forwarding community to seamlessly integrate with the wider logistics chain."

Logitude is an easy-to-use system spanning the full freight forwarding lifecycle across multiple shipping modes. The Logitude software wizards, personalized workspaces and powerful tools enhance productivity and help to generate new business. Logitude is a pure SaaS offering convenience, scalability and security without investment in IT infrastructure. Logitude can manage quotes, shipments, bookings and consolidations with powerful business intelligence tools. The Logitude platform is leading the drive for electronic documentation through the supply chain with its eDocs module.

The air cargo industry particularly needs to transform itself and modernize and needs a revolutionary strategy. CHAMP Cargosystems continues to innovate, invest and grow in support of the wider air cargo community. This announcement further reinforces its industry commitments.

CHAMP - AACO Partner since 2010



CFM's LEAP engine takes to the skies: CFM International's LEAP engine took the skies for the first time on 6 October on a modified 747 flying testbed at GE Aviation Flight Test Operations in Victorville, California, launching the next phase of testing for the advanced engine program.

The engine behaved well and completed multiple aeromechanical test points at various altitudes during the nearly three-hour first flight. Over the next several weeks, the engine will complete a comprehensive test schedule that will gauge engine operability, stall margin, performance, and acoustics. The LEAP-1A/-1C variants are on track for engine certification in 2015.

CFM is currently executing the most extensive ground and flight test certification program in its history. The total program, which encompasses all three LEAP engine variants, includes 28 ground and CFM flight test engines, along with a total of 32 flight test engines for Airbus, Boeing, and COMAC.

Although all three LEAP engine variants will fly on the modified testbed, the configuration currently being tested is a fully integrated propulsion system (IPS). This IPS is an industry first and unique to the LEAP-1C. CFM provides the engine as well as the nacelle and thrust reverser developed by Nexcelle*. These elements, including the pylon provided by COMAC, were designed in conjunction with each other, resulting in a total system that provides improved aerodynamics, lower weight, and easier maintenance. The foundation of the LEAP engine is heavily rooted in advanced aerodynamics, environmental, and materials technology development programs. It will provide double-digit improvements in fuel consumption and CO2 emissions compared to today's best CFM engine, along with dramatic reductions in engine noise and emissions. All this technology brings with it CFM's legendary reliability and low maintenance costs.

CFM - AACO Partner since 1998



Engine Lease Finance Corporation

Engine Lease Finance Corporation (ELFC) extended its position as the world's largest independent aero-engine lessor in 2012 with another record year of spare engine portfolio growth.

We maintained keen focus on spare engine support for our numerous customers in the MENA region with further growth in short and long term engine lease support to airline members of AACO.

We are very proud to play a support role in 2013 in the success of MENA airlines, large and small and will continue to offer our products during the coming year:

- Shop Visit Cover – leasing of our spare engines into airlines to cover short term scheduled and unscheduled engine removals;
- Long term Engine provision – leasing our engines over several years to provide our airline customers with cost efficient operation of spare engines, removing the capital intensive demand of spare engine acquisition;
- Purchase-leaseback of engines owned by airlines. With the backing of our parent company Bank of Tokyo-Mitsubishi UFJ. Ltd. we have the financial resources required to provide clear financial and operational benefits for our customers.

We have a wealth of experience to share – without obligation.

For more information, please contact Senior Vice President Mr. Julian Jordan at e-mail: julian.jordan@elfc.com

ELFC- AACO Partner since 2003



Uncapping revenue potential: The dos and don'ts of airline merchandising: The introduction of value-added services has forever transformed the airline industry with 59 airlines worldwide reporting over USD 31 billion in revenue from these

services (in 2013?). Winning the competition for travelers is directly tied to your airline's ability to communicate your brand and value, including optional value added services that enhance the trip experience. When it comes to airline merchandising, one thing is certain: nothing is certain! Merchandising is evolving. Your merchandising goals today will certainly not be the same tomorrow. It is paramount to make careful considerations when choosing a merchandising solution provider and/or partner. **5 quick tips:**

1. **Start Now!** If your airline is still debating whether or not it needs a merchandising strategy, you are way behind already.
2. **Hold a Competition Among Candidate Vendors.** This is where you are provided a live demo of *your* defined merchandising use cases. No presentations! Ask them to prove what they can really do for you.
3. **Ensure Flexibility in Your Solution.** Whatever technology you choose, you want to be sure that you have complete flexibility to change business rules, prices & rich content easily without hard coding or custom work requirements. While we're on the topic of flexibility, aim for a PSS agnostic platform that will allow you the independence to "take it with you" should you change PSS solutions down the road.
4. **Procure One Solution to Feed All Sales Channels.** Your customers seamlessly move between their smart phones, tablets, laptops & travel agency channels. Naturally, your merchandising offers must be fed to all channels consistently. (Related tip: get moving on an NDC so you have a standardized Application Programming Interface (API) to feed all those merchandising offers to the agency/GDS channel)
5. **Don't Waste Time on a Lengthy Requests For Proposals (RFPs).** By the time the RFP process is over, you will have a recommendation for what your customers wanted two years ago!

For a more in-depth review on our [FLX Merchandise product](#), please e-mail Mr. Rui Sequeira.

Farelogix - AACO Partner since 2013



GE Capital Aviation Services to acquire Milestone Aviation Group: GE Capital Aviation Services (GECAS), the aircraft leasing unit of GE, announced the signing of an agreement to acquire Milestone Aviation Group, the Dublin-based helicopter lessor, for USD 1.775 billion.

The acquisition is in line with GE Capital's strategic plan of growing and enhancing value in core areas aligned with GE's industrial domains including energy, aviation, oil & gas and healthcare, while reducing the overall size of GE Capital through the disposition of non-strategic assets such as the recently executed IPO and planned split-off of our North American Retail Finance business and the sale of our consumer banks in the Nordics.

Helicopter finance represents a fast-growing sector in aviation. Since Milestone's founding in August 2010 by aviation and leasing industry veteran Richard T. Santulli and other members of the former NetJets executive management team, the company has quickly grown into a leading helicopter leasing company. Today, Milestone's fleet includes 168 helicopters worth USD 2.8 billion as well as a strong forward order and option book of USD 3 billion with a variety of helicopter manufacturers. The helicopters in Milestone's fleet are primarily used in offshore oil and gas, search and rescue, emergency medical services and mining, as well as other industries, and are currently leased to 31 operators in 25 countries. The transaction remains subject to customary closing conditions, including regulatory approvals, and is targeted to close in 2015.

GECAS delivers two leased Airbus A330s to TAP Portugal: GECAS announced delivery of two leased Airbus A330-200 aircraft to TAP Portugal.

GECAS - AACO Partner since 2003



Package shipping platform PackLink selects GlobalCollect to support rapid global expansion: GlobalCollect announced on 14 October 2014 that the company was selected by Spanish package shipping platform PackLink to support online payments acceptance across all of its current and future markets. PackLink, which was founded in 2012, is experiencing rapid growth as consumers increasingly use its platform to compare pricing and service levels of dozens of partner courier services, and arrange international shipping directly through the PackLink platform. GlobalCollect's full service payment processing services enable PackLink to efficiently accept online payments across all markets it's active in, while providing a choice of locally preferred payment methods to consumers.

Headquartered in Spain, PackLink has already expanded its operations to Germany, France, Italy and Poland. The company has further plans to roll out its platform in many more countries across Europe and the rest of the world. Besides this, PackLink is soon launching business-focused products to address the needs of higher volume shippers such as eCommerce companies. Its platform will integrate with businesses operational systems, automating the shipping process. With a growing user-base of over 2 million consumers, PackLink was looking for a partner that could support rapid international expansion by providing cross-border payment processing in a full service model that lets PackLink focus on its core-business. In GlobalCollect, the company has now partnered with a global payment service provider with deep experience in international eCommerce payments and a strong digital goods and services practice.

GlobalCollect - AACO Partner since 2007



Dassault selects Gogo Business Aviation FANS solution: Gogo Inc announced that Dassault will offer a factory-approved solution to help Falcon operators comply with emerging FANS (Future Air Navigation System) mandates. The solution includes Iridium-based communications systems from Gogo's subsidiary, Gogo Business Aviation LLC.

Gogo Inc. to participate in Wells Fargo's Technology, Media & Telecom Conference on 13 November 2014: Gogo announced on 3 November 2014 that it will participate in the Wells Fargo Technology, Media & Telecom Conference on 13 November.

A webcast of the presentation will be available at the investor relations section of Gogo Inc.'s corporate web site at <http://ir.gogoair.com>.

Gogo Business Aviation introduces moving map capabilities for Gogo Vision: Gogo Inc. announced that its subsidiary, Gogo Business Aviation LLC has added moving map capabilities to Gogo Vision, the company's in-flight entertainment (IFE) and information service.

Moving map capabilities have been seamlessly integrated into the Gogo Vision in-flight experience and are now included without additional fees.

Gogo selected to provide in-flight Wi-Fi on United's two-cabin regional jet fleet: Gogo announced on 15 October 2014 that it has been selected by United Airlines to bring its in-flight Internet service to United's two-cabin regional jet fleet. Installation of Wi-Fi services, which will involve more than 200 aircraft, is expected to begin later this year. The United Express aircraft will be the first regional jets in the United States to be outfitted with Gogo's ATG-4, which more than triples the peak speeds to an aircraft when compared to Gogo's original ATG service that launched in 2008.

Gogo - AACO Partner since 2014

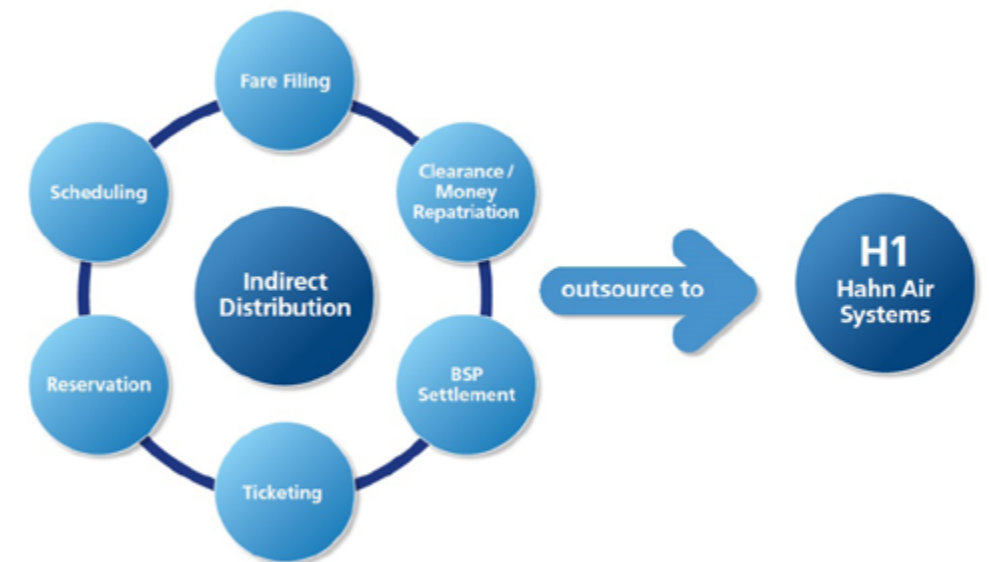


H1 – your smart global distribution strategy: Hahn Air works with over 300 air & rail partners worldwide, generating global annual revenue of around USD 1 billion.

Hahn Air Systems' reservation code "H1" offers a customized, cost-effective and proven solution for a effortless distribution in more than 190 countries. Our one-off implementation fee offers you access to 9 major GDS for less than the price of a connection to one GDS; there are no running costs traditionally associated with GDS distribution.

In addition to giving 91,000 travel agencies access to your flights, high-yield fares in the GDS provide you with improved revenue opportunities.

Take advantage of Hahn Air's expertise! Contact us at r.saggar@hahnair.com to learn how your airline can access indirect distribution on a global level.



Hahn Air - AACO Partner since 2014

Hogan Lovells

Hogan Lovells advises Olson on its acquisition by ICF International: Hogan Lovells announced that a cross-practice team advised client Olson on its acquisition by ICF International (“ICF”).

Under the terms of the agreement, Olson will continue operating as such, but will now be a key component of an end-to-end service offering comprised of strategic consulting, creative, proprietary technology and analytics, and implementation services that ICF can deploy on behalf of existing and new commercial clients. By joining ICF, Olson will be able to better serve clients as well as secure future growth domestically, internationally, and across various client categories.

Keith Trammell, a Corporate partner in the Denver office led the Hogan Lovells team that also included Benefits partner Carin Carithers (D.C.), Tax partner Scott McClure (D.C.), Intellectual Property partner David Toy (Denver), Employee counsel Marianne Hallinan (Denver), and Corporate associates Joshua Clark (Denver), Allison Donovan (Denver), and Jim Fipp (Denver).

Hogan Lovells - AACO Partner since 2014



HP Enterprise Services is the global business and information technology services division of Hewlett-Packard. As one of the world’s leading services organizations, serving more than 1,000 businesses and government agencies in 135 countries, we help clients focus their IT investments to better engage with their customers, manage risk, tackle the explosion of data, and transition to a new style of IT.

Through our seven interconnected practices, we advise, transform, and manage to advance each enterprise, no matter where they are in their journey. We also bring the best of HP together to deliver innovative solutions that matter to our clients. Leveraging HP’s portfolio-one of the most complete in the industry-we offer end-to-end solutions for today’s IT environments.

For more than 50 years, we have built a strong reputation of industry expertise and delivering the best client experience in the industry. Our clients have relied on HP Enterprise Services as a partner they can trust to deliver mission-critical services and value to their enterprise.

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HP - AACO Partner since 2014



The mobile satellite company™

Inmarsat supports ITU Plenipotentiary action on global flight tracking: the International Telecommunication Union (ITU) adopted a Resolution at the Plenipotentiary 2014, to urge expedited consideration of the matter of global flight tracking. Inmarsat welcomes and supports this timely action.

The ITU Plenipotentiary 2014 Resolution “[calls] for the consideration of global flight tracking, including, if appropriate, and consistent with ITU practices, various aspects of the matter, taking into account ITU-R studies.” Inmarsat, which has been in the forefront of maritime and aviation safety, and providing mission critical services, wholeheartedly supports ways and means to encourage strengthening and providing for more extensive use of communications technologies for better safety requirements, especially for civil aviation.

The International Civil Aviation Organization (ICAO) is in the process of developing global flight tracking recommendations that are expected to incorporate inputs from the International Aviation Transportation Association’s Aircraft Tracking Task Force. Inmarsat also welcomes the efforts of ICAO to develop the Global Aviation Distress and Safety System (GADSS), incorporating the views of all interested parties. In February 2015, ICAO will host the Second High Level Security Conference where it is expected that Directors General of Civil Aviation will review the current situation and future approaches to manage aviation safety, and will facilitate increased regional cooperation. It is also anticipated that the Conference will discuss emerging safety issues, including the global tracking of aircraft and risks to civil aviation arising from conflict zones.

Inmarsat is participating in all these forums and looks forward to working with all parties to ensure that existing and future global flight tracking systems offer the very latest capabilities with the highest levels of reliability demanded by the traveling public.

Inmarsat - AACO Partner since 2013



Innovata, a global leader in travel and hospitality content management and distribution solutions is recognized as a major industry source for worldwide airline schedule and related data. As a partner of IATA in marketing the Schedule Reference Service (SRS) to the aviation and consulting industries,

Innovata maintains one of the world’s largest flight databases (passenger and cargo) representing more than 99% of the air segment miles flown worldwide, containing over 900 airlines, 95% of which are updated and refreshed every week.

Innovata delivers comprehensive, accurate and reliable up to date information to meet a wide range of data service needs for aviation related industries and is the market leader in the provision of timetables and route mapping services, via all distribution channels, to airlines and airports worldwide.

Take a look on the AACO website at the dynamic and interactive route network mapping service produced by Innovata, showing direct routes, online and interline connections, and a comprehensive timetable display for all 27 member airlines, dynamically plotted and displayed for users searching and querying: <http://aaco.innosked.com/>

Headquartered in Atlanta, USA, with regional offices in UK and Singapore, Innovata serves over 200 customers, in 52 countries.

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Innovata - AACO Partner since 2003



IAS - Hindustan Aeronautics Limited (HAL) conclude successful second session of the “Aerospace Leadership Development” training: From 6 to 19 of October 2014, IAS welcomed a second group of senior managers of HAL in the frame of the “Aerospace Leadership Development” training. This second session highlights the success of the first training action which took place last April and was the first step of a project initiated in 2013.

Some thirty trainees attended this two-week seminar which topics included soft skills (leadership), strategic management, innovation management as well as supply chain management. Based on an overall training scheme designed by its team, IAS leveraged the expertise of the industrial lecturers and major consultants from Airbus, AirBusiness Academy, and Pyramis Consulting. Furthermore, Airbus, Airbus Helicopters, Dassault Aviation, Latécoère, Liebherr, and Turbomeca contributed to the dynamics of this project through industrial visits in Toulouse, Bordes, Mérignac and Marignane; their objective was to illustrate the topics addressed by the academic training implemented by IAS.

The Indian company identified IAS as its main international partner for the implementation of the large training program launched in 2013 to train its executives. Following this program, several attendees have been promoted within their organization, which confirms the relevance of this action. The ongoing interest expressed by HAL for IAS offer is reflected by a third session already planned for the first quarter of 2015.

IAS - AACO Partner since 2008



Industry-first automated RNP AR NavData validation service introduced: Garmin International Inc. and Jeppesen

introduced the RNP AR NavData Service, a new tool for pilots utilizing Required Navigation Performance – Authorization Required (RNP AR) procedures. The new service automates time-consuming data validation processes that are required for business, general and commercial aviation RNP AR flights.

Jeppesen and Honeywell introduce cloud-based navigation service to enhance business jet operator efficiency: Jeppesen and Honeywell Aerospace introduced the Integrated Navigation Data Service (INDS) Data Manager for Windows, a new cloud-based database update delivery service.

The INDS Data Manager (IDM) service eliminates physical delivery of update media and simplifies the overall data update process. The new IDM service is designed for aircraft equipped with Honeywell Primus Epic Integrated Navigation (INAV) or Primus Apex avionics. IDM is provided at no additional cost for data subscribers. IDM support for Primus Elite and Control Display System/Retrofit (CDSR) series avionics will be available in the near future.

Jeppesen to supply flight data for new Universal Avionics Insight™ Integrated Flight Deck: Jeppesen will supply critical navigation and flight data to support the recently announced InSight Integrated Flight Deck from Universal Avionics. InSight is a new primary flight and multifunction display avionics system set to debut second quarter of 2015 for business aviation operators.

Jeppesen adds regulatory guidance capability to its international trip planning service offering: Jeppesen recently bolstered its international trip planning (ITP) service by adding resources dedicated to international rules and regulations compliance. The additional resources will provide guidance to help ITP customers understand and adhere to frequently evolving international operating regulations and processes.

Jeppesen - AACO Partner since 2008



Kennedys is a growing international law firm with particular expertise in litigation and dispute resolution. We have a network of over 1,200 people across the UK and Europe, Middle East, Asia Pacific and Latin America. The firm’s aviation practice has an exclusive focus on the aviation industry. This enables it to bring a depth and breadth

of specific expertise from its team resources which consist of a range of professionals who have worked in multiple areas of the aerospace industry both as private practitioners and in-house counsel. Our driven team of experienced and highly regarded professionals specialise in providing legal solutions to a wide range of clients in the aviation industry. We are able to advise on all aspects of aviation, commercial, regulatory & liability issues. In respect of liability issues, we have lawyers who have significant experience in dealing with major aviation losses and who are recognized as leading figures in the aviation sector. We are involved in handling a wide spectrum of claims ranging from the legal aftermath of major air accidents through to carriage by air issues involving EU regulations, the Warsaw and Montreal convention regimes. Our team has experience of advising in relation to Insurance and Reinsurance policy interpretation and coverage issues; we have pursued multiple subrogated claims and, where disputes arise, have conducted numerous arbitrations and mediations. Our focus is to provide practical advice to resolve contentious issues. We also have a regulatory team who specialise in advising airlines on the effect of international regulations and compliance in respect of these, including EU regulations and directives; the Chicago Convention together with IATA & ICAO recommended standards and practices. Our aircraft finance team deliver high quality practical legal advice and our clients include airlines (from major airlines to start ups), private individuals and product manufacturers; we were recently named as one of the world’s top ten law firms in the aircraft finance sector by Air Finance Journal & a winner of specialist aviation team in the Legal 500 UK Awards 2013. Kennedys are here to provide answers, recommendations, strategy & tactics. We deliver these in plain English and it’s what we call Legal advice in black and white.

Kennedys - AACO Partner since 2011



Lufthansa Consulting
Your Business Runway

Mexico’s Aviation Integrated Services Group counts on Lufthansa Consulting: An experienced team from Lufthansa Consulting supported Mexico’s Aviation Integrated Services Group (AISG) in order to identify optimization potentials and implement measures to strengthen the organization.

As AISG has significantly grown during the last decade, management aimed to evaluate whether strategy, processes, organizational structure and IT systems are adequate for the future success of the business. In this context, Lufthansa Consulting was assigned for an on-site assessment to evaluate maintenance performance and give recommendations from MRO industries’ best practice. The line maintenance organization provides service at 21 airports to over 50 airline clients from all over the world. The company fully complies with regulations of various National Aviation Authorities: FAA, EASA and TCA.

Having reviewed AISG’s status-quo and market environment, Lufthansa Consulting elaborated customized key questions. To find answers to these questions, the experts prepared a detailed interview plan and performed an on-site assessment with the aim of achieving maximum benefits for the entire organization. The project team focused on an analysis within the holistic maintenance organization. In first instance administrative as well as operative processes, shift planning schemes, guidelines, fulfillment monitoring, balancing of performance, material planning and supply chain efficiency were revised. In addition to the existing IT-systems, available down times for maintenance in relation to required work scope and manpower capacity were assessed by making use of the lean methodology.

Lufthansa Consulting supported its client during the implementation phase which included the definition of roles, job descriptions and responsibilities, collecting requirements for an integrated IT-system, streamlining of administrative and operative processes and drafting KPI’s for efficient steering and controlling of the organization’s performance. The project was completed in September 2014.

Lufthansa Consulting - AACO Partner since 2010



The largest ever Ebola outbreak is underway in several countries in West Africa and the situation is rapidly evolving. There are a number of free resources available to education travelers and air crew to the facts about Ebola, and personal precaution measures. In addition, MedAire provides a variety of services to airlines for the protection against communicable diseases, including Ebola.

Equipment: the ICAO recommends Universal Precaution Kits. The MedAire Universal Precaution Kits meet and exceed the recommendations for personal protection equipment and supplies.

Training: MedAire's Crew First Aid Training course reviews blood-borne pathogens, communicable diseases and proper donning of personal protection equipment.

Information & Advice: Information about Ebola, alerts, and advice are provided via the MedAire Portal.

Pre-flight passenger screening/ fitness to fly: If you suspect a passenger or crewmember has an infectious disease, contact MedAire for a pre-flight assessment. Our medical team is well versed in the signs and symptoms of infectious disease and will provide a recommendation of the person's fitness to travel and provide referrals as necessary.

If communicable disease suspected in flight: MedAire MedLink physicians will assess the symptoms and, if requested, assist the captain with contacting the appropriate regulatory authority at, or closest to, the arrival airport.

References and further information (*click on below links*):

[U.S. CDC Ebola Guidelines for Airlines](#) ; [Resources for travelers](#)

MedAire and International SOS have a global network of medical, logistics and security personnel. We are experts in providing advice, education and assistance so that organizations can properly plan for, and mitigate, risks associated with infectious diseases and pandemic situations.

Contact [MedAire](#) for more information.

MedAire - AACO Partner since 2008



Mercator provides business technology solutions and services to the global airline industry. Our value proposition to our customers is a compelling one: reduce costs, improve operational processes

and ultimately achieve the objectives of our valued customers. Our mission is to consistently serve our airline customers to the highest possible standards, and so establish Mercator as the aviation IT solutions provider of choice – trusted and respected by airlines around the world. The result of this customer-centric approach is a pedigree customer base spread across 140 airlines in five continents.

Mercator's solutions cover four key areas of service excellence: reservation and bookings management (PSS) systems; cargo operations management systems; passenger and cargo revenue accounting systems; and customer loyalty management systems. For example, our end-to-end cargo and logistics management system, SkyChain, allows airlines to transform the way they manage their cargo operations, increasing revenues, reliability and overall performance.

Our clients span the globe and include award-winning carriers, hybrid, low-cost and regional airlines. Aviation is our core business, and as such the needs of our aviation customers has always driven our technology. Our focused aim is to develop products which help airlines reduce costs, streamline processes and increase productivity – enabling our customers to deliver on their promises.

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mercator - AACO Partner since 2003



MTU Maintenance – Global player in commercial engine MRO: MTU Maintenance, a business division of MTU Aero Engines, is one of the world's leading provider of commercial engine maintenance services. A primary part of its business is repairing engines for programs in which it is a risk and revenue sharing partner. Further, MTU

Maintenance offers alternative solutions for a wide range of engine types. Key programs include the CF34, CF6, CFM56, GE90G, PW2000 and V2500, as well as industrial gas turbines. In this respect, MTU focuses on developing high-tech repairs that are globally unique, mostly patented and known under the trademark MTUPlus repairs. In addition to core engine maintenance and high-tech repairs, MTU Maintenance provides service solutions such as spare engine supply, on-site and on-wing services as well as technical and logistic support including accessory and LRU management. This broad range of comprehensive services can be combined under MTU's all-encompassing full service package Total Engine Care (TEC), guaranteeing customers carefree operations of their engines at all times.

Aiming to offer one-stop engine life cycle solutions MTU Maintenance expanded its engine lease business with the creation of a new joint venture with Japan-based Sumitomo Corporation at the end of last year. MTU Maintenance Lease Services B.V., based in Amsterdam's World Trade Center, will provide airlines, MROs and lessors with comprehensive engine solutions which span the entire life cycle of an aircraft engine with focus on short- and medium-term engine leasing. Assets will be managed in the most cost-efficient and customized way from the delivery until teardown, including comprehensive material management solutions. Next to the Amsterdam location, MTU Maintenance operates a global network of engine MRO facilities in Europe, North America and Asia. While its facilities in Hannover and Berlin-Brandenburg as well as Zhuhai specialize in the repair and overhaul of small-size to large-scale commercial engines and industrial gas turbine, its Vancouver location focuses on accessory and LRU management. The facility in Dallas is MTU's center of excellence for on-wing and on-site services. **MTU - AACO Partner since 2013**



NAHCO, EgyptAir, upgrade business portfolio: Nigerian Aviation Handling Company Plc. (nahco aviance) has completed taking over of ground handling operations of Egypt air nationwide.

This was sequel to the agreement between the Company and the airlines that nahco aviance should provide comprehensive handling of the ground operations for the airlines in the three airports it flies to in Nigeria.

Before the taking over of the airlines' operations in Lagos and Kano in October, the company had been handling Egypt Air in Abuja, FCT since the launch of the route by the airlines.

With the latest development, the company has taken over the handling of all the airlines' passenger, cargo and aircraft handling operations at the three entry points in Nigeria.

The first airlines to be IOSA certified airline in Africa, Egypt Air began operations in 1933 and it had existed under different names until 1971 when it adopted the current name.

A member of Star Alliance, it operates Boeing 737 aircraft to the three airports in the country.

Commenting on the recent development, the Business Manager of nahco aviance at the Mallam Aminu Kano International Airport, Kano, Mr. Salisu Lawal said that he was happy that one of the best airlines in the world has eventually decided to upgrade the level of its relationship with nahco aviance.

The airlines plies Lagos, Kano and Abuja routes each five times a week.

nahco aviance - AACO Partner since 2014



Absolute Aviation Advantage

A global leader in aviation intelligence and information: OAG is the market leader in aviation intelligence and is relied upon globally for essential aviation information, data and insight. Its products are vital to strategic and commercial planning, and deliver Absolute Aviation Advantage across the worldwide air transport industry.

OAG is the only single source provider of schedules, traffic and flight status information, using this to deliver accurate, comprehensive and up-to-the-minute **aviation data** and expertise. It converts this information into market-leading intelligence and innovative aviation and travel **solutions**. OAG is best known for its airline **schedules** and **flight status** databases, which hold future and historical flight details for over 900 airlines and more than 4,000 airports. OAG has been trusted and respected within the industry for over 80 years. OAG's specialist teams collect and aggregate live data into easily accessible digital databases which are not only used by individual customers, but by brands such as Emirates, Flydubai, Air Arabia, Jazeera and Qatar Airways.

Every ten seconds a flight is updated on the OAG system, while each month 99.6% of all schedules are updated and on average 22 million flight status updates are processed; that's 750,000 updates every day. This aviation data - unrivalled in its accuracy and comprehensiveness - feeds the world's global distribution systems (GDS) and travel portals. It also drives the internal systems of many airlines, airports, air traffic control systems, aircraft manufacturers, government agencies and travel brands around the world. Underpinned by these databases, OAG has developed a suite of market-leading digital products, combining powerful software with data you can trust. Flagship products include **OAG Analyser**, **OAG Dynamic Flight Schedules** and **OAG Flight Status Alerts**.

Headquartered in Luton, UK, OAG serves the passenger, aviation, air cargo logistics and travel communities from its global network of offices in the UK, USA, Singapore, Japan and China. Discover how OAG delivers Absolute Aviation Advantage at www.oag.com **OAG - AACO Partner since 2002**



OnAir connects over half the world's A380s as Qatar's fleet enters service: Qatar Airways' first A380, which is fully connected, entered revenue service on October 2014. It is operating between Doha and London. The airline's nine other A380s will also be serviced with both Mobile OnAir and the next generation Internet

OnAir.

OnAir's SwiftBroadband-based mobile phone and Wi-Fi inflight connectivity is now successfully deployed on over half the world's A380s. This news cements OnAir's position as the A380 onboard connectivity expert.

"Qatar Airways has provided connectivity for its passengers for nearly five years. Keeping passengers connected everywhere they fly around the world is an integral part of the airline's exceptional cabin offering," said Ian Dawkins, CEO of OnAir.

"Qatar Airways is one of the pioneers of inflight connectivity on both long- and short-haul aircraft. Its use of OnAir is evidence that our connectivity is ideal for every aircraft type. And it is obvious that OnAir is the go-to company for A380 connectivity. We are the only service provider with multiple inflight connectivity systems. We can therefore meet the airline's connectivity requirements across all fleets."

OnAir is platform agnostic, offering a choice of airborne systems to suit every fleet's needs. Qatar Airways short-haul fleet of A320-family aircraft has been equipped with the Airbus Standalone GSM system since 2009 when the service was launched, and the B787 fleet uses Thales' TopConnect hardware.

OnAir - AACO Partner since 2009



Optiontown is an innovator in the realm of travel options. **With our patented MIT Technology airlines can generate up to 5-7 % more revenue without cash investment or IT development.** Our Post Sale Ancillary

Revenue algorithms sell dynamic travel options to customers after ticket purchase. It generates incremental revenues for airlines and enhances customers travel experience - a win-win for all. Our robust Plug-n-play model allows to launch a trial in 4 weeks with NO Cash Investment, NO IT development and minimal resource requirement for the airline. As there is NO cost involved to the airline, the revenue flows straight to their bottom line. Our ground breaking ancillary revenue solutions have already generated more than 1% of revenues of our partner airlines. For one of our airline partners, we generated USD 2 in incremental "profit" per passenger boarded. Optiontown offers brand-new, customized travel options; addresses constantly changing travel needs and rewards advantageous travel purchase behaviors. Our Upgrade Travel Option (UTo), Empty Seat option (ESo), Flexibility Reward option (FRo), Multiple Booking Option (MBo) and Preferred Flight Option (PFo) are very popular products in the suite of travel products being capitalized by airlines. Optiontown's latest innovation is the revolutionary "Flight Pass Option" that helps to convert customers into Subscribers, generating Perpetual Revenue Streams and Perpetual Customer Loyalty. The Flight Pass Option brings a paradigm shift in selling a dynamic booklet of flight coupons for multiple trips, yet still highly customizable to suit the needs of different customer segments (leisure, SME, corporate etc.). We believe, this will bring a revolution in aviation sales by enabling airlines to gain market share and competitive advantage. With these innovative ancillary travel products offered by Optiontown, travel industry can improve their business performance by generating incremental revenues, enhancing customer satisfaction, increasing load factor and decreasing operational costs. Optiontown is an innovator in the realm of travel options. Our technology has been developed following extensive research at the Center of Transportation Studies, MIT Boston. **Optiontown - AACO Partner since 2011**



Established in 2006, **Quali-audit** is an Audit Organization (AO) officially accredited by IATA to conduct IOSA audit (IATA Operational Safety Audit), ISAGO audits (IATA Safety Audit for Ground Operations) and Endorsed Training Organization (ETO) to train IOSA auditors. Quali-audit is an independent, wholly-owned subsidiary of Air France group, with principal offices at Paris Charles de Gaulle airport (France) and additional offices in Atlanta, Georgia (USA) and Buenos Aires (Argentina). We offer a complete range of services including safety and operational audits, training and operational assistance in the fields of air operations. We are committed to assist airlines in achieving a higher level of safety, security and quality.

The Quali-audit team includes 56 highly experienced professionals with multi-cultural background and experience. Our teams of auditors / instructors have an average experience of 30 years in aviation. Many of our auditors were founding members of the IOSA Task Forces that created the IOSA standards and several continue to be actively engaged in the continued evolution of IOSA. Our services include: IOSA Audit, Gap analysis, Preparation, Follow-up; ISAGO Audit, Gap analysis, Preparation, Follow-up; Operational Safety Audit and Evaluation; US-Department of Defense (DoD) Audit; Line Operations Safety Audit expanded (LOSAe); Other audits including against EASA, FAA, ICAO scope; IOSA Auditor Training (IAT); IOSA Familiarization Training; Quality Auditor Training; SAFA Training; Airline Operational Management Training; Safety Management System (SMS) (Training, Audit, Implementation); Human Factor and CRM Training; Dangerous Goods Training; and Security (SEMS) Training.

We are pleased to offer our services to AACO members and we thank the airline members who already have chosen to work with Quali-audit. Presently we have already offered our services to the following AACO members: Saudia, Yemen Airways, Royal Air Maroc, Middle East Airlines, Air Algérie, Tunisair, Jordan Aviation, Oman Air, Afriqiyah Airways, Libyan Airlines and Nouvelair with excellent feedback.

Quali-audit - AACO Partner since 2008



Rockwell Collins introduces new features to ARINC Direct Flight Operations System: Rockwell Collins today introduced new features in the company's ARINC DirectSM Flight Operations System (FOS®) that further enhance efficiency for schedulers, dispatchers and pilots.

The new ARINC Direct FOS software is now available for download from www.flightmanager.com.

With the updated software, ARINC Direct FOS customers who are also flight planning and data link subscribers have access to the following new features:

- Run and file full flight plans through a link to the ARINC Direct website
- Import filed flight plans into ARINC Direct FOS
- Access flight tracking
- Access ARINC Direct messaging center
- Request U.S. and Canada slots
- Access ARINC Direct text and graphical weather
- Overlay trips on the ARINC Direct mapping tool
- View ARINC Direct FOS trip reports on the ARINC Direct iPad® application

The integration comes as part of Rockwell Collins' recently announced consolidation of Ascend flight information solutions and ARINC Direct services into one industry-leading solution for flight planning, regional and international trip support, cabin connectivity and flight operations management.

Rockwell Collins - AACO Partner since 2002

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The future of air travel: Managing the full travel chain

An Economist Intelligence Unit article, sponsored by Sabre Airline Solutions®

To gain greater insight into changes and innovations that could usher in a new era for travellers, the Economist Intelligence Unit (EIU) conducted parallel surveys of 100 airline executives and 810 air-travel customers in August and September of 2013. Augmented by interviews with 16 industry leaders and in-depth analysis, research into this topic culminated with the report, *Airline Customer Experience: Vital to Long-term Success*. This is one of a series of five articles elaborating on some of the most salient points that emerged from the findings.

To receive a link to view the full report, go to www.sabreairlinesolutions.com/AACOSRCX

Travel providers are at a technological and economic inflection point, many of them grappling with just what it is that they should be—or need to be—selling. For airlines, the question is: Can they afford to continue selling just the flight? Advances in technology and analytics have opened a window of opportunity for “information-rich, technology-savvy and analytics-driven companies to serve customers by knowing them better and to retail tailored products and services”, notes the chairman and chief executive officer of Air France-KLM, Alexandre de Juniac, in his foreword to *Designing Future-Oriented Airline Businesses* by Nawal K. Taneja. “Should airlines become such companies and offer, for example, seamless door-to-door travel?” he asks. The alternative would be to cede control of the full travel chain—from planning and booking to transport and beyond—to other entities. As John Slosar, chief executive officer of Cathay Pacific Airways, points out in his foreword to the same book, “There are increasing signs that many high-tech companies focusing on enabling flexible group contact and activity (think Facebook, WhatsApp, Google and Groupon) have their sights set on intermediating airlines, travel agents and passengers, thereby laying claim to a share of the always-under-pressure airline value chain”. Either way, Mr Slosar warns, “[T]he status quo going forwards is not an option”.

Airlines have made previous attempts to expand their reach across the traveller’s journey. Early success was stymied—asset and infrastructure costs proved too high, while coordinating technologies proved too difficult. Information and communication technologies, however, have since rewritten the rules of commerce. The power and ubiquity of portable computing have surged as costs have plummeted. Today, airlines don’t have to buy other major elements of the travel chain; they just have to help the passenger access them, creating a better, simpler and cheaper journey.

Flying a mile in their shoes

The Ramos family has booked a trip from their home in New England to Florida, mid-March, the last week of winter. The night before their flight, they stay in a hotel near the airport. At 6:00 a.m. they begin receiving multiple notifications regarding their flight: automated phone calls, texts and emails: storm cancellation. They are instructed to modify trip arrangements either by calling the airline’s customer service number or logging on to its website.

They spend the next six hours trying to get in touch with the airline, via phone, website, email and Facebook. They cannot get through; the volume of calls and emails from passengers affected by the storm has swamped the capacity of the airline to respond. Eventually, they drive out to the airport to talk to an agent and, after several hours of waiting, are re-booked for the following day.

They pay for another night in the hotel. The car rental agency in Florida charges them an extra USD 100 for subtracting a day, as this represents a change in the original reservation. After some negotiation, the hotel in Florida agrees to hold their rooms and “charge no penalty” for the reduction in the length of their stay.

Facilitating solutions to travel problems

The plight of the Ramos family highlights two important issues. First, the airline’s customer service apparatus essentially collapsed at exactly the time that it was most needed because of routine underinvestment in reserve capacity. Second, an airline that made things better in this situation—acknowledging, if not taking control of, the full trip—would engender a great deal of loyalty. As things stand, the airline becomes a focus for resentment.

What is the middle ground? What could have been done at relatively low cost and with off-the-shelf technology to ameliorate the situation for the Ramos family and other travellers and to avoid a predictable wave of anger aimed at the airline?

The first robo-call that the Ramos family received, at 6:00 a.m., should have included, at bare minimum, the following menu of options: “If you wish to be re-booked on the same flight tomorrow, press one. If you require accommodation assistance for this evening, press two. If you have a rental car, hotel reservation or any other connecting travel arrangement that requires adjustment, press three.”

With no further investment, airline representatives answering choices 2 and 3 could connect the caller to the other travel providers involved. Just acting as a conduit to the other adjustments needed would be experienced by customers as a tremendous added value.

Leveraging technology and data to own the chain

But airlines can do much more without incurring too much expense. The technology to provide an even more comprehensive level of support, a kind of 24/7 “virtual travel concierge”, is already in place. Online access to calendars, reservation systems and loyalty programmes—whether via Wi-Fi or mobile data networks, on the ground and in the sky—continues to expand. The degree to which these systems are able, or willing, to “talk to one another”, however, is an ongoing issue.

Valyn Perini, former senior vice president of Kalibri Labs, which conducts revenue-performance analysis for the hospitality industry, previously served as CEO of the Open Travel Alliance, which works toward information-distribution standards.

The reason is frequently technical, but with technology becoming more affordable, enabling those systems to speak to one another internally as well as to points of sale is, she believes, merely a function of putting enough software programmers on the job of developing a common vocabulary. It will also require leadership, Mr de Juniac notes.

Such inability to communicate can also be intentional, Ms Perini observes, particularly when it comes to competitors. Airlines and hotels resist cooperation. They worry about accusations of collusion, for example, and about product differentiation.

New entrants in the online travel space—whether large companies like Google or small start-ups—have fewer such concerns. Their primary product is information coordination; legacy systems and costs are not an issue for them; leased “cloud processing” means that they need not even make the capital investment in computing equipment.

Airlines have taken some incremental steps in the direction of leveraging such technologies and managing the full trip. “All the major airlines have begun to add important revenue streams by integrating hotel, car, tour and attraction booking into their own websites, usually through low-overhead partnerships with the online travel agents [OTAs] or with private-label suppliers,” according to Erik Blachford, a venture partner at Technology Crossover Ventures.

To receive a link to view the full report, go to www.sabreairlinesolutions.com/AACOSRCX

Sabre - AACO Partner since 2002



SEABURY

Seabury Group advises on successful £125 million recapitalization and sale of Monarch Airlines Group to Greybull Capital: Seabury Group (“Seabury”), a leading global advisory and professional services firm, announced today that it has successfully advised the U.K.-based Monarch Airlines Group (“Monarch” and “the Group”) with respect to the completion of its strategic review and restructuring program. Under the program Monarch has secured £125 million of permanent capital and liquidity facilities provided by Greybull Capital LLP (“Greybull”) anchored by a £50 million capital commitment, with contributions from the Group’s prior shareholders, principally the Mantegazza family. Greybull also acquired 90% ownership interest in Monarch, with the remaining 10% to be contributed to the Pension Protection Fund (“PPF”). Greybull is a family office that manages investments in private companies across a diversified range of industry sectors. Greybull will provide significant capital to Monarch in order to grow the Group and build on its long-established heritage and trusted brand name. The sale and recapitalization complete a comprehensive turnaround plan that will help the airline return to profitability and reinvent itself as a low-cost scheduled airline focused on short-haul markets.

Seabury - AACO Partner since 2008



Shell Aviation

Shell Aviation is a global supplier of Aviation Fuels and Lubricants, with a strong heritage of innovation of more than 100 years. We are active across all aviation segments, including commercial, business and general aviation; and our customers range from private pilots to

the largest global airlines. Every day, at over 800 airports across some 40 countries worldwide, Shell Aviation fuels around 7,000 aircraft, refueling a plane every 12 seconds. The industry values us for our world-class safety and operations standards, strong supply chains to deliver supply security, as well as our close collaborations with our customers and other stakeholders.

Support for the aviation business in the Middle East: Shell Aviation has been active in the Middle East region since the 1960s, and aims to provide long-term support to its fast growing aviation industry by providing fuel and comprehensive services at our various airport locations in the Middle East, South Asia and Africa. Our extensive global network also enables us to support the region’s airlines at many of their destinations around the world. We have been an industry partner of AACO since 2002, and have a team of professional and knowledgeable account managers based in the region who are dedicated to providing the best possible customer service to the regions’ airlines. Always at the forefront of innovation, Shell Aviation contributed to a global aviation milestone in 2009 when the world’s first commercial passenger flight (operated by QR) from London Gatwick to Doha was powered by fuel made from natural gas by Shell.

Track Record of Excellence: In recognition of its contribution to the region’s aviation and airport industry, Shell Aviation was named ‘Best Regional Fuels Provider’ at the Emerging Markets Aviation Awards (EMAA) for three consecutive years (2010-2012). Shell Aviation was also recently voted by airlines as the “Best International Fuel Supplier” in the 2013/2014 Armbrust Awards. In addition, it has won Armbrust’s “Best Technical and Operational Performance” award fourteen times in the awards’ 18-year history.

Shell Aviation- AACO Partner since 2002

SITA

Create success. Together

Vistara selects SITA for aircraft communications and network infrastructure: Vistara has signed an agreement with SITA for aircraft communications, airline operations and network connectivity. The agreement includes SITA’s air-to-ground airline operations and datalink service, flight briefing services to help plan routes that reduce operational costs, and a comprehensive network solution connecting Vistara’s ground operations for critical passenger services.

Vistara will use SITA’s integrated suite of aircraft communications and airline operations services to effectively manage air-to-ground communications among the flight crew, airline operations and air traffic controllers. SITA’s VHF network, the largest in India, will provide the connectivity for these services.

SITA supplies integrated passenger and baggage processing to Indian airports: More than 50 million passengers at 25 airports across India can now use SITA’s common-use self-service technology to check in at the airport quickly and easily. The Airports Authority of India (AAI) has collaborated with the air transport IT specialist to deploy this new technology as part of its ongoing airport modernization program. The AAI has also selected SITA to provide the baggage reconciliation system for 38 airports across India. The seven-year, multi-million dollar contract was announced at SITA’s India Aviation ICT Forum in Jaipur, India.

Turkish Airlines renews telecom deal with SITA: Turkish Airlines has selected SITA to provide telecommunications services for 120 outstations around the world in a multi-million dollar renewal deal. SITA will act as the airline’s sole network services provider globally for seven more years, connecting the airline’s outstations, departure control systems and passenger service systems to facilitate efficient passenger processing and on-time departures. SITA will provide a variety of telecommunications services for Turkish Airlines. This includes IP VPN, which facilitates IP connectivity among the airline’s main hubs and virtual private network from anywhere around the world, and AirportHub, which provides network access through WAN communication and IT infrastructure at airports.

SITA - AACO Partner since 2008



Travelport reports listing on NYSE and strong third quarter: Travelport has reported a strong third quarter, which included its listing on the New York Stock Exchange at the end of September, and a number of significant airline deals across the Middle East and Africa as well as globally.

A full content agreement was signed with South Africa’s CemAir. A further milestone was achieved with the announcement of a merchandising deal with South African Airways.

A new version of launched a new version of Travelport Smartpoint was launched, its industry-leading agency desktop technology. The latest version marks the global roll-out of Travelport’s industry-leading Rich Content and Branding merchandising solution alongside numerous other new features aimed at making booking travel easier and more profitable for travel agencies. The new version will be introduced to travel agencies around the world in the coming weeks. The solution has received significant support and interest from airlines with more than 60 airlines having signed up, including leading carriers such as Delta, Ryanair, British Airways, Iberia, easyJet, Hainan Airlines and United Airlines.

Additionally, participation agreement with Pegasus Airlines. As part of the agreement, Pegasus Airlines will benefit from access to Travelport’s Sponsored Flights – an innovative point-of-sale advertising tool that places selected flights above the neutral display on the travel agent’s screen for optimum visibility.

Further deals were announced in other key regions including air agreements for ancillary marketing, content, product services and upgrades with West Jet, Canadian North, Bearskin Airlines, Air Inuit, Cayman Airways and SeaPort/Wings of Alaska in the Americas. In Asia Pacific, a full content agreement was signed with Air India as the carrier became the 50th airline to sign up for Rich Content & Branding.

And finally, in Europe Travelport announced its renewal of a multi-year full content agreement with Alitalia and a new agreement with Aeroflot - Russian Airlines for Travelport Rich Content and Branding. In Dublin, the company signed an agreement with CityJet to modernise its airport and ground handling processes

Travelport - AACO Partner since 2000



Unisys VantagePoint business service integration solution wins Liferay honors for excellence of end-user experience: Unisys Corporation announced on 30 October 2014 that Unisys VantagePointSM – an advanced user interface and service orchestration center – was recently honored as Website of the Year and

Best Mobile Experience at the 2014 Liferay Pulse Awards.

The awards recognized Unisys' innovative use of Liferay Portal technology to create a compelling experience for users of the web-based VantagePoint interface.

Liferay honored VantagePoint with the Website of the Year award as a “phenomenal” site where “customers, partners and end users are amazed at the ease of use, the ability to find the items they need quickly and the overall user experience.” The Liferay Best Mobile Experience award recognized VantagePoint for providing a consistent, holistic experience via desktop, web and native applications. VantagePoint aggregates business and IT services from multiple sources across the enterprise, giving users personalized access to information they need to do their jobs anywhere, any time, on their device of choice. Whether a user is onboarding a new employee, managing through an infrastructure outage, or launching a new marketing campaign, VantagePoint acts as a central control panel for a full range of IT and business services.

Swiss WorldCargo launches new cloud-based eBooking system based on Unisys Cargo Portal Services: Unisys Corporation announced that Swiss WorldCargo, the airfreight division of Swiss International Air Lines, has successfully launched a new eBooking system based on Unisys' cargo portal services technology. The Swiss WorldCargo-branded eBooking platform is based on Unisys Cargo Portal Services and is delivered via Software-as-a-Service (SaaS) hosted by Unisys. The development included advanced rules-based technology to help Swiss WorldCargo quickly modify offerings in response to market dynamics as changes are simply made to business process rules without the need to write software code.

Unisys - AACO Partner since 2014



Willis Group and Miller in Exclusive Talks to Form Leading London Wholesale Insurance Broking Firm: Willis Group Holdings (NYSE:WSH) and Miller Insurance Services LLP announce that they have entered into exclusive talks to create a leading London wholesale specialist broking firm. The proposed transaction will combine their wholesale businesses to trade under the Miller brand, governed and regulated as a standalone legal entity and separate Lloyd's broker.

The proposed transaction will combine their wholesale businesses to trade under the Miller brand, governed and regulated as a standalone legal entity and separate Lloyd's broker.

Willis Helps Firms with Emergency Preparedness in Response to Ebola Threat: Willis is closely following developments related to the Ebola virus and has launched its Disease Response Center microsite, a one-stop hub for clients and Associates on willis.com. The portal features a comprehensive set of resources to help firms prepare their workplaces for the Ebola threat.

The site features content from a variety of official resources including the Centers for Disease Control, the World Health Organization and the American Medical Association, as well as Willis Client Advisories to help guide firms through potential workplace risks, human resources considerations, travel alerts and workplace restrictions. The site will be updated as information develops.

Willis Group Reports Third Quarter 2014 Results: Willis Group Holdings plc reported results for the three and nine months ended September 30, 2014.

Willis recorded total commissions and fees growth of 2.1% in the third quarter of 2014, and organic commission and fee growth of 2.5%.

Reported expenses, which include USD 17 million of restructuring expenses related to the Operational Improvement Program and USD 7 million of unfavorable foreign currency movements, grew 7.3% in the third quarter 2014. However, excluding these items, underlying expense growth was 4.1%.

Willis - AACO Partner since 2014

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AACO &

RTC

CALENDARS



AACO CALENDAR

November 2014

Sun	Mon	Tue	Wed	Thu	Fri	Sat
						1
2	3 MRO Steering Board Meeting / Cairo	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18 AACO 47 th AGM / Dubai 72 nd Executive Committee Meeting / Dubai	19	20	21	22
23	24	25	26	27	28	29
30						

December 2014

Sun	Mon	Tue	Wed	Thu	Fri	Sat
	1 AACO Jet Fuel Tender 2015 - Opening of Offers Meeting / Cairo	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

AACO RTC CALENDAR

November 2014

Sun	Mon	Tue	Wed	Thu	Fri	Sat
						1
2	3 Dangerous Goods Regulations Refresher / Amman	4	5	6	7	8
9	10 Aircraft Maintenance & Planning / Cairo	11	12	13	14	15
16	17 Ground Handling Agreements / Amman	18	19	20	21	22
23	24 Security Audits & Inspection (Quality Control) / Amman Commercial Agreements / Cairo Project Management / Abu Dhabi Human Performance Leadership Seminar / Hurghada	25	26	27 The 10 Common Mistakes Managers Make (and How to Avoid Them) / Hurghada	28	29
30						

December 2014

Sun	Mon	Tue	Wed	Thu	Fri	Sat
	1 The Art of Services / Cairo Succession Planning / Amman	2	3	4	5	6
7	8 Air Law & Air Transport Agreements / Amman IATA - Airport Commercial Management / Amman	9	10	11 Human Resources for Non Human Resources Managers Course / Cairo	12	13
14	15 IATA - Aviation Internal Auditor Course / Cairo	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

For additional information, kindly contact Mr. Mohamed Osman / Senior Manager RTC at rtc@aacortc.com

OUR MEMBER

AIRLINES &

INDUSTRY PARTNERS

AACO MEMBER AIRLINES

AACO member airlines were established in the following sequence:

1. Egypt Air (1932)
2. Iraqi Airways (1945)
3. Middle East Airlines (1945)
4. Saudia (1945)
5. Syrian Arab Airlines (1946)
6. Sudan Airways (1946)
7. Tunis Air (1948)
8. Gulf Air (1950)
9. Air Algerie (1953)
10. Kuwait Airways (1954)
11. Royal Air Maroc (1957)
12. Yemen Airways (1962)
13. Royal Jordanian (1963)
14. Libyan Airlines (1964)
15. Emirates (1985)
16. Nouvelair (1989)
17. Oman Air (1993)
18. Qatar Airways (1995)
19. Palestinian Airways (1995)
20. Tassili Airlines (1997)
21. Jordan Aviation (2000)
22. Afriqiyah Airways (2001)
23. Etihad Airways (2003)
24. Air Arabia (2003)
25. Air Cairo (2003)
26. Petra Airlines (2005)
27. flynas (2006)
28. Nile Air (2006)
29. Rotana Jet Aviation (2010)
30. flydubai (2008)
31. Air Go Egypt (2010)



AACO INDUSTRY PARTNERS



References:

The news included in this bulletin are collected from various sources as follows:

AACO	ATW Online	Arabian Aerospace
IATA	Innovata	Arab News
ICAO	GreenAir Online	MENAFN
EU institutions	AMEInfo	Arabian Business
Industry press releases	Airports' websites	Gulf News
Khaleej Times	Others...	

Where the news item was not based on various sources, AACO clearly mentions the source.

When the source is AACO, other parties may publish the information provided by AACO, but with reference to the source.

Definitions:

1. Geographical Areas:

Americas: Includes North, Central, and South American countries.

Mid Asia: Includes the following countries: Bangladesh, India, Iran, Afghanistan, Pakistan, Sri Lanka, Nepal, Maldives.

Australasia: Includes the following countries: China, Hong Kong, Malaysia, Taiwan, Myanmar, Cambodia, Vietnam, Philippines, Singapore, Thailand, Japan, Indonesia, Australia.

Europe: Includes the European countries.

Arab World: Includes the Arab countries.

Sub-Saharan Africa: Includes the African countries except Arab countries in North Africa which are: Egypt, Sudan, Libya, Tunisia, Algeria, and Morocco.

2. Abbreviations:

RPK: Revenue Passenger Kilometer

ASK: Available Seat Kilometer.

PLF: Passenger Load Factor.

RTK: Revenue Tonnes Kilometer.

ATK: Available Tonnes Kilometer.

WLF: Weight Load Factor.

3. All statistics in this bulletin represent the absolute number of passengers unless mentioned otherwise.

4. Connotations:

To and From the Arab world: indicates traffic between the Arab world and other world regions.

Within the Arab world: indicates traffic within the Arab world region

To, From, and Within the Arab world: indicates the sum of the above

About AACO: The Arab Air Carriers Organization "AACO", established in 1965 within the framework of the Arab League of States, is the Regional Association of the Arab Airlines who have their homebase in countries members of the Arab League.

AACO's Vision is to stand out globally as THE association that serves with dedication the Arab airlines and be instrumental in dealing with an evolving aviation industry.

AACO's Mission is to serve the Arab airlines, represent their common interests and facilitate, in a manner consistent with all applicable competition and other laws their cooperation so as to improve their operational efficiencies and better serve the travelling public.

AACO's Objectives:

- To support the Arab airlines' quest for highest safety and security standards.
- To support the Arab airlines' quest for developing their environmental policies for processes in harmony with the environment.
- To actively contribute in the development of human resources.
- To interact with the regulatory bodies to support and protect the interests of the Arab airlines.
- To launch joint projects between member airlines with the objective of achieving efficiencies that will lower their costs in a manner consistent with all applicable competition and other laws and that enhances the members' best practices.
- To provide forums for members and for industry partners to enhance the knowledge base.
- To reflect the positive image of The Arab Airlines Globally.

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Fax: 00961-1-863168

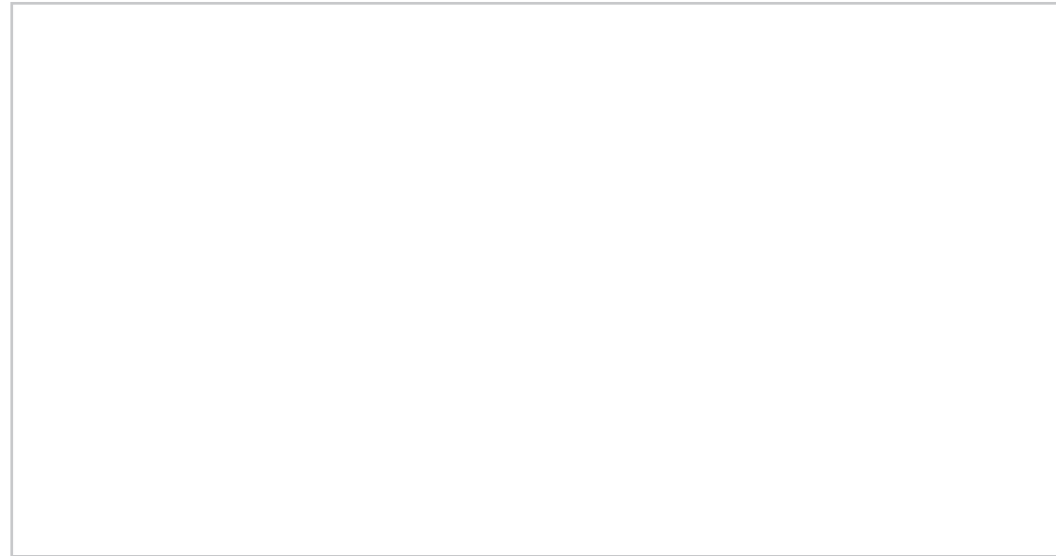


الاتحاد العربي للنقل الجوي
ARAB AIR CARRIERS ORGANIZATION

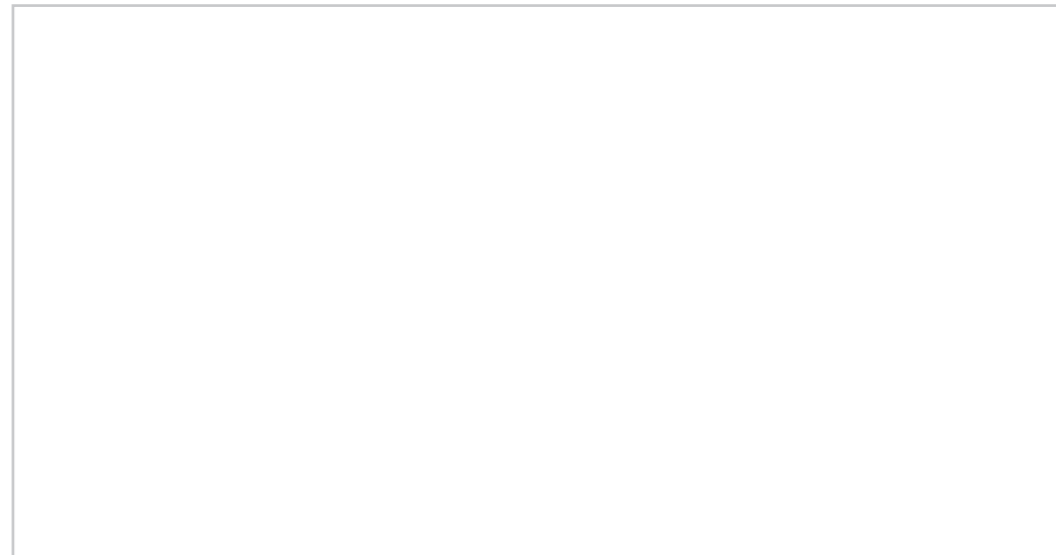


AACO MEMBER AIRLINES

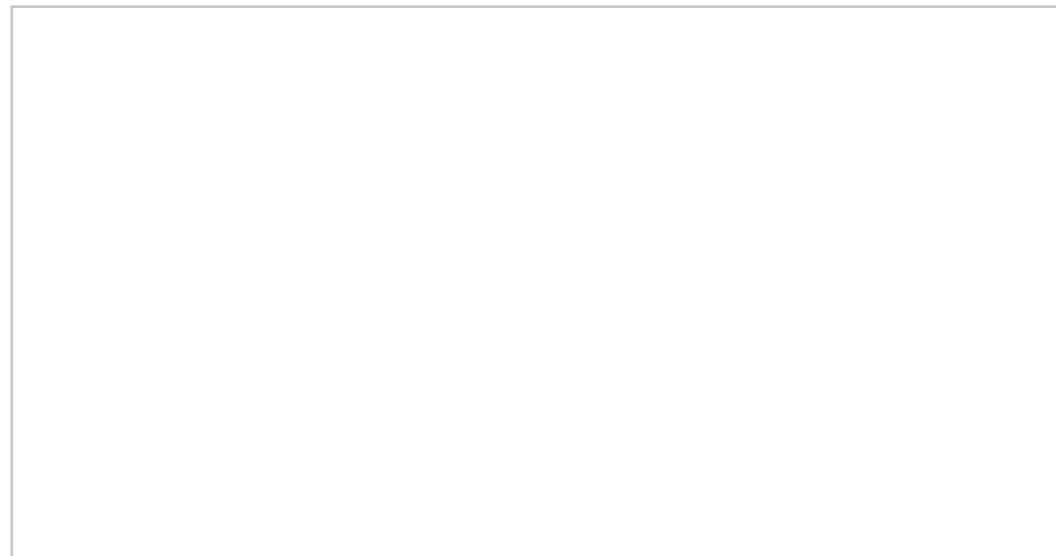
AACO Member Airlines in the Arabian Peninsula



AACO Member Airlines in the Near East



AACO Member Airlines in North Africa



AACO INDUSTRY PARTNERS

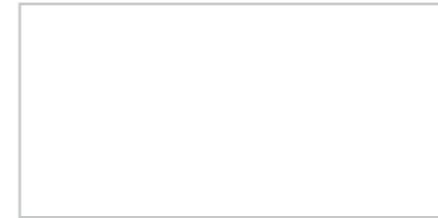
Aircraft Manufacturers



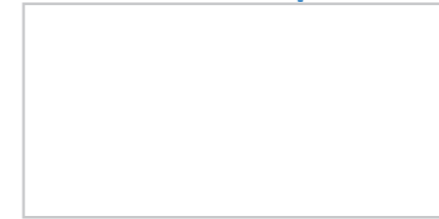
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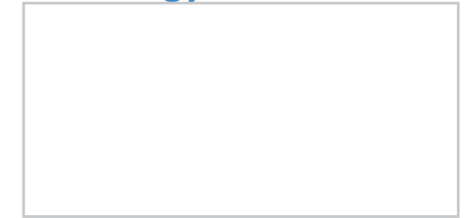
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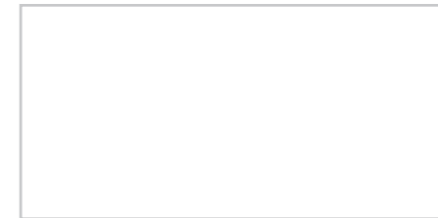
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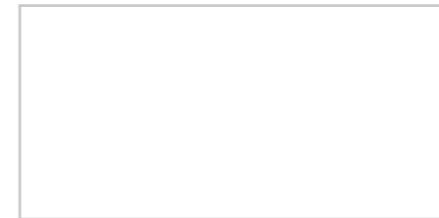
Global Distribution Systems & Technology Partners



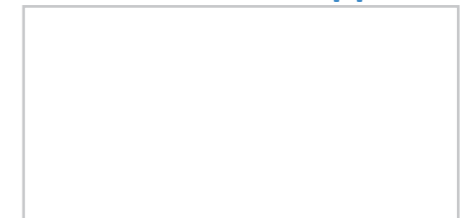
Education & Consultants



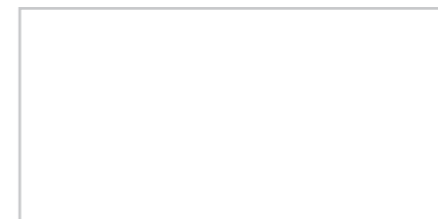
News Partners



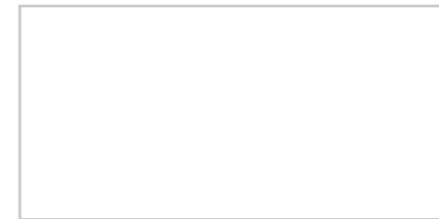
Fuel Suppliers



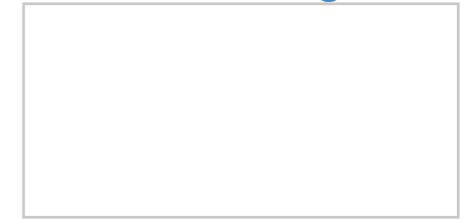
Aviation Consultants



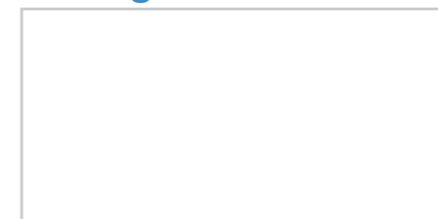
Aviation Law Firm



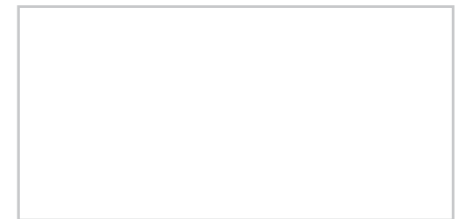
Asset Management



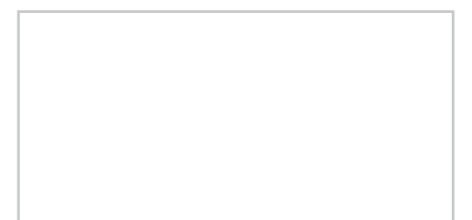
Leasing and Financial Companies



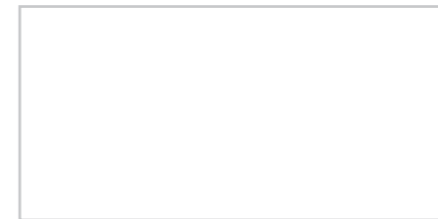
Medical Aviation Services



Aviation and Aeronautical Services



Disaster and Crisis Management Services



Logistics and Ground Handling

