



SAUDIA INCREASES DOMESTIC CAPACITY AS COMPETITION LOOMS

News / Airlines



Saudi Arabian flag carrier **Saudia** has wet-leased two Airbus A319s from Czech Airlines to increase **capacity** on its **domestic** routes as it gears up to face **competitive** pressures from new rivals in the Kingdom.

Liberalization of Saudi Arabia's airline sector will see Qatar Airways' subsidiary Al Maha Airways and startup carrier SaudiGulf Airlines providing new competition for both Saudia and hybrid carrier flynas.

The new entrants are expected to start services some time in 2016. A precise date is still unknown as Saudi regulator the General Authority of Civil Aviation (GACA) has still to grant an AOC to both new entrants—a process that has taken considerably longer than anticipated. GACA insisted earlier this year that it was still awaiting further information from the two airlines before it could proceed.

Saudia said it had leased the 135-seat A319s from its fellow-SkyTeam alliance partner Czech Airways under an ACMI contract. The two aircraft would meet increasing demand on Saudia's domestic network, which made up almost 70% of the airline's operations.

The Saudi national carrier flew more than 15 million passengers on domestic routes last year.

Meanwhile, flynas is bolstering its offering to Saudi passengers ahead of the arrival of Al Maha and SaudiGulf by expanding its 2012 codeshare agreement with Etihad Airways.

Etihad will expand its Saudi Arabian network through a new 5X-weekly service between Riyadh and Abu Dhabi, to be operated by flynas.

Starting in December, the new service will complement Etihad Airways' existing 13 weekly flights between Abu Dhabi and Riyadh.

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