



EMBRAER SEES GROWTH POTENTIAL IN INDIAN BUSINESS JETS SECTOR

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There is a lot of potential for the growth of business jets sector in India but the country has to overcome bottlenecks like lack of parking space at the airports, a top executive of Embraer Executive Jets said.

“India is a big country with infrastructure challenges and we see a lot of potential. However, there are bottlenecks and restrictions to operate business jets like lack of parking space at the airports. In Mumbai airport for instance, it’s very difficult to get parking space,” said Claudio Camelier, Vice President, Sales, Middle East and Asia Pacific speaking to *Gulf News* at Abu Dhabi Air Expo 2016.

“A business jet is all about convenience and increasing the productivity of businessmen travelling but if the businessman is not able to travel because there is no space to park in the airport then it's a problem,” he added.

According to him, there are about 21 Embraer jets flying in India with individuals, chartered companies, and the government using the aircraft for travel. The Brazilian company has a liaison office in New Delhi supporting customers. The sale of jets is handled through the offices in Dubai and Singapore.

India is one of the fastest growing economies in the world. International Monetary Fund predicted a growth of rate of 7.3 per cent for this fiscal, picking up to 7.5 per cent next year. It also has a number of billionaires with 84 people making it to the Forbes 2016 richest list.

Stronger cash flows

Gary Dugan, Chief Investment Officer at Emirates NBD said the strong GDP growth in India will lead to higher corporate spending on business jets.

“The growth rate of the business jet markets has pluses and minuses. On the positive side, corporates have stronger cash flows lending themselves to investment in corporate jets and secondly as the road and rail network in India is so poor, busy corporate executives would much prefer to use air travel to reduce travelling time,” he said.

He however said the challenge is the limited availability of flying slots and the modest network of reliable regional airports.

“On these latter two negatives, it is encouraging that the government in the last budget has committed new funds to the development of regional airports.”

Headquartered in Sao Paulo, Brazil, Embraer operates close to 1,000 business jets in 60 countries with 17 per cent being its market share in 2015.

The company has a strong presence in the Middle East with 40 business jets in operation with Saudi Arabia and the UAE being its biggest markets.

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