

SAA, SunExpress sign MoU

South African Airways (SAA) has signed a memorandum of understanding (MoU) with SunExpress for four aircrafts to support the national carrier's operations in the 2024/25 financial year. According to SAA, the MoU is an add-on to the two airlines' current six-month damp lease agreement, which includes "the lease of two Boeing 737-800s, as well as maintenance and cockpit crew".



Source: Julian Herzog via [Wikimedia Commons](#)

"In addition to plans to increase the number of damp lease aircraft, SAA and SunExpress are currently exploring options for a multi-year reciprocal capacity support and further cooperation with regards to maintenance, training and commercial support," a statement from SAA read.

In a damp lease, the lessor provides the aircraft and some of the crew, usually the cockpit crew, and the lessee provides the rest of the crew, maintenance and insurance. This means that the lessor and the lessee share some of the responsibilities and costs of the operation, depending on the terms of the contract.

Acting SAA CEO, Professor John Lamola, said the agreement would assist the State-owned airline to meet demand.

"SunExpress has proven to be an extremely reliable partner for us in the first few months. We are therefore delighted that this valuable partnership will not only be continued but the scope of the partnership expanded to include additional aircraft for our 2024 holiday peak season.

"The additional aircraft will support our operations to meet the growing customer demand during peak seasons and mitigates our management of the global aircraft availability crisis," Lamola said.

SunExpress CEO Max Kownatzki said: "The memorandum of understanding clearly underlines our commitment to further deepen our successful partnership with SAA. We are proud of the trust that SAA is placing in us with the renewed intention to collaborate. We strive to build on this to develop a strong, long-term partnership and leverage more opportunities together in the future.

"Over the next decade, SunExpress will more than double its fleet, reaching a 150-aircraft fleet by 2033. These kinds of partnerships enable us to efficiently utilise our fleet, mitigating the impact of our seasonality."

Before its official relaunch earlier this year, the State-owned airline endured challenges for several years.

SAA was racked by allegations of fraud and corruption during the State capture years and was also put under business rescue and grounded.

At the official relaunch, Public Enterprises Minister Pravin Gordhan explained the work it took to have the airline back in the skies.

"What we have been able to do is to firstly establish that there's no more money that's going to come from taxes that's going to go into SAA, like the R40 billion that went in over a 10-year period. SAA must survive on its own strength... [and] on the capital that is actually provided by the strategic equity partner and it must grow organically. Through the business rescue process, its balance sheet is not encumbered in any kind of way.

"It took three and a half years of very hard work... to ensure that we steer this process. It's a signal to investors and the investing community in South Africa that reforms are possible in South Africa. That we can execute, just with South African talent, these very complex deals and complex reform processes in State-owned entities," Gordhan said.

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