



MEDIA RELEASE

Kenya Airways signs a Memorandum of Co-operation with South African Airways to share strategic capabilities

- Kenya Airways (KQ) and South Africa Airways (SAA) have signed a memorandum of cooperation whose long-term objective is to form a Pan African airline.
- At this initial stage, it is not a merger but a partnership that seeks to re-organise KQ and SAA assets into an ecosystem that will make the South African and Kenyan aviation sector more competitive.

September 28th, 2021 – Johannesburg – Kenya’s national carrier Kenya Airways (KQ) and South Africa Airways (SAA) have entered a memorandum of cooperation with a longer-term view to co-starting a Pan-African Airline Group that in time will enhance mutual growth potential between the two carriers.

This cooperation aligns with KQ’s core purpose, ‘Contributing to the sustainable development of Africa’. will be based on mutual benefits. These include strategic positioning in global aviation, diversifying earning streams, and reinforcing regional partnership in Africa through diplomatic and commercial relations. This will see an increase in passenger traffic, cargo opportunities, and general trade by taking advantage of strengths in South Africa, Kenya, and Africa.

Mr. Allan Kilavuka, Kenya Airways Group Managing Director and Chief Executive Officer, highlighted the partnership’s significance in turning around the fortunes of both KQ and SAA. *“The future of aviation and its long-term sustenance is hinged on cooperation. KQ and SAA collaboration will enhance customer benefits by availing a larger combined passenger and Cargo network, fostering the exchange of expertise, innovation, best practice, and adopting home-grown organic solutions to technical and operational challenges.”*

KQ remains committed to its financial turnaround strategy. The pursuit of partnerships is one of the core strategic pillars that shall transform the airline by ensuring its financial viability while offering world class services in Africa and the world.

SAA’s Interim CEO Thomas Kgokolo noted that *“This cooperation, which includes demand recovery and other cost containment strategies, will aid recovery of both carriers in an increasingly competitive African airline environment. It will also enhance related Kenya and South Africa tourism circuits, which sectors account for significant portions of respective country growth domestic product, benefiting from at least two attractive hubs in Johannesburg, Nairobi and possibly Cape Town. KQ and SAA, as iconic airline brands of Africa’s biggest and vibrant economies, in East Africa and Southern Africa respectively, are at the precipice of what could be Africa’s formidable Pan African airline.”*



The respective Kenyan and South African governments recognise KQ and SAA as strategic national assets. They are committed to providing an operating environment that will allow for commercial agility and flexibility, shared access to domestic and international markets for the carriers' mutual benefit.

Kgokolo adds that collaboration will also assist both airlines in the current and post-pandemic business and travel environment. This he says involves, joint recovery strategies and other cost containment strategies that will aid recovery of both carriers in an increasing competitive African airline environment. This agreement does not offer an exclusivity that precludes either of the airlines from pursuing commercial co-operation with other carriers within the current route network strategy.

As a key driver of economic growth, the aviation sector enables quick movement of passengers and cargo, leading to increased economic activity, generating direct and indirect employment. The recognition of this significance to economic development is the impetus behind the cooperation. This cooperation also seeks to address the significant contraction witnessed in the history of the air transport market in the wake of COVID-19. The African air transport market is estimated to be 50% of 2019 (pre-COVID-19), and the situation is expected to last for at least three years.

About Kenya Airways

Kenya Airways, a member of the Sky Team Alliance, is a leading African airline currently flying to 46 destinations worldwide, 34 of which are in Africa. It continues to modernize its fleet with its 32 aircraft being some of the youngest in Africa. This includes its flagship B787 Dreamliner aircraft. The on-board service is renowned and the lie-flat business class seat on the wide-body aircraft is consistently voted among the world's top 10. Kenya Airways takes pride for being in the forefront of connecting Africa to the World and the World to Africa through its hub at the new ultra-modern Terminal 1A at the Jomo Kenyatta International Airport in Nairobi. Kenya Airways celebrated 40 years of operations in January 2017 and was named Africa Leading Airline Brand 2020, Africa Leading Airline – Business and Economy Class 2020 by the World Travel Awards. For more information, please visit www.kenyaairways.com or call our 24HR Contact Centre: +254 20 327 4747, Twitter: @KenyaAirways, Facebook: Kenya Airways, Instagram: @OfficialKenyaAirways

About South Africa Airways

South Africa Airways (SAA) began operations on 1 February 1934. SAA, is a leading carrier in Africa, serving regional destinations between Johannesburg and five African capitals - Accra, Kinshasa, Harare, Lusaka, and Maputo and 1 domestic route between Johannesburg and Cape Town. It is a member of the largest international airline network, Star Alliance. SAA's core business is the provision of passenger airline and cargo transport services together with related services, which are provided through SAA and its wholly owned subsidiaries: SAA Technical (SAAT), a world class maintenance facility and Air Chefs, the catering entity of SAA. SAAT has particularly been successful in the delivery of high quality maintenance services such as; major airframe checks; engine overhaul; mechanical components; avionics and line maintenance. From our first flight in 1934, SAA have welcomed the world to South Africa by showing off the warm generous heart of the country. The airline has more than 80 years of excellence and innovation to draw on.

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