

Uganda Airlines' struggles reflect deeper governance failures, where political interference, weak oversight and blurred accountability undermine commercial discipline. PHOTO / MICHAEL KAKUMIRIZI

Uganda Airlines: Misfiring or just under siege?

Six years after revival, Uganda Airlines is caught between national pride and commercial reality, weighed down by losses, governance gaps and politics, raising a hard question: unfair scrutiny, or failure to execute?

AVIATION

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About six years after its revival, Uganda Airlines sits uneasily at the crossroads of national pride, public finance, and commercial reality.

For some Ugandans, the airline symbolises sovereignty reclaimed: a flag in foreign skies, a statement that the country refuses to remain peripheral in global aviation.

For others, it has become shorthand for waste, mismanagement, and broken promises, a loss-making venture sustained by taxpayers yet unable to deliver reliability.

This duality frames the central dilemma confronting Uganda Airlines today. Is the national carrier being subjected to unnecessary and premature pressure, judged by standards it was never structurally positioned to meet?

Or has it failed fundamental tests of governance, planning, and execution that no amount of patience can excuse?

The answer matters, not just for the airline's future, but for how Uganda approaches state-led investments in complex, capital-intensive sectors.

The five-year promise

When government revived Uganda Airlines in 2019, one benchmark quickly hardened into public expectation: the airline would break even within five years. With hindsight, senior government officials now concede that this timeline was rather unrealistic.

Works permanent secretary Waiswa Bageya acknowledges that the target underestimated both the airline's starting position and the unforgiving economics of aviation. Uganda Airlines launched with a small fleet in an industry where scale is not a luxury but a survival requirement. Barely a year into operations, global aviation was paralysed by Covid-19.

Aircraft were grounded, routes suspended and revenues wiped out. Even established global carriers haemorrhaged cash during this period. For a young airline still building brand recognition, networks and operational muscle, the disruption was existential.

Captain Francis Babu, a former airline captain and long-time aviation analyst, argues that the profitability debate was distorted by early strategic choices. In his view, the decision to purchase aircraft outright rather than leasing imposed a heavy financial burden from the outset.

Aircraft purchases absorb capital upfront and take many years to pay back. Under such a model, breaking even within five years, Babu says, becomes less a business objective and more a political talking point.

The numbers tell a sobering story. Uganda Airlines' losses climbed steadily after relaunch, peaking in 2023 before narrowing slightly in subsequent years. By June 2025, the airline still recorded a net loss of Shs230.8b, only marginally better than the previous year. Revenue growth of 19.2 percent offered a glimmer of progress, but it unfolded within a cost structure still dominated by fleet financing, fuel, maintenance and overheads.

Human capital

Few debates around Uganda Airlines provoke as much emotion as the question of human capital. Who should run the airline, and how quickly should it be "Ugandanised"? →

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