Bombardier sold more than 1,500 CRJs across its different iterations. As the in existing infrastructure; runways and airport gates.

That is why Airbus opted for more products from Airbus ..... development costs proved fatal. Bombardier went for a different design phi- sold the ....

From a prized acquisition to a demonised commodity, the Bombadiers were blamed for Uganda Airlines' exorbitant costs.

The Uganda Airlines Bombardier storm

BY ARTHUR WADERO

In April 2019, Monica Azuba Ntege took to what was then called Twitter with a triumphant announcement. "I officially received the two CRJ900 aircraft on behalf of [the] Government of Uganda. They will touch down at Entebbe airport on 23/04/2019. The choice of Bombardier CRJ900 for regional networks was a result of rigorous analysis of many competing alternatives. Bombardier was the best choice."

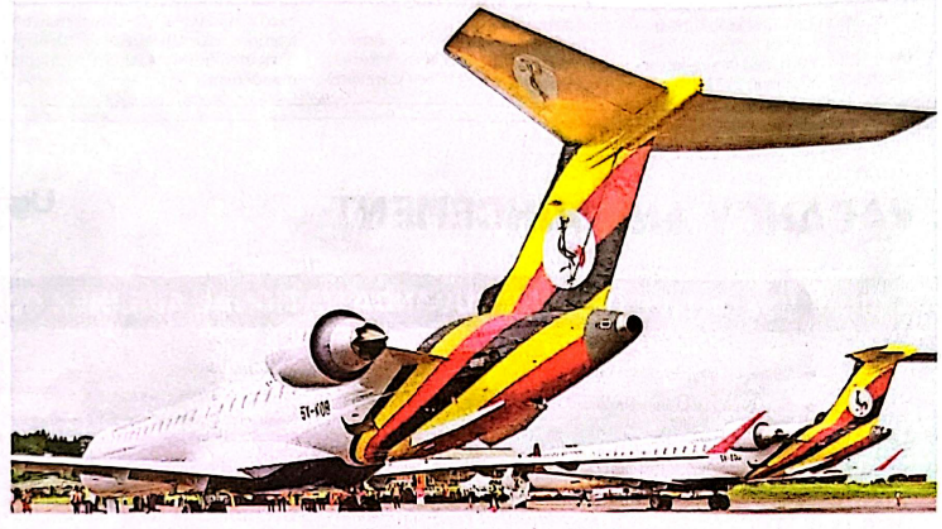
Ms Azuba was posting in her capacity as Minister of Works and Transport. Uganda Airlines was months away from relaunching operations after its first incarnation. The airline started in 1977, but collapsed in 2001. With the acquisition, Uganda was poised to become the first African country to operate the Bombardier CRJ900 as a flag carrier, deploying the aircraft on short-haul regional routes.

"I also asked Bombardier to consider establishing a training and maintenance facility in Uganda to skill Ugandans and also enhance Bombardier's competitiveness in Africa. Uganda is ready to partner with them on this!" she added.

Fast forward to appearing before Parliament's Committee on Commissions, Statutory Authorities and State Enterprises (Cosase), Uganda Airlines' top brass cited the same CRJ900s as among the major contributors to a Shs237.855 billion loss recorded in the Financial Year 2023/2024.

The four aircraft, executives told MPs, have struggled under rising fuel costs and crew allowances, significantly inflating the airline's operating expenses.

"The highest, largest contributor to our losses is high fuel costs, followed by depreciation, and then what we call crew allowances," Uganda Airlines Chief Executive Officer Jenifer Bamuturaki told the committee. "These have had a significant impact on our operational performance," she added, noting that costs fall into two broad categories: direct and indirect.



One of the CRJ Bombadiers at Entebbe International Airport. PHOTO/FILE

Hitting an air pocket

Among the direct costs keeping management awake at night are the CRJ900s' spare parts; scarce, expensive and increasingly difficult to source. This, despite Ms Azuba's 2019 pledge that Uganda would mitigate such risks by pushing Bombardier to establish a local training and maintenance facility in-country.

"We have companies that have been providing spare parts for different aircraft. For example, Lufthansa Technik, has been providing us spare parts for the CRJs, but have now informed us that they will not continue to support the CRJ as an aircraft," Ms Bamuturaki told MPs.

She added that even when parts are available, access is unpredictable. "Sometimes, those spare parts are unavailable because they are hoarded. And by the time you process the monies [to pay for them], the prices will have increased because someone else has picked it up."

Not happy.
The CRJ is not a bad aeroplane, but it was a wrong thing to buy for a country like Uganda. It is like buying a Rolls Royce. Who will maintain it and get spare parts for it here? You will have to source everything from overseas.
– Flight Captain Francis Babu in an interview last year.

The explanation left lawmakers unconvinced. "How do you go on the market, get something, and a few years later you tell me there is no production?" asked then Cosase chairperson Medard Lubega Sseggona. "Once there is no production, it means that one, I will not have spares; two, I will acquire them expensively; three, I will get used spares, and you know how sensitive that can be to the industry."

No clear answers were forthcoming. Instead, fingers were pointed. Mr Ephraim Bagenda was Uganda Airlines' chief executive officer when the CRJ900 decision was taken, while Mr Cornwell Muleya served as technical adviser. But apportioning blame, management conceded, does little to resolve the problem. Uganda Airlines has now been left with little choice but to write off the CRJs altogether, citing their inability to support route expansion and sustainable growth.

"The routes that these aircraft operate are under four hours," Ms Bamuturaki explained. "What that means is that for it to be able to recoup, it has to do frequencies that are much higher, and we have been trying to do that. But we have also noticed that the more ... more their depreciation is ...

Running out of runway?

The proposed solution ... phase out the CRJ900s ... the fleet with what ... tors are flying on similar ... "Our competitors with the same ... or same aircraft type are ... out at 10 to 12 years," Ms Bamuturaki said. "Most of them have ... their 11th year in neighbouring ... tries."

But the aircraft did not ... Mr Sseggona pointed out. He ... management on whether ... lines would have recouped ... ment by the time the four ... tired.

"Unlikely," Ms Bamuturaki ...

For Flight Captain Francis ... bu, the outcome was ... "The CRJ is not a bad aeroplane," said, "but it was a wrong thing ... a country like Uganda. It is like ... a Rolls Royce. Who will maintain ... get spare parts for it here? You will ... to source everything from overseas."

He warned that similar challenges could eventually confront Uganda Airlines' other aircraft. The carrier currently operates two Airbus A330s on long-haul routes and has placed orders for four Airbus A320neos and two Boeing 787-9 Dreamliners.

Veteran aviation journalist Ben Wakabi, however, takes a more forgiving view. He argues that the CRJs "were the right choice for the current phase of development," adding that improved financial performance will depend on expanding into longer routes.

"When a bigger aircraft is secured, Uganda needs to open more long-haul routes like going to China," he said.

Ms Bamuturaki, for her part, struck a cautiously optimistic tone. She noted that cost-saving measures already underway, including a shift to self-handling at Entebbe Airport.

"In 2019, we were using other suppliers," she said. "We have since started our own self-handling project and we are able to save about $250,000 (Shs889 million)."

She added that the airline has also seen over CRJ maintenance after the contract with SAMCO ended, receiving approval from the Civil Aviation Authority.

"We save about €2 million (Shs8.4 billion) annually on that process. That gives you an idea that we are working hard to manage our losses."