

## Ethiopian Airlines profitable as cargo demand booms

Ethiopian Airlines is profitable and cash positive, underpinned by booming demand for air cargo its chief executive said on Tuesday.

By Alexander Cornwell 12 Jan 2022



An Ethiopian Airlines staff unloads the AstraZeneca/Oxford vaccines under the COVAX scheme against the coronavirus disease (COVID-19) from a cargo plane at the Bole International Airport in Addis Ababa, Ethiopia March 7, 2021. REUTERS/Tiksa Negeri

The air freight market has been a rare bright spot for airlines over the past two years, with rates rising due to an online shopping surge and pandemic-linked supply chain disruptions driving demand for cargo space.

"For us, Ethiopian Airlines, the cargo business is strong and I would say is a breadwinner in the group," CEO Tewolde Gebremariam told a Dubai conference by videolink.

The airline, which he said managed the pandemic with its own finances and without bailouts, is operating close to 70% of its pre-pandemic capacity, and had given staff pay rises and bonuses.

"We are cash-positive. We are profitable."

While demand for passenger travel is improving year-on-year, with 2022 expected to be better for airlines than 2021, Gebremariam cautioned the industry was still far from a full recovery from the crisis.

Gebremariam criticised what he called the "fragmented, uncoordinated" responses by governments around the world to the pandemic, which he blamed for creating bottle necks and the slow recovery in passenger travel.

He also singled out Dubai of the United Arab Emirates, the Middle East travel hub, which has banned those who have recently been in Ethiopia and 13 other African countries from entering or transiting.

Ethiopian Airlines had not flown passengers to Dubai in 3-4 weeks, Gebremariam said.

"I don't think that helps for the travel and tourism and economy of Dubai as well."

## ABOUT THE AUTHOR

Reporting by Alexander Cornwell; Editing by Clarence Fernandez, Kirsten Donovan.

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