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Qatar Chamber calls for establishing a road transport management entity

Qatar Chamber has suggested establishing a company specialising in road transport management in view of the more than five-fold growth in road transport companies to 444 between 2018 and 2022.

Addressing a panel session at the recently concluded "Sustainable Transportation and Legacy for Generations" conference and exhibition; Ali bin Abdullatif al-Misnad, board member of Qatar Chamber, emphasised the importance of consolidating the private sector's efforts in the field of road transport as he highlighted that the number of road transport companies rose from 69 in 2018 to 444 last year.

The chamber official proposed the establishment of a company specialising in road transport management through the public-private partnership system, emphasising the importance of nurturing public-private partnerships in the state's transportation and communications projects as a whole.

On the role of the Qatar Chamber's Services Committee, he said it examines the obstacles and challenges encountered by the road transport sector and works to find solutions.

"The private sector has enormous potential, capacity and expertise to actively engage in such projects as a real partner of the public sector in the development process," he said.

Qatar has developed a world-class transport infrastructure, including smart land, sea, and air transport systems, he said, adding the country has established an integrated network of modern, environmentally friendly roads and transportation solutions in accordance with the latest technology to support sustainable development.

In this regard, al-Misnad said this remarkable progress was evident during the hosting of major events, foremost of which was the 2022 FIFA World Cup.

During the event, the state provided sustainable transportation options for fans, including buses, the Doha metro, the tram network, electric buses, sidewalks, and bicycle tracks.

Qatar Chamber attaches significant importance to sustainable development and encourages employers to adhere to its principles. In this regard, he indicated that the Chamber has joined the UN Global Compact, the world's largest corporate sustainability initiative.

Ali bin Abdullatif al-Misnad, board member of Qatar Chamber, has emphasised the importance of consolidating the private sector's efforts in the field of road transport as the number of road transport companies rose from 69 in 2018 to 444 last year

QCB governor meets member of CCP politburo

HE the Governor of the Qatar Central Bank (QCB) Sheikh Bandar bin Mohamed bin Saoud al-Thani met here yesterday with member of the Political Bureau (Politburo) of the Chinese Communist Party (CCP) and secretary of the Party Committee in Beijing, Yin Li. During the meeting, they discussed ways to strengthen the two countries' bilateral relations in the financial and banking spheres.

USQBC welcomes Emerson as new member

The US-Qatar Business Council (USQBC) has announced the addition of Emerson to its esteemed membership.

This partnership marks a significant stride toward promoting economic collaboration and fostering business opportunities between the United States and the State of Qatar.

The US-Qatar Business Council, a prominent advocate for fostering mutual economic growth, works diligently to develop and support business ties between the two nations with a vision of creating a seamless and lasting partnership, based on shared interests and robust connections in bilateral relations including business and culture.

USQBC said it is dedicated to nurturing and enhancing the relationship between the US and Qatar.

Emerson is a global technology and software company providing innovative solutions for the world's essential industries.

Through its leading automation portfolio, including its majority stake in AspenTech, Emerson helps hybrid, process and discrete manufacturers optimise operations, protect personnel, reduce emissions, and achieve their sustainability goals.

Sheikha Mayes Hamad al-Thani, managing director of the US-Qatar Business Council, expressed her enthusiasm for this new joining, saying, "We are delighted to welcome Emerson as a valued member of the US-Qatar Business Council. Its expertise and leadership in automation technologies and software align perfectly with our mission to promote bilateral trade and investment. We are confident this collaboration will yield fruitful results and enhance economic opportunities for both nations."

Emerson's membership in USQBC will facilitate increased engagement with local businesses and government agencies. This synergy will contribute significantly to Qatar's ongoing efforts to diversify its economy leverage advanced technologies to drive growth across various sectors.

Walid Samara, vice-president and general manager of Emerson in Qatar said, "Emerson has been present in Qatar for more than 40 years through our innovative process automation solutions for our industrial customers. Our decision to become a member of the US-Qatar Business Council is a prime indication of our commitment to the State of Qatar, aligning Emerson with Qatar's Vision 2030. We are confident this collaboration will enhance our investments in the country and bring mutual benefits to all."

Through the participation in US-Qatar Business Council events and initiatives, Emerson aims to strengthen its presence in the Qatari market and explore new avenues for co-operation and growth.

India-Qatar B2B virtual meeting focuses on electronics and IT

A virtual India-Qatar B2B Meeting, focusing on electronics and IT, was held recently.

It was jointly organised by Electronics & Computer Software Export Promotion Council (ESC India) and Indian Business & Professionals Council (IBPC Qatar) with the initiative of the Embassy of India in Qatar.

Indian ambassador Vipul was the chief guest. Sandeep Kumar, deputy chief of mission at the embassy, was also present at the meet.

The web meet saw active participation from both sides with nearly 50 Qatari and 100 Indian businesspersons and professionals attending to forge new business partnerships.

While actual numbers are still being worked out, organisers stated that several new business deals were struck during the two-hour meet.

Ambassador Vipul said India and Qatar have enjoyed 50 years of strong bilateral relations and trade, having achieved record trade last year. But he would like to see both sides take these to newer heights.

Accepting that the current trade basket was highly loaded in favour of energy products, he urged businesses on both sides to look at ways to diversify the same.

The envoy hailed the business meet as an "appreciable effort" to increase bilateral co-operation in sectors other than Energy.

Vipul recounted India's contribution to information technology in the global industry sector, and how Indian IT companies and professionals in Qatar have helped Qatar in contact tracing, service delivery and in other areas.

Referring to movements in India's electronics industry, he said India is already the second largest producer of mobile phones in the world, and with the launch of PLI Scheme for the electronics sector, many new interesting opportunities will emerge.

He urged all delegates to take advantage of the meet and explore opportunities for collaboration, co-operation and establishing new partnerships.

The ambassador assured of the Indian Embassy's full support to Indian and Qatari business houses looking to expand bilateral economic ties between the two nations.

Earlier, welcoming the delegates, Sandeep Narula, chairman, ESC India, spoke of the strong bilateral relations between the two countries and the significant impact made by the huge Indian diaspora on Qatar's movement towards a modern economy.

Ahmad Jassim al-Jolo, president, Federation of Global Engineers and former chairman of Qatari Society of Engineers, as the guest of honour, lauded the contribution of the Indian community in Qatar, including engineers, towards strengthening and furthering the friendly relations between Qatar and India through their professional work.

IBPC president Jaffar Us Sadiq; executive director, ESC India, Gurmeet Singh; and joint director ESC India Vikrant Saxena spoke. IBPC vice-president Abdul Sathar compered the event.

A virtual India-Qatar B2B Meeting, focusing on electronics and IT, was held recently.

Fed leaves rates unchanged, sees tighter policy through '24

Reuters
Washington

The US Federal Reserve held interest rates steady yesterday but stiffened its hawkish stance, with a further rate increase projected by the end of the year and monetary policy kept significantly tighter through 2024 than previously expected.

As they did in June, Fed policymakers at the median still see the central bank's benchmark overnight interest rate peaking this year in the 5.50-5.75% range, just a quarter of a percentage point above the current range.

But from there the Fed's updated quarterly projections show rates falling only half a percentage point in 2024 compared to the full percentage point of cuts anticipated at the meeting in June.

With the federal funds rate falling to 5.1% by the end of 2024 and 3.9% by the end of 2025, the central bank's main measure of inflation is projected to drop to 3.3% by the end of this year, to 2.5% next year and to 2.2% by the end of 2025.

"Inflation remains elevated," the rate-setting Federal Open Market Committee (FOMC) said in a policy statement that included projections incorporating stronger economic and job growth than prior forecasts, and keeping prospects for a "soft landing" squarely in view.

Financial markets had widely expected that the Fed would leave rates unchanged.

But investors have also been banking on significant Fed rate cuts next year, an expectation clouded by the projections showing 10 of 19 officials see the policy rate remaining above 5% through next year.

The new projections include a substantial markup of projections for economic growth: After expecting growth as weak as 0.4% for this year in earlier projections, the Fed now sees the economy growing 2.1% in 2023. The unemployment rate is also seen remaining steady at around 3.8% this year and rising to just 4.1% by year's end — a vote of confidence in the possibility of containing the worst breakout of inflation since the 1980s without significant job losses.

But the projections also threaten companies and households with the possibility of even tighter credit conditions and higher borrowing costs than they have already absorbed during the Fed's aggressive two-year battle to contain inflation, embodying a philosophy of "higher for longer" into the latest projections.

The Fed statement was approved unanimously after a two-day meeting that marked new Fed Governor Adriana Kugler's debut on the central bank policymaking stage.

The US Federal Reserve held interest rates steady yesterday but stiffened its hawkish stance, with a further rate increase projected by the end of the year and monetary policy kept significantly tighter through 2024 than previously expected.

Qatar's CPI inflation rises 2.38% in August, says PSA

By Santhosh V Perumal
Business Reporter

Qatar's cost of living, based on consumer price index (CPI) inflation, rose 2.38% in August on an annualised basis owing to communication, recreation and education sectors, according to official statistics.

The country's CPI inflation was however down 0.58% month-on-month this August, according to the figures released by the Planning and Statistics Authority (PSA).

The International Monetary Fund forecasts that inflation in Qatar would average 2.1% in 2023-27. The country's CPI inflation is expected to average to 3% this year, which is below 9.9% projected in the Arab world and 3.3% in the Gulf Co-operation Council region, according to Kamco Invest.

Qatar's core inflation (excluding housing and utilities) rose 2.7% year-on-year but fell 0.62% on a monthly basis during the review period.

Communication, which carries a 5.2% weight, saw its group index surge 15.85% year-on-year but was unchanged month-on-month in August 2023.

The index of recreation and culture, which has an 11.1% weight in the CPI basket, zoomed 7.91% on a yearly basis even as it tanked 3.37% month-on-month in August this year.

The education sector, which has a 5.8% bearing on the CPI basket, saw its index surge 5.7% and 1.62% year-on-year and month-on-month respectively in August 2023.

The index of furniture and household equipment, which has a 7.9% weight in the CPI basket, was seen shooting up 2.33% and 0.11% year-on-year and month-on-month respectively in August 2023.

The index of transport, which has a 14.6% weight, was seen gaining 1.85% on a yearly basis but plummeted 1.65% on monthly basis in August 2023.

The sector has the direct linkage to the dismantling of the administered prices in petrol and diesel as part of the government measures to lower the subsidies.

The prices of petrol (super, premium) and diesel remained flat on an annualised basis in Augusts 2023. On a monthly basis, the prices of super and diesel were unchanged, but that of premium fell 2.56%.

The index of housing, water, electricity and other fuels – with a weight of 21.2% in the CPI basket – increased 1.03% on an annualised basis but shrank 0.79% month-on-month in August 2023.

The food and beverages group, which carry a 13.5% weight in the CPI basket, became costlier by 0.84% and 1.46% on a yearly and monthly basis respectively in August 2023.

The index of health, which has a 2.7% weight, was up 0.33% on a yearly basis, while it was flat month-on-month in August 2023.

However, the restaurants and hotels group, with a 6.6% weight, saw its index plunge 4.59% and 0.13% on a yearly and monthly basis respectively in August 2023, reflecting the lower demand in view of the summer holidays.

The index of clothing and footwear, which has a 5.6% weight in the CPI basket, fell 1.73% and 0.99% year-on-year and month-on-month in the review period.

The index of miscellaneous goods and services, with a 5.7% weight, slid 0.33% and 0.14% year-on-year and month-on-month respectively this August.

The tobacco index, which has a 0.3% weight, was unchanged on yearly and monthly basis in the review period.

QSE declines 24 points to retreat below 10,300; M-cap melts QR1bn

By Santhosh V Perumal
Business Reporter

The Qatar Stock Exchange (QSE) yesterday shed 24 points and its key index retreated below 10,300 levels, dragged mainly by consumer goods, banks and transport sectors.

The foreign funds were seen net sellers as the 20-stock Qatar Index lost 0.23% to 10,294.65 points, ahead of the US Federal Reserve's decision on the direction of future interest rates.

The domestic institutions turned net profit takers in the main market, whose year-to-date losses widened to 3.62%.

About 67% of the traded constituents were in the red in the main bourse, whose capitalisation melted QR1.01bn or 0.17% to QR603.7bn with microcap segments losing the most.

The Gulf individuals were increasingly bearish in the main market, which however, touched an intraday high of 10,377 points.

The local retail investors continued to be net sellers but with lesser intensity in the main bourse, which saw a total of 0.01mn exchange traded funds (sponsored by Masraf Al Rayan and Doha Bank) valued at QR0.05mn changed hands across five deals.

The Gulf institutions were seen increasingly into net buying in the main market, which saw no trading of sovereign bonds.

The Islamic index was seen declining faster than the other indices in the main market, which saw no trading of treasury bills.

The Total Return Index fell 0.23%, the All Share Index by 0.18% and the Al Rayan Islamic Index (Price) by 0.36% in the main bourse, whose trade turnover grew amidst lower volumes.

The consumer goods and services sector index shrank 0.57%, banks and financial services (0.36%), transport (0.33%) ad real estate (0.18%); while insurance gained 0.48%, telecom (0.43%) and industrials (0.12%).

Major shakers in the main market included Widam Food, Qatari German Medical Devices, Masraf Al Rayan, Estithmar Holding, Aamal Company, Alijarah Holding, Dlala, Medicare Group, Meeza, Qamco, Ezdan, Vodafone Qatar and Milaha.

In the venture market, Mahhar Holding saw its shares depreciate in value.

Nevertheless, QLM, Qatar Oman Investment, Ooredoo, Zad Holding, Beema, Qatar Insurance, Mazaya Qatar and Ooredoo were among the gainers in the main market. In the juniour bourse, Al Faleh Educational Holding saw its shares appreciate in value.

The foreign institutions turned net sellers to the tune of QR13.07mn compared with net buyers of QR5.31mn on September 19.

The domestic were net profit takers to the extent of QR7.21mn against net buyers of QR4.94mn the previous day.

The Gulf individual investors' net selling increased marginally to QR0.53mn compared to QR0.15mn on Tuesday.

However, the Gulf institutions' net buying expanded markedly to QR21.11mn against QR13.14mn on September 19.

The foreign individuals turned net buyers to the tune of QR2.5mn compared with net sellers of QR2.57mn the previous day.

The local retail investors' net profit booking weakened substantially to QR1.24mn against QR17.93mn on Tuesday.

The Arab individual investors' net selling declined perceptibly to QR1.54mn compared to QR2.94mn on September 19.

The Arab institutions had no major net exposure against net buyers to the extent of QR0.2mn the previous day.

Trade volumes in the main market dipped 13% to 154.89mn shares, while value was up31% to QR446.2mn but on less than 1% fall in deals to 16,047.

The venture market saw an 84% contraction in trade volumes to 1.33mn equities, 81% in value to QR1.65mn and 47% in transactions to 92.

The foreign funds were seen net sellers as the 20-stock Qatar Index lost 0.23% to 10,294.65 points, ahead of the US Federal Reserve's decision on the direction of future interest rates.

QFMA organises awareness seminar for College of Business and Economics students

The Qatar Financial Market Authority (QFMA) has organised an awareness seminar for the students of the College of Business and Economics at Qatar University.

The seminar - presented by Mazyuna al-Naimi, Head of the Human Resources Department at the QFMA - explained in detail the missions and competencies of the QFMA on regulation, supervision and monitoring of the Qatari financial market, upgrading the level of its performance, maintaining its stability, and enhancing its growth to be at the forefront of financial markets, both at the regional and international levels.

Stressing that protecting the traders and investors in the market also falls within the purview of the QFMA; she said this protection is carried out through monitoring the adherence to the rules of dealing among the different parties and controlling the trading activities in financial securities.

This is in addition to fostering and cultivating an investment culture and propagating education and awareness about the importance of such a culture amongst students.

The seminar, which was held within the framework of the ongoing collaboration between the College of Business and Economics at Qatar University and the QFMA, covered identifying the opportunities for the practical training of students and its importance in acquiring knowledge at the QFMA, in addition to clarifying the main focal points in the process of recruitment and attracting new university graduates.

The seminar was concluded with promoting participation in the GCC Smart Investor Award approved by the General Assembly of the GCC (Gulf Co-operation Council) within the framework of the initiatives of the GCC programme for investment awareness in its second edition.

The seminar was held within the framework of the ongoing collaboration between the College of Business and Economics at Qatar University and the QFMA

KPMG Qatar seminar focuses on 'navigating digital transformation in banking'

KPMG Qatar recently focused on 'Navigating the digital transformation in banking' as part of its 'Freshly Brewed' seminar series. The session drew top-tier banking professionals and decision makers eager to delve deep into CBDCs, tokenisation, and other digital assets. The spotlight was firmly on central bank digital currencies (CBDCs), the rise and implications of tokenisation, and the ever-evolving world of digital assets. To enrich the understanding, attendees were also exposed to global best practices and case studies, ensuring a holistic grasp of these subjects. Omar Mahmood, partner and head (Financial Services) at KPMG in Qatar, noted: "The banking landscape is on the cusp of significant transformation. Discussions on CBDCs, tokenisation, and other digital assets are not just timely but vital. Through our seminar, we aim to stimulate strategic dialogues, foster expert connections, and catalyse the digital journey of banking." The session was attended by Debarshi Bandyopadhyay and Aymeric Salley, both directors of Financial Services Advisory at KPMG Singapore. Their contributions and insights provided nuanced perspectives, elevating the quality of the discussion, according to a statement.

Aviation sector faces fresh cybersecurity threat

By Alex Macheras

The aviation sector continues to face a "persistent cybersecurity threat." It follows a US agency directive that compels the aviation industry to improve their defences against malicious hackers and cybercriminals, after President Biden announced its National Cybersecurity Strategy that seeks tighter regulations to protect the US critical infrastructure.
Announcing its new cybersecurity requirements, the Transportation Security Administration (TSA) explained that airport and aircraft operators must develop a TSA-approved plan that explains what they are doing to "prevent disruption and degradation to their infrastructure."
Airlines continue to be an irresistible target for cybercriminals, with around $1bn a year lost from fraudulent websites alone. Add to that data theft, card fraud, air miles fraud, phishing, fake invoices and more, and you have a perfect storm for a part of the industry that continues to reel from the pandemic.
Every week, an aviation company suffers a ransomware attack somewhere in the world, with big impacts on productivity and business continuity, let alone data loss and/or costly extortion demands paid to restart operations.
Thankfully, no impact on flight safety has yet been reported – but that is no grounds for complacency, with state-sponsored or highly organised crime syndicates capable of conducting large-scale targeted intrusions that aim at massive disruption as much as financial gain.
In Europe, a Eurocontrol report has found that many aviation businesses, including in the supply chain, are exposing themselves to extra risk by not systematically applying basic IT security controls. 61% of all identified cyber-attacks in 2020 targeted airlines, almost twice as much as the two next largest market segments combined (16% manufacturers, 15% airports). Most of these attacks – 95% – were financially motivated: 739 out of 775 incidents. This led to financial loss in 55% of cases, and the leaking or theft of personal data in an additional 34% of cases.
The fake airline ticket business is extremely lucrative: The average value of a purchase is significantly higher than that of a legitimate purchase, and "fraudsters are drawn to the profit margins on airline ticket fraud – where the average cost of a fake ticket, at around $1,930, is almost triple that of a legitimate purchase (on average $606).
Airline loyalty programme accounts are a hugely attractive target for fraudsters, and the pandemic has accelerated criminal interest as airlines began returning money via loyalty accounts to passengers whose flights had been cancelled owing to the pandemic, or extending the validity period of accumulated miles. In 2020, around 30 airlines had 15,493 passenger loyalty accounts on offer on the dark web, worth over $400,000. The total market value of unredeemed miles is enormous – estimated by IATA at $238bn.
During the pandemic, the average value of a compromised account rose by 48% between the first quarter and fourth quarter of 2020.
With aviation moving towards introducing more and more digitalisation thanks to new technologies and concepts using non-aviation specific means (eg. Cloud, 5G, Internet, satellite communications and navigation), it's somewhat inevitable that there has been an increase in the number of aviation actors potentially impacted by a cyberattack.
The challenge now lies in making aviation systems/services progressively more and more cyber-resilient while remaining safe and cost-effective.
"Protecting our nation's transportation system is our highest priority and TSA will continue to work closely with industry stakeholders across all transportation modes to reduce cybersecurity risks and improve cyber resilience to support safe, secure and efficient travel," said US TSA Administrator David Pekoske.
"This amendment to the aviation security programmes extends similar performance-based requirements that currently apply to other transportation system critical infrastructure."
Scandinavian Airlines (SAS) is one airline to have posted an alert warning passengers that a recent multi-hour outage of its website and mobile app was caused by a cyberattack that also exposed customer data. The cyberattack caused some form of a malfunction on the airline's online system, causing passenger data to become visible to other passengers. This data includes contact details, previous and upcoming flights, as well the last four digits of the credit card number.
When suffering the cyberattack, it stated: "Last night SAS, alongside several other companies, were subjected to a cyberattack that led to our website and app being down for a few hours. Furthermore, some passengers' data became visible to other passengers who were active during the ongoing attack."
Portugal's national airline TAP Air Portugal had previously confirmed hackers obtained the personal data of some of its customers and have published the information on the dark web. No payment data was taken in the cyberattack, the flag carrier said in a statement.
In the Portugal scenario, the attack began weeks before and was later investigated by Portuguese authorities, with the help of specialists from Microsoft. Portuguese newspaper Expresso said a hacker group was offering the information of 1.5mn TAP Air Portugal customers on the dark web.

■ *The author is an aviation analyst. Twitter handle: @AlexInAir*

Middle East leads the way with 26% growth in total air connectivity in 2022

By Pratap John


Passenger aircraft, operated by Emirates Airlines, on the tarmac at Al Maktoum International Airport in Dubai. A report by Airports Council International Asia-Pacific and Middle East reveals that air connectivity in the Middle East stands out with +26% in total connectivity in 2022 vs 2019, with direct connectivity to destinations in North America, Asia-Pacific and Africa witnessing the strongest recovery post Covid-19, with low-cost carriers driving the growth.

Aviation plays a key role in socio-economic development of countries around the world by attracting foreign investment, supporting international trade and tourism, and creating jobs.

In the Asia-Pacific, it contributed $1tn (3.3% of GDP) and employed 56mn people, while in the Middle East, the sector generated $260bn (9.5% of GDP) and employed 4.6mn as of 2022 reveals a report by Airports Council International (ACI) Asia-Pacific and Middle East (ACI APAC & MID).

Developed in partnership with PwC, the Airport Connectivity Report measures passengers' ability to access the global air transport network, capturing both direct and indirect routes, and also factoring in the quality of service of each connection, such as destination choice, service frequency, onward connectivity and price, contributing to the passenger experience.

The report covers a sample of 100 airports that accounts for almost 60% of the combined passenger traffic in Asia-Pacific and the Middle East in 2019.

It reveals that air connectivity in the Middle East stands out with +26% growth in total connectivity in 2022 vs 2019, with direct connectivity to destinations in North America, Asia-Pacific and Africa witnessing the strongest recovery post Covid-19, with low-cost carriers (LCCs) driving the growth.

On the contrary, Asia-Pacific has seen a decline in air connectivity by -38% in the same period. Regression analysis confirms a correlation between GDP and seat capacity. Specifically, a 10% increase in seat capacity is linked to short-term GDP growth of 3-3.8% in the Asia-Pacific and 6.4% in the Middle East.

The gradual liberalisation of the aviation industry in the Asia-Pacific and Middle East regions has been a boon for the sector. Singapore has been particularly active in air liberalisation, enjoying benefits such as reduced airfares and a strong passenger traffic base.

This success is attributed to a high market share of foreign airlines, extensive international routes, numerous air service agreements, and a streamlined visa policy. Recently, Asean has emerged as the most proactive aviation bloc in promoting air liberalisation. It has been focusing on both internal liberalisation among its member states and broader agreements, such as the EU-Asean bloc-to-bloc initiative. However, there are some key aviation markets such as Australia, Indonesia, and the Philippines that could benefit from the further liberalisation of the market.

Direct connectivity from APAC to other regions was still lagging behind as of 2022, although low-cost carriers are driving capacity growth. Airports with annual passenger volumes of 1 to 40 MPPA led the recovery, while larger airports were impacted by China's Zero-Covid strategy with a blanket ban on international travel. Middle-sized airports, such as King Khalid International Airport at Riyadh with a +75% recovery and Hamad International Airport with a +42%, stood out.

According to ACI APAC & MID, the cost of travel from the selected Asia-Pacific and Middle Eastern airports has increased by up to 50%, threatening the recovery of the industry, according to our recent study on airfares.

Some 69 out of the selected 100 airports experienced a decrease in airfare affordability, which correlates with the airports' decrease in available flights, routes, and seat capacities. As measured by average airfare in relation to per-capita income, air transport became 34% less affordable across the two regions.

If Macao, Hong Kong, and Singapore topped the list in 2019, three years later – in 2022, Oceania countries like French Polynesia, Australia, and New Zealand, along with Middle Eastern countries' such as Qatar, the UAE, and Bahrain were at the forefront.

On the contrary, key aviation markets like China and India, along with fast-growing markets such as the Philippines and Vietnam, have a much lower flying propensity than Europe and North America. Favourable factors like GDP growth, large populations, a rising middle class, and ramping e-commerce position in Asia-Pacific and the Middle East for long-term air connectivity growth between 2030 and 2040. However, there is a need for infrastructure development and the easing of airspace congestion to accommodate the expected growth in traffic. Commenting on the release of the study, Stefano Baronci, Director General, ACI Asia-Pacific & Middle East said: "This study provides an invaluable tool to the industry and policy makers to adopt the use of air connectivity indicators to appraise the performance and sustainable development of the aviation industry and its economic and social impact on countries.

"In addition, it also shows how to prioritise positive outcomes for consumers rather than simply focusing on the price-determination function for the benefit of all aviation stakeholders and the travelling public. The next step will be for ACI Asia-Pacific and the Middle East to work closely with each government to promote aviation market liberalisation, visa simplification, investment in the development of infrastructure with a focus on the environment, and innovation of services."

■ *Pratap John is Business Editor at Gulf Times. Twitter handle: @PratapJohn*

Beyond the Tarmac

ACI's first sub-regional office in Asia-Pacific and Middle East opens in Riyadh

The first sub-regional office of the Airports Council International (ACI) for Asia-Pacific and Middle East was recently inaugurated in Riyadh by Saudi Minister of Transport and Logistics Services and Chairman of the Board of Directors of the General Authority of Civil Aviation (GACA), Saleh al-Jasser.
During the ceremony, al-Jasser emphasised that this achievement represents a culmination of the Kingdom's prominent standing in international organisations and its significant role in the aviation and air transport industry.
The minister highlighted the unlimited support provided by the transportation and logistics system under the custodianship of the Custodian of the Two Holy Mosques and His Royal Highness the Crown Prince.
The opening of the ACI office in Riyadh is an extension of consecutive successes in aviation.
The opening also aligns with the 'Aviation Strategy' that is aimed at strengthening air connectivity with countries worldwide, reaching 250 international destinations, and transporting 330mn passengers annually by 2030, he said.
President of the General Authority of Civil Aviation and Chairman of the Board of Directors of MATARAT Holding, Abdulaziz bin Abdullah al-Duailej, explained that this step reflects the Kingdom's and Middle East region's leadership in the global aviation sector.
This aligns with Saudi Arabia's Vision 2030 and the National Strategy for Transport and Logistics.
In this context, he referred to the Kingdom's membership in the International Civil Aviation Organisation (ICAO) and its presidency of the Aviation Security Committee within the ICAO, reflecting the pivotal role of the Kingdom and its extensive efforts in supporting the aviation industry regionally and internationally.
The ACI for Asia-Pacific and the Middle East was established in 1991 to meet the needs of Asian airports. In 2006, the Asia office was merged with the Pacific office, and it was renamed as the ACI Asia-Pacific and Middle East office.
It currently boasts 131 members representing 49 countries and oversees some 617 airports in Asia, the Pacific, and the Middle East.


Saudi transport minister Saleh al-Jasser inaugurates the first sub-regional office of ACI for Asia-Pacific and Middle East, in Riyadh.

United Airlines is latest to discover bogus parts in plane engines

Bloomberg
Chicago


United Airlines aircraft at Denver International Airport in Colorado, US. United discovered dubious parts in two aircraft engines, adding to the list of carriers worldwide that have found bogus components from supplier AOG Technics.

United Airlines Holdings Inc discovered dubious parts in two aircraft engines, adding to the list of carriers worldwide that have found bogus components from supplier AOG Technics. The parts were discovered in a single engine on each of two aircraft, including one that was already undergoing routine maintenance, a spokesperson for United said. The Chicago-based airline is replacing the engines before the planes are returned to flying, he said.

United discovered the parts based on new information from its suppliers, and will continue to investigate as more details become available, the company said. The parts were seals on compressor stator vanes that help direct airflow inside the engine. United didn't immediately say which type of aircraft the engines had powered. The company's disclosure makes it the latest major carrier to confirm that suspect components from AOG were installed in their fleet, including Southwest Airlines Co and Virgin Australia Airlines Pty. Aviation regulators have said AOG supplied an unknown number of jet engine spare parts backed by falsified airworthiness documentation, kicking off a worldwide effort by the industry to hunt down more components.

Italy backtracks on airfare cap after carriers blast plan

Bloomberg
Rome

Italy is backtracking on a controversial price cap on airfares that sparked an angry reaction across the aviation industry, as the government led by Prime Minister Giorgia Meloni hands oversight powers to the country's competition regulator.

Rome is readying changes to its recent decree on pricing, put in place during the summer in reaction to soaring fares on domestic routes to Sardinia and Sicily, the country's two biggest islands, according to a draft of the amendment seen by Bloomberg.

The backdown follows weeks of withering criticism by airlines and a round of talks between carriers and Industry Minister Adolfo Urso, and points to a recurrent strategy by the government to soften measures following their announcement or approval. Italy's competition authority will be given oversight responsibilities for pricing in the industry, with a focus on flights to the islands and on price spikes in the wake of natural disasters that block transportation via road or rail, according to the draft.

That stipulation is linked to the price spikes seen on routes to Emilia Romagna earlier this year after heavy flooding in the central Italian region. The regulator will hire additional staff to cover its new responsibilities, according to the draft, which was previously reported by daily Il Messaggero.

Ryanair Holdings Plc chief executive officer Michael O'Leary told Bloomberg last week the price cap was "illegal" and impossible to comprehend. The carrier has filed a complaint on the measure with the European Union. Dublin-based Ryanair and flag carrier Alitalia's successor ITA Airways are the dominant players on services to Sicily and Sardinia from Italy's largest cities, Rome and Milan.

The fare situation in Italy mirrors price hikes that have galvanised other European governments to push back against carriers, including measures aimed at raising fees for baggage and seat selection.

The UK's Department for Business and Trade is investigating what it calls hidden fees after Prime Minister Rishi Sunak lashed out at the charges in June, an agency spokesperson said.