

# Regional review: Asia

This is a special feature from *PAX International's* 2022 [May Asia-Pacific digital issue](#), on [page 8](#).



Bangkok Air Catering reports a 40 to 50 percent capacity compared to 2019 levels

As the world comes to realize that the virus is something to learn to live with rather than beat, travel restrictions are beginning to ease. For Asia-Pacific, the best case is hassle-free travel across the region and as *PAX* connects with its sources for this Asia Report, the signs point to some movement again.

## **BAC back in business**

In Thailand, Asia's most popular tourist destination, [Bangkok Air Catering](#) (BAC) reports a 40 to 50 percent capacity compared to 2019 levels and growing quickly.

"We've seen a big growth in the leisure markets since April and total volumes are growing at an increasing rate," BAC General Manager Mohammed Farran tells *PAX International*.

Many caterers laid off staff at the start and some even closed and mothballed operations. Some are still awaiting bigger volumes, but the task of re-hiring and re-training will be a challenge.

This was not the strategy at BAC, Farran explains.



Mohammed Farran, General Manager, Bangkok Air Catering

“We took a corporate strategical decision not to dismantle our labor force. We have invested a lot of time and resource accumulating the finest talent and best workforce in this region. We were never going to throw that away knowing in the long term, this would be to our advantage,” he says. “Our staff are at the core of our success.”

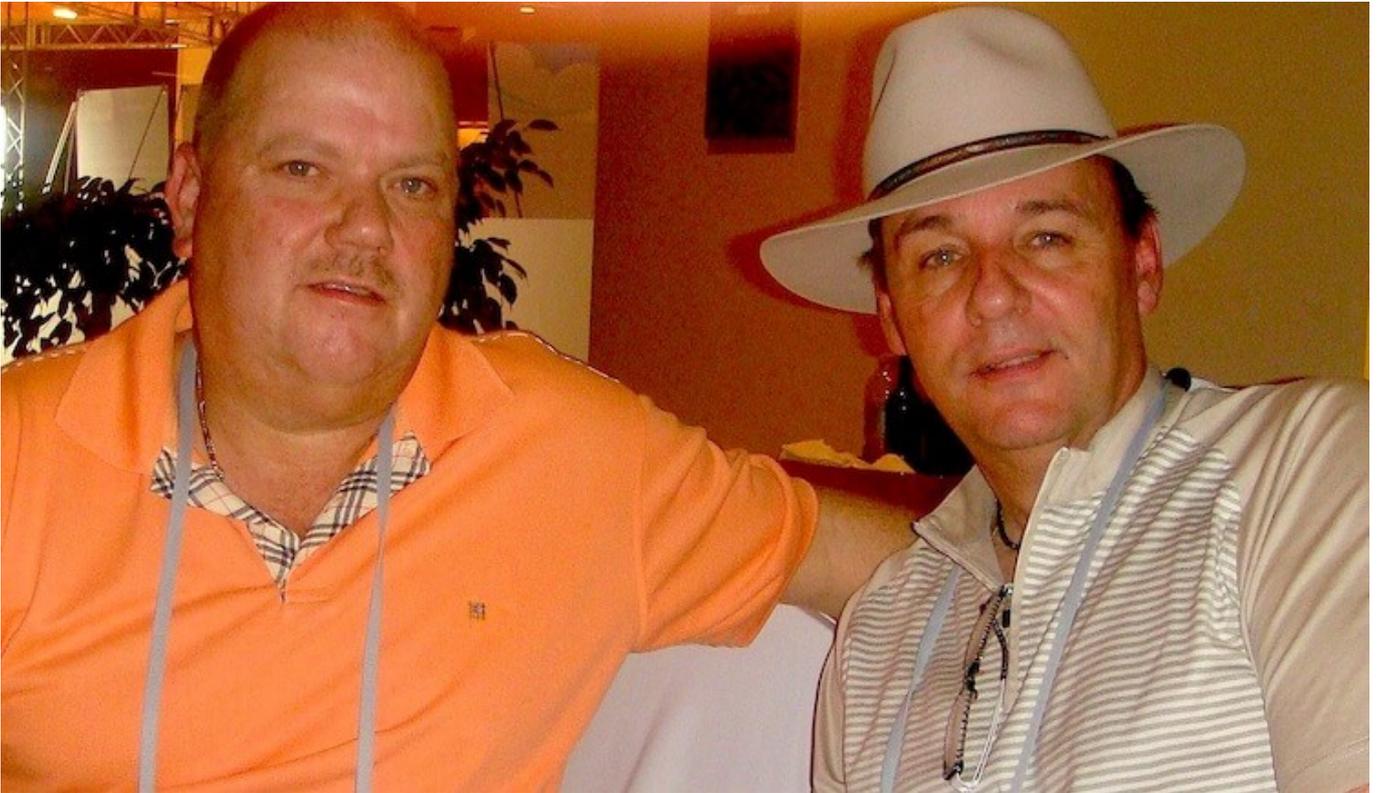
Farran says this strategy has not only rewarded its employee’s loyalty, but also put BAC in a strong and secure position as business returns.

“We are completely ready to serve all of our customers to the quality they expect from BAC without stressing our resources. Despite the challenges posed by COVID-19 during the previous year, BAC has gained two great new clients during the depths of this period with [Etihad](#) and [Rossiya](#) joining our customer base,” he says.

### **Vietnam active again**

Vietnam is seeing similar growth as borders are basically hassle-free.

“We are seeing many airlines returning to original schedules and full service,” says Bert Dinkel, Deputy General Manager at [Vietnam Airlines Caterers](#) (VACS).



Bert Dinkel, Deputy General Manager, Vietnam Airline Caterers (left) and Jeremy Clark, *PAX International Asia Correspondent*

"We are pleased to be fully serving these customers again, such as [Emirates](#), [Singapore Airlines](#) and [All Nippon Airways](#). Many of our customers were back-catering through the toughest times but are now reverting to the original set ups as loads get back to pre-pandemic levels," he says.



Some of Vietnam Airlines Caterers' customers include Emirates, Singapore Airlines and All Nippon Airways



Vietnam Airlines Caterers says airlines are reverting to original catering set ups

Dinkel says there is strong growth in the local and regional markets, and also in business traffic.

“We see J Class cabins (Business Class) around two-thirds full in this area. Overall, Business volumes at VACS are at around 50 percent of 2019 levels,” he says.



Vietnam Airlines Caterers reports growth and says it is fully serving airline customers again

## Movement in Malaysia

Meanwhile, south of the border in Malaysia things are a little slower to start back. The borders are 'open,' but with restrictions. Pickup is slow and there are reports of confused scenes at airports regarding vaccines status and quarantine times.

"We are currently at around 25 percent of pre-pandemic levels. [Malaysia Airlines](#) (MAS) is beginning to resume long-haul but the recovery is slow at this time," says Ramzane Bin Rameli, Head of Market Intel and Special Projects at [POS Aviation](#).



Ramzane Bin Rameli, Head of Market Intel and Special Projects, POS Aviation (left), with Jeremy Clark, *PAX International* Asia Correspondent

He goes on to say that the company has engaged a few local vendors to support production.

"We lost a lot of our staff at the beginning as confidence in the industry was low. Many left to further their home industries and seek income from a different industry," he explains.

Malaysia's [tourism department](#) said it expects to see strong growth through 2022, but that will come with relaxing of mask mandates and easier arrival and departure protocols.

The domestic market in Malaysia is dominated by [Air Asia](#) and [Firefly](#), a MAS subsidiary. With most domestic flights in Malaysia not more than an hour or two, the onboard service demand is still very minimal.

## What's up in the south

Looking further south to Indonesia now, the region's largest single-country market.

Afdal Amir joined [Aeroprima](#) as Chief Executive Officer just six months ago. Aeroprima, a joint venture operation with [Aerowisata](#) and caterer to Indonesia's flag carrier [Garuda](#), is preparing the catering service for coming Hajj flight operations in June to August.

Amir tells *PAX International* the domestic market is building fastest.



Afdal Amir, Chief Executive Officer, Aeroprima

"We have seen a doubling of volumes in domestic travel from this time last year and the momentum continues," he says.

International travel is growing but at a very much slower pace, to key locations such as Jakarta and Bali.

"We see the return of some international carriers like Singapore Airlines to Bali with good loads but our volumes are maybe still only 20 to 30 percent on 2019 volumes," says Amir.

Many operators have taken the opportunity to make strategic changes. Aeroprima is no exception with plans to expand into the hospitality catering sector and retail.

"As some units went from 10 daily flights to four a week, we had to look elsewhere to ensure the survival of the business," Amir explains.

Aeroprima also took this opportunity to initiate radical programs resulting in a very considerable reduction to operational costs.

“For the sake of our own survival, and to secure jobs for our own employees, we have had to make changes. This down-time has given us the opportunity to do so.”