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SAEAGA AIRLINES TO LEAD FORMATION OF ASEAN AIRLINES

MIRI, May 29 (Bernama) -- Malaysia's Saeaga Airlines, a subsidiary of Ekran Bhd, has been proposed to spearhead the formation of Asean Airlines, its executive chairman Tan Sri Ting Pek Khiing said, today.

Ting said he is leaving for Manila today to meet President Fidel Ramos of the Philippines to discuss about the proposed regional airlines.

"I would be there (Manila) for two days for the meeting," he told reporters, here, adding that he was not sure who were the other Asean leaders invited by Ramos.

He said the proposed formation of the Asean Airlines was discussed by Prime Minister Datuk Seri Dr Mahathir Mohamad and Ramos when they met in Tokyo recently.

If the proposal materialised, Saeaga Airlines will form a bigger airline to service the Asean countries, in which each country is to be allotted a certain percentage of shares in the new regional airlines.

Simultaneously, the equity share of the Sarawak and Sabah states' governments will also be reduced proportionately, he said.

He said the formation of the regional airlines will facilitate the acquisition of landing rights as well as promote the intra-Asean tourism industry.

However, Ting added, while waiting for the proposal to take off, Saeaga Airlines will proceed with its plans to provide scheduled flights in Sabah and Sarawak initially and then expanded to the East Asean Growth Area or EAGA.

On Saeaga Airlines' direct flights to Pulau Layang-Layang and Mulu from Miri and Kota Kinabalu, he said the response was currently "very good".

The airlines will enter its second stage of operations, which include, among others, flights from Kuching to those destinations.

Ting said the airlines will have an additional four aircrafts -- two Canadian Regional Jet (CRJ) and two Dash-8 300 series -- by the end of this year.

Currently, Saeaga Airlines has a fleet of three airplanes -- one each of CRJ, Dash-8 300 and Dash-8 200 series. -- BERNAMA

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