

Dutch minister says survival of Air France-KLM 'not a given'

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Many Air France-KLM planes have been grounded for months because of the coronavirus

The survival of the Air France-KLM group is not guaranteed if the economic crisis caused by the coronavirus pandemic continues, Dutch

Finance Minister Wopke Hoekstra warned Sunday.

France and the Netherlands, each with a 14-percent share of the group, have poured out billions of euros in aid to help national carriers that virtually came to a standstill in the first half of 2020.

"It's not a given," Hoekstra said in an interview with Dutch public television NPO, stressing the need to cut costs.

In the spring, Paris gave Air France seven billion euros (\$8.3 billion) in loans, and The Hague granted KLM similar aid worth 3.4 billion euros.

The bailout for KLM must be accompanied by "a comprehensive restructuring plan" as well as commitments to reestablish performance and competitiveness.

Hoekstra said he had insisted in talks with KLM on the importance of changing direction.

Dutch press agency ANP said KLM has to develop a restructuring plan by October 1.

Air France-KLM suffered a loss of 2.6 billion euros in the [second quarter](#) as air traffic virtually shut down because of the coronavirus pandemic.

This followed a loss of 1.8 billion euros in the first quarter.

Air France said it would cut almost 7,600 jobs by the end of 2022 and KLM up to 5,000 jobs.

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