

Norwegian Air to end long-haul flights, focus on Europe

January 14 2021



In this file photo dated Monday, June 12, 2017, showing a Boeing 787 airplane being built for Norwegian Air Shuttle is shown at Boeing Co.'s assembly facility, in Everett, Wash, USA. Low-cost carrier Norwegian Air Shuttle said Thursday Jan. 14, 2021, it will focus on European destinations and close its long-haul operations as it struggles with the fallout of the coronavirus pandemic and debt restructuring. (AP Photo/Ted S. Warren, FILE)

Low-cost carrier Norwegian Air Shuttle said Thursday it will focus on European destinations and close its long-haul operations as it struggles with the fallout of the coronavirus pandemic and debt restructuring.

The airline said it will "focus on its core Nordics business, operating a European short haul network with narrow body aircraft. Under these circumstances a long-haul operation is not viable for Norwegian and these operations will therefore not continue."

The plan affects its flights to the United States and means it will cut its fleet from 140 aircraft to about 50.

Norwegian also wants to reduce its total debt to around 20 billion kroner (\$2.36 billion), and plans to raise 4-5 billion kroner (\$473 million-590 million) in new capital, including through a rights issue and a private placement of shares. The plan must be approved by an Irish bankruptcy court.

Like other airlines, its fleet is now mostly grounded as the [pandemic](#) has caused a near-total halt to global travel.

In November, Norwegian said it was seeking restructuring and [bankruptcy protection](#) in Ireland, where its fleet is held, saying it was in the interest of its stakeholders.

Earlier that month, the Oslo-based company said it was facing a "very uncertain" future after the Norwegian government turned down its request for additional financial support. The government said that the airline had been struggling financially even before the pandemic and that aid should be targeted first at healthy businesses.

After that, Norwegian announced it had to lay off another 1,600 staff and ground 15 of the 21 planes it had been flying with.

In May, the carrier got 3 billion kroner (\$354 million) in [loan guarantees](#) from the government as part of its restructuring plan. But the second call for aid was turned down on Nov. 9.

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