

Airbus to open 2nd plane assembly line in China, double output

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Airbus aims to double its production capacity in China.

European planemaker Airbus said Thursday that it will double its production capacity in China, as it seeks to bolster its footprint in a crucial market and sidestep potential geopolitical risks.

Asia and China in particular are key targets for both Airbus and its American rival Boeing, which are looking to capitalise on surging demand for air travel by a rapidly expanding middle class.

"It makes a lot of sense for us, as the Chinese market keeps growing, to be serving local for the Chinese airlines, and probably some other customers in the region," Guillaume Faury said during a trip to China, where he is accompanying French President Emmanuel Macron.

Faury later signed a framework agreement to build a second final assembly line (FAL) at its factory in Tianjin, northeast China, for Airbus's hugely popular A320 family of medium-haul jets, at a ceremony attended by Macron and Chinese President Xi Jinping.

The new assembly line will begin operations in late 2025.

"It's a way to be probably more in sync with the way the world is developing, with tensions and with more complexities of doing business," Faury said.

"We are delivering more [planes](#) in China than what we can produce in China, but the lines are capable of serving other customers," he added.

The new Chinese site was part of Airbus's goal of raising its global annual production of A320 and A321 jets to 75 a month in 2026, up from 43 last year.

The company has an order backlog of around 7,300 planes, with customers often having to wait years for delivery.

Airbus's first assembly site in Tianjin, opened in 2008, is turning out four A320s a month, and the company aims to up that to six a month this year.

Huge potential

China is also pouring money into state-run manufacturer Commercial Aircraft Corporation of China (COMAC), which is developing a narrow-bodied C919 jet to potentially rival Airbus's A320 and Boeing's B737.

In the meantime, Chinese carriers are big [plane](#) buyers, with Air China, China Eastern, China Southern and Shenzhen Airlines announcing last July an order of 292 A320s.

The Chinese market represents one-fifth of global passenger air traffic, and Airbus expects growth of 5.3 percent a year through 2041, well above the 3.6 percent growth forecast at the global level.

That would put China's need for more efficient, less polluting planes over the next 20 years to around 8,500 models, Airbus says.

Meanwhile Boeing, which builds all its planes at US factories, has seen Chinese sales crumble since 2019.

It delivered just 12 planes to Chinese customers last year, compared to 95 for Airbus, and has booked just 18 new orders in China since 2018.

Boeing chief Dave Calhoun said in October that his firm is "clear-eyed about the geopolitical risks that are out there, and we are not going to impart new risks on our investors".

With the new Tianjin expansion, Airbus will have 10 final assembly lines (FAL) worldwide—two at its headquarters in Toulouse, southwest France; four in Hamburg, Germany; two in Mobile, Alabama and the two in China.

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