



A 40-seat Bombardier Dash 8-102, V7-0210 (c/n 218), parked in the warm Pacific sunshine. It is Air Marshall Islands' biggest aircraft and is flown between the largest islands and atolls on its network. ALL IMAGES AUTHOR UNLESS STATED

The Australian-built turboprops proved ideal for AMI flights, their rugged design and construction enabling them to fly into and out of the most basic of airfields.

**Marco Finelli** visits the Marshall Islands to discover how national carrier Air Marshall Islands is battling against increasing financial constraints and falling passenger traffic.

# The Struggle for Survival

The idyllic Marshall Islands, with their white sandy beaches, palm trees and warm turquoise seas, are far off the beaten track for most holiday brochures and the perfect location for unwinding from the stresses and strains of everyday life. But travelling from one atoll to another

hasn't always been easy – which has had a major effect on the development of tourism in the region. There are no big resorts on any of the islands and national carrier Air Marshall Islands' (AMI's) irregular operations continue to hamper growth.

When travellers arrive at the gateway to the Marshall Islands, Amata Kabua

*Airline of the Marshall Islands took delivery of this Avro 748-2B, MI-8203 (c/n 1796), when it extended its network to include regional Pacific services.* AIRTEAMIMAGES.COM/BOB O'BRIEN COLLECTION



International Airport on the atoll of Majuro, their onward journey becomes a whole lot harder. AMI is struggling to provide a cohesive schedule that enables visitors to make firm travel plans in advance.

## A Remote Location

The Republic of the Marshall Islands is located near the equator in the Pacific Ocean, west of the International Date Line. The 29 coral atolls, comprising 1,156 islands and islets, form part of the larger island group of Micronesia (see *Airliner World*, August 2015).

The islands derive their name from British explorer John Marshall who visited in 1788. Spanish, German and Japanese governance followed, until the US took control during World War Two. After the war, the Marshall Islands, along with other Pacific islands, were consolidated into the Trust Territory of the Pacific Islands. After almost four decades under US administration, self-governance was approved

in 1979 and full independence followed seven years later.

The Marshall Islands are recognised for a sinister part of global history: two of its atolls, Bikini and Enewetak, were sites for US nuclear tests during the late 1940s and 1950s. Even today the secretive Kwajalein Atoll is still used as a missile test facility by the US Army.

## Linking the Atolls

Until the introduction of commercial air services, the local population relied on boats and ferries to travel from one atoll to the next. In 1979, the new government decided to create a new airline linking the various outlying communities with the capital, Majuro.

Under the direction of the nation's

first President, Amata Kabua, Airline of the Marshall Islands (AMI) was established. Initially it used a pair of Government Aircraft Factory (GAF) N22/24 Nomads, MI-8201 (c/n N24A-101FA) and MI-8202 (c/n N22B-106FA). Both operated for eight years before being sold.

These Australian-built turboprops >>

*The airline's first and only jet was Douglas DC-8-62 Combi. The aircraft, N799AL (c/n 45922), was wet-leased from Arrow Air between June 1994 and October 1996.* AIRTEAMIMAGES.COM/BOB O'BRIEN COLLECTION

## Air Marshall Islands Key Facts

IATA Code:	CW
ICAO Code:	MRS
Callsign:	Marshall Islands
Home:	Amata Kabua International Airport, Majuro
Website:	www.airmarshallislands.com







ABOVE AND TOP • **The backbone of Air Marshall Islands' fleet today is the Dornier Do 228. A third example was recently delivered after being acquired from Nepalese carrier Tara Air in December 2014.**

proved ideal for flights throughout the islands, their rugged design and construction enabling them to fly into and out of the most basic of airfields, whether they were crushed coral landing strips or grass.

In 1982, the government agreed an expansion of the fledgling airline's network with the introduction of regional rotations to other neighbouring islands including Kiribati, Tuvalu and Fiji. To serve these destinations AMI leased a single Hawker Siddeley HS 748-2B, MI-GJV (c/n 1768), from British Aerospace for a six-month period from June 1982 while it waited for its first new-build example, MI-8203 (c/n 1796), which arrived in December 1983.

During the mid-1980s tourism to the Marshall Islands was on the rise, and to cater for increasing passenger numbers AMI acquired two 19-seat

Dornier Do 228s. First to arrive was MI-8504 (c/n 7029) which served from October 1985 until August 1990. The second, MI-8605 (c/n 8078), arrived in June 1986 and flew for the carrier for eight years.

AMI also contemplated adding a Short SD-330 to its fleet in July 1987 and the aircraft was even registered (MI-8706) – but the deal fell through and it wasn't delivered. The carrier expanded again

Current Fleet				
Manufacturer	Type	Reg	C/n	Del
Bombardier	Dash 8-102	V7-0210	218	Dec 02
Dornier	Do 228	V7-9206	8194	Dec 91
		V7-9207	8201	Feb 92
		V7-15??	8218	Dec 15

four years later with two more Do 228s, V7-9206 (c/n 8078) and V7-9207 (c/n 8201); the latter is still on its books today.

### The Jet Age Arrives

At the beginning of 1992 the company name was amended to Air Marshall Islands and the 'V7' national designator adopted. With its domestic and regional services well established, it was time for AMI to look further afield.

With the local economy's dependence on fishing, the need to export local produce such as fresh tuna became more important. To enable it to achieve this, AMI evaluated a number of different options, with the Douglas



OPPOSITE • **Both types operated by Air Marshall Islands. However, the airline has mounting financial difficulties that often mean a shortage of spare parts that grounds its aircraft for long periods.**

### Air Marshall Islands Weekly Schedule

(at the time of the author's visit)

Day	Route	Type Used
Monday	Majuro-Utirik-Mejit-Kaben-Majuro	Dornier 228
	Majuro-Jaluit-Mili-Majuro	Dornier 228
	Majuro-Kwajalein-Majuro	Dash 8-100
Tuesday	Majuro-Airok-Majikin-Kwajalein-Majikin-Airok-Majuro	Dornier 228
	Majuro-Kili-Majuro	Dornier 228
Wednesday	Majuro-Kwajalein-Bikini*-Elenak*-Kwajalein-Majuro	Dornier 228
	Majuro-Kwajalein-Rongelap*-Kwajalein-Majuro	Dash 8-100
Thursday	Majuro-Maloelap-Ailuk-Maloelap-Aur-Majuro	Dornier 228
	Majuro-Ebon-Namdrik-Majuro	Dornier 228
Friday	Majuro-Jeh-Woja-Kwajalein-Wotho*-Ujae*-Lae*-Kwajalein-Woja-Jeh-Majuro	Dornier 228
	Majuro-Kwajalein-Enewetak*-Kwajalein-Majuro	Dash 8-100
Saturday	Majuro-Wotje-Likiep-Kwajalein-Likiep-Wotje-Majuro	Dornier 228
	Majuro-Kwajalein-Majuro	Dash 8-100

Note: \*operated on alternate weeks

Parked outside the airline's maintenance hangar, the Bombardier Dash 8-102 receives attention from company's engineers before its next service.

DC-8-62CF configured in a passenger/freight combi layout deemed to be the best fit. So the airline acquired N799AL (c/n 45922) under a sub-lease agreement from Miami-based Arrow Air, which operated the jet on AMI's behalf.

It was configured with five pallet positions at the front of the fuselage for freight – each capable of holding 8,500lb (3,856kg) of goods. The rear section had seating for around 100 passengers, but a movable bulkhead between the two cabins meant the DC-8 could be reconfigured for nine pallets and 52 passengers if required. The jet operated from Majuro to Honolulu via Kwajalein and flew in competition with Continental Micronesia's 727-200 services.

The transportation of fresh tuna to Honolulu brought much needed foreign exchange to the Marshall Islands Government. The fish would then be uploaded onto Northwest Airlines (a competitor of Continental) for onward transportation to Tokyo.

Different cargo would be flown on the return flight to Majuro, including cars, trucks, mail, engines and building materials. The DC-8 was finally withdrawn in October 1996 and returned to



**Different cargo would be flown on the return flight to Majuro, including cars, trucks, mail, engines and building materials.**

its owner.

A 50-seat Saab 2000, V7-9508 (c/n 17), joined the fleet in June 1995. The turboprop was used primarily to serve Kwajalein, Tarawa and Christmas Island from Majuro. However, it proved very expensive to operate and after around two-and-a-half years was withdrawn and later sold to Air Vanuatu. A second airframe, assigned the registration V7-9509, was not delivered.

AMI took on a new type in the form of a Britten-Norman BN-2A Islander, V7-0009 (c/n 65), which it operated from 2000 to January 2003. It was around this time the carrier's first, and to date only 36-seat Bombardier Dash 8-100 V7-0210 (c/n 218) was delivered. The turboprop continues to fly with the airline today.

A third Do 228 has since been

acquired by the Marshall Islands Government from Nepalese carrier Tara Air. The turboprop was inspected in the summer of 2014 with its purchase completed by the end of that year. It was finally delivered to AMI on December 1 last year.

### Storm Clouds on the Horizon

In 2003, an Asian Development Bank report stated: "The financial position of Air Marshall Islands is precarious – it has never made a profit and depends heavily on government subsidies."

Ten years later another report said: "Air Marshall Islands has been a company in crisis for many years – continually flying at a loss, with government support only on a crisis-management basis [and] with weak management and government involvement in its operations."

This is a sorry picture for an airline relied upon by so many communities. The ongoing financial crisis has also affected the fleet, with little money available for routine maintenance or spare parts and aircraft often grounded for long periods. Because of the frailty of the company's

>>







finances, suppliers demand payment in advance for spare parts, compounding its plight.

Another challenge facing AMI is finding suitable engineers to work on its fleet. At the time of the author's visit, one of the Do 228s was grounded awaiting spare parts to be delivered. With the loss of an aircraft, the carrier's Dash 8-100 took up some of the slack, but the type is too big for some of the runways, so flights inevitably have to be cancelled.

AMI's poor state of affairs has affected other businesses in the country, particularly the tourist industry. With unreliable schedules, visitors cannot risk not being able to travel back to Majuro to catch their intercontinental connections.

A good example of the problem is the nation's flagship scuba diving destination at Bikini Atoll, which had to close down in 2008 after 12 years of increasingly profitable operations because international divers were repeatedly stranded by unreliable air services.



**Air Marshall Islands acquired this Saab 2000, V7-9508 (c/n 017), in June 2005, but proved too expensive to operate. It was sold to Air Vanuatu two-and-a-half years later.**  
AIRTEAMIMAGES.COM/BOB O'BRIEN COLLECTION

**BELOW • Majuro International Airport is also the headquarters of Air Marshall Islands.**

**BOTTOM • The island carrier is government-owned and continues to rely on regular cash infusions to remain operational.**

The airline's General Manager, Jefferson Barton, explained the situation: "Even when we have known requirements for spare parts, such as the replacement landing gear for one of our Dorniers, we don't have the \$50,000 required to purchase the parts in advance.

"In this case, after the aircraft was grounded, an emergency subsidy of \$100,000 came from the government and we were able to finally purchase the part. However, this is only one of the many parts we need and we don't have the money to buy them."

He went on to say that many of AMI's woes stem from the poor quality of some of the outer islands' runways, which he says are "killing the aircraft". The key, he believes, is to get the government to action improvements to the runways as soon as possible.

"We're operating onto basic dirt roads. You can't drive a pick-up truck at 30mph (48km/h) on these air strips, but our planes are expected to land at 100mph (161km/h) – what do you expect?"

**AMI's woes stem from the poor quality of some of the outer islands' runways, which Jefferson Barton says are "killing the aircraft".**

A recent traffic study paints an even more disturbing picture. There has been a huge decline in passenger traffic attributed to emigration and depopulation of the remote islands as people move to Majuro or the US, as well as the worsening reliability of the nation's national carrier.

The study also noted that, since 2009, AMI aircraft have undergone months of heavy maintenance at overseas facilities and the acute shortage of spare parts has significantly impacted services. This has led to a considerable loss of revenue and a further decline in passenger numbers. The lack of confidence in AMI's services has forced people to switch to surface transportation, even though it takes more time.

"The airline needs more government funds to enable it to purchase additional aircraft and spare parts for its existing fleet," Barton says. He also stresses that the government needs to focus on improvements to outer islands' runways.

Japan recently approved a grant to purchase much needed equipment, which the Marshall Islands Government says will be used to carry out outer island runway renovations – at least offering a ray of hope for the future. However, with government funding constrained, large-scale subsidies to keep the national carrier in the air are proving challenging. **AVI**

