

Air India to fly in for China's Boeings

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Air India is looking to pick up Boeing planes that will no longer be taken into service by Chinese airlines after Donald Trump imposed tariffs on imports from China.

The Indian carrier, which is owned by Tata, needs aircraft to spur its revival. It plans to approach Boeing about buying jets that were heading for Chinese airlines before the US president announced his "reciprocal tariffs". Tata is also said to be eager for future deliveries should they become available.

This month Trump raised US tariffs on Chinese imports to 145 per cent. Chinese airlines were told by the government not to accept Boeing aircraft after Beijing set reciprocal tariffs of up to 125 per cent on US-made goods. Boeing's order book is believed to have dozens of aircraft scheduled for delivery to Chinese companies, for both commercial airlines and leasing firms

On Sunday a Boeing jet intended for a Chinese airline landed back at the air-

craft maker's US production hub in Seattle, a victim of the tit-for-tat bilateral tariffs launched by Trump.

The 737 Max had been meant for China's Xiamen Airlines. It was unclear which party made the decision for the aircraft to return to the US.

Yesterday a second Boeing aircraft intended for use by a Chinese airline was heading back to the US, flight tracking data showed.

41

Number of 737 Max jets destined for China now owned by Air India

Air India

Air India, which has accepted 41 737 Max jets originally built for Chinese airlines in the past, is interested in more of the ready-made, narrowbody aircraft for its Air India Express unit, a low-cost subsidiary that is part of its challenge to India's dominant carrier, IndiGo.

Beijing is understood to be considering ways to support airlines that lease Boeing jets and are facing higher costs.

Malaysia Aviation Group is also believed to be in talks with Boeing over delivery slots vacated by Chinese carriers.

The interest from non-Chinese airlines could soften the short-term blow for Boeing, one of the highest-profile US exporters, should the tariff war continue. Yet any Boeing planes already built or in progress will probably present complications for potential buyers, as the cabin configurations for many will already have been set by the original customer, and some payments will have been made.

Longstanding friction between Washington and Beijing has given Europe's Airbus an advantage over Boeing in China. In the longer term, geopolitics threatens to shut troubled Boeing out of one of the world's biggest aircraft markets.

Representatives for Air India and Boeing declined to comment.