

# Norwegian, Airbus agree terms to scrap 88 deliveries

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Norwegian (DY, Oslo Gardermoen) has agreed with Airbus (AIB, Toulouse Blagnac) on the terms of a consent order to cancel a deal to buy 88 aircraft, it was revealed during the carrier's ongoing bankruptcy protection and restructuring process at the Irish High Court. Under these terms, the manufacturer will keep the pre-payments Norwegian has made, and the embattled airline will pay it a further EUR700,000 euros (USD850,000), the Irish Times reported. The aircraft that Norwegian has on order at Airbus include fifty-eight A320-200Ns and thirty long-range A321-200NX(LR)s, according to the ch-aviation fleets advanced module. As previously reported, the airline has axed its long-haul business to focus on Nordic and European routes. The jets were signed up for in a deal signed in 2012, for Airbus to deliver a total of 100 of them, but the agreement has been revised several times since then so that the company currently has 88 narrowbodies on the manufacturer's books. Most recently, Norwegian's asset-owning subsidiary Arctic Aviation Assets, which is also part of the examinership process, dropped five A320neo, a move reflected in Airbus' September 2019 order book. "We have agreed, judge, in the last short while, the terms of a consent order," Norwegian's lawyer Brian Kennedy told the court on February 24, as quoted by Reuters news agency. Kennedy named the payments involved but did not specify the number of aircraft. A lawyer representing Airbus confirmed the agreement to the court. According to the airline's financial filings, Norwegian had pre-Covid contractual commitments to buy Airbus and Boeing (BOE, Chicago O'Hare) aircraft spanning from 2020 to 2027, totalling USD9.55 billion. But in June 2020, it unilaterally cancelled the Boeing orders, which were for ninety-two B737-8s and five B787-9s. Boeing has disputed the move. Boeing is not currently involved in Norwegian's examinership proceedings at all, Kennedy told the court. The US manufacturer "to date hasn't engaged in the examinership process, or the Norwegian reconstruction [...]. It is not anticipated that Boeing will engage in either." According to the lawyer, Boeing wrote to an official overseeing the process in Norway on December 28 saying that neither it nor its affiliates would submit to the jurisdiction of Norwegian courts.

