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Swissport's Withdrawal from Singapore

The Civil Aviation Authority of Singapore (CAAS) regrets to learn of Swissport International's decision to cease its ground handling operations in Singapore.

CAAS awarded Changi Airport's third ground handling licence to Swissport in 2005. CAAS' aim in introducing a third ground handler was to create more competition in the market so that airlines could look forward to lower ground handling costs while enjoying the same high level of service synonymous with Changi. Swissport has brought with it its industry-leading standards and global experience in ground handling.

CAAS' Director-General and Chief Executive Officer, Mr Lim Kim Choon, said, "Swissport's entry into the ground handling market at Changi Airport in 2005 has clearly benefited airlines operating here. Based on the feedback CAAS has received from airlines, ground handling rates have reduced by an average of 15% since Swissport started operations. It is unfortunate that the size of Swissport's local operations, as well as the timing of the global economic downturn, which has affected the airfreight business in particular, has pushed Swissport to withdraw from Singapore."

Swissport's airline clients will continue to receive the same level of service they currently enjoy through new agreements with either of the two other ground handlers at Changi Airport, namely Singapore Airport Terminal Services (SATS) and Changi International Airport Services (CIAS).

Mr Lim continued, "We are pleased to note Swissport's commitment to assist its airline clients select their preferred ground handler, and to ensure fair service arrangements for its staff. CAAS will work with Swissport and NTUC to find placement options for their staff, and we will facilitate these discussions."

CAAS will continue to engage the industry to ensure that ground handling costs at Changi Airport remain competitive even after Swissport's exit. CAAS is also committed to maintaining contestability in the ground handling market, and will retain the flexibility of issuing the third ground handling licence to any new market entrant.