

PRESS RELEASE

22nd August 2016

Any Air Malta business plan must be beneficial to Tourism and business in a wider context

The Chamber notes the Press Release issued by the Ministry for Tourism, categorically denying a story appearing in a Sunday paper about a business plan drawn up by Alitalia submitted to government for Air Malta.

The Ministry's denial serves to allay serious concerns of the Chamber and its members which quickly emerged after Sunday's report.

The Chamber is of the opinion, that the business plan as reported, would have disastrous consequences for Malta's Tourism industry and beyond, as it was said to include no new capital investment and "complete flight rationalisation" involving the loss of one third of European routes, in favour of southern destinations.

The Malta Chamber remains in favour of strategic alliances for Air Malta with a view to render the national airline financially viable. However the Chamber reiterates its position that any alliance needs to keep the entire perspective of Malta's economic scenario well in focus.

Business and Tourism in Malta need direct connectivity to Europe. It has been proven time and again that Tourism markets are best served when direct flights are present. Malta cannot risk becoming fully dependent on other airlines to sustain entire markets within the Tourism industry. Sectors such as Diving, Language schools and the Meetings, Incentives, Conferences and Events (MICE) have sustained local operators throughout the shoulder months for years.

Certain routes may also serve major sectors in Malta's economy such as Remote Gaming, Yachting and Financial Services industries amongst others which are completely reliant on convenient direct connections between Malta and major European cities. The same holds true in terms of cargo and connections serving the exporting manufacturing industry.

The Chamber will continue to follow developments closely with a view to ensure that the final outcome of the strategic partnership negotiations for Air Malta is beneficial to Tourism and business in a wider context.

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