

KKHY close to takeoff



TRNC Transportation and Public Works Minister Hamza Ersan Saner has said that only the approval of the Turkish Competition Department is needed to launch North Cyprus Airlines (KKHY), the new official airline of TRNC.

Saner said an application for approval had been made on September 8 to the Competition Department and over 150 million TL had been deposited for the establishment of the new company. He said that the private sector in the TRNC paid 99.5 million TL, the TRNC government paid 49.5 million TL and Turkish Airlines paid its share of the deal before making the application.

"This is the cost of the revenue stamp for the new company. Now we expect approval from the department," he said.

The decision to establish KKHY was taken following the bankruptcy of the Cyprus Turkish Airlines (CTA) which had operated as Turkish Cypriot's official airline since 1976.

The company went bankrupt in June last year due to severe debt which was followed by the cancellation of its licence by the Turkish Civil Aviation Authority.

The partnership contract for the KKHY was signed in January this year between the TRNC private sector, the TRNC state and the Turkish Airlines.

According to the deal, TRNC private sector will hold 60 per cent of the company shares while 30 per cent will be held by the TRNC state and 10 per cent by Turkish Airlines.

However, it is believed that Turkish Airlines will operate the new company and the majority of the board members will be from the private sector, with 26 Turkish Cypriot businessmen, two of them living in Turkey, being shareholders in the new airline.

Commenting on Ercan Airport Saner said the government did not have any plans to privatise the airport but it will be handed over to an investor to improve and run for a period of 20-25 years after which it would be returned to State ownership. "A tender for this procedure will be opened as soon as possible," Saner said.