

Commission Decision of 27 June 2012 on the State aid No SA.33015
(2012/C) which Malta is planning to implement for Air Malta
plc. (notified under document C(2012) 4198) (Only the English
version is authentic) (Text with EEA relevance) (2012/661/EU)

- Article 1 The restructuring aid notified by Malta consisting in granting
 EUR 130...
- Article 2 This Decision is addressed to the Republic of Malta.
 Signature

Changes to legislation: There are currently no known outstanding effects for the Commission Decision of 27 June 2012 on the State aid No SA.33015 (2012/C) which Malta is planning to implement for Air Malta plc. (notified under document C(2012) 4198) (Only the English version is authentic) (Text with EEA relevance) (2012/661/EU). (See end of Document for details)

- (1) Commission Decision C(2012) 170 final of 25 January 2012 (OJ C 50, 21.2.2012, p. 7).
- (2) Air Malta's financial year starts on 1 April. Thus, e.g. FY2011 is from 01.04.2010 to 31.03.2011, FY2016 from 01.04.2015 to 31.03.2016.
- (3) Business secret
- (4) $ROCE = \text{Net profit} / (\text{Debt} + \text{Equity})$
- (5) $ROE = \text{Net profit} / \text{Equity}$
- (6) OJ C 244, 1.10.2004, p. 2
- (7) Coordinated airports are airports where the slots are allocated by a coordinator under Regulation (EEC) No 95/93 on common rules for the allocation of slots at Community airports flight (OJ L 14, 22.1.1993, p. 1).
- (8) ASK = available seat kilometre.
- (9) 17,9 % when one compares the change between summer 2009 and summer 2012.
- (10) 9,8 % when one compares the change between summer 2009 and summer 2012.
- (11) 1,7 % when one compares the change between summer 2009 and summer 2012.
- (12) The former state owned airport has been privatized. The major shareholder is a private consortium led by the Austrian Flughafen Wien AG. The Maltese government is only a minority shareholder (20 %).
- (13) Application of articles 92 and 93 of the EC Treaty and article 61 of the EEA Agreement to State aids in the aviation sector, OJ C 350, 10.12.1994, p. 5.
- (14) N504/2010 Air Malta plc., http://ec.europa.eu/competition/elojade/isef/case_details.cfm?proc_code=3_N504_2010
- (15) See Commission decisions in the cases *Austrian Airlines* (C 6/09), OJ L 59, 9.3.2010, p. 1, paragraph 296 (6 years restructuring period) and *Royal Mail Group* (SA.31479), C(2012) 1834 final, paragraph 217 (5 years restructuring period).
- (16) See comments by IAG dated 2 March 2012.
- (17) The RP expected revenues in December 2011 amounting to EUR 169,939 m whereas the actual figures show revenues of EUR 174,896 m (which is 2,9 % ahead).
- (18) [...].
- (19) [...].
- (20) See Article 2 (g) of Regulation (EEC) No 95/93 as well as the definition of 'level 3 airports' under point 5 of the Worldwide Slot Guidelines by the International Air Transport Association (www.iata.org/wsg).
- (21) The Maltese economy has a high degree of openness, with exports and imports accounting for around 77 % and 73 % of GDP in 2009. 58 % of export trade was conducted using air transport. In relation to imports, although the majority of import trade was conducted using sea transport, air transport has also a significant share of 30 %.
- (22) Malta is highly reliant on tourism, which in turn is dependent on air transport. The tourism sector has long been a key pillar of the Maltese economy and is the leading services activity both in terms of employment creation and foreign exchange earnings. Tourism contributes approximately 25 % to the GDP of Malta. In 2009, Malta attracted around 1,2 million tourists who spent EUR 638 million. According to Edition 2010 of European statistics, the ratio of international tourism receipts to GDP was highest in Malta (11,4 %). Malta is also heavily reliant on the HORECA (hotel, restaurant and catering) sector. According to the EU Labour Force survey, as much as 8,6 % of the employed population – the highest for any EU-27 country – works in the HORECA sector which is directly related to tourism, compared to 4,3 % for EU-27. The importance of tourism for Malta is reflected in the fact that tourism intensity was 19,4 % (guest night per inhabitant) while the EU-27 average was 4,6 %. About 98 % of tourist passengers relied on air transport rather than sea transport.
- (23) Commission decision C(2007) 300 of 7 March 2007 (OJ L 49, 22.2.2008, p. 25), paragraph 132.

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- (24) The Commission observes that in previous restructuring decisions, it did not distinguish between profitable and non-profitable activities when assessing the appropriateness of the capacity reduction as compensatory measure.
- (25) Commission Decision 2007/509/EC of 20 December 2006 on State aid No C 3/2005 (ex N 592/2004 (ex PL 51/2004)) which Poland is planning to implement for Fabryka Samochodow Osobowych SA (formerly DAEWOO — FSO Motor SA) ([OJ L 187, 19.7.2007, p. 30](#)); Commission Decision 2010/174/EC of 10 March 2009 on the State aids C 43/07 (ex N 64/07) and C 44/05 (ex NN 79/05, ex N 439/04) granted by Poland to Huta Stalowa Wola SA ([OJ L 81, 26.3.2010, p. 1](#)).
- (26) Joined cases T-228/99 and T-233/99, paragraph 251.
- (27) Judgment in Joined Cases T-228/99 and T-233/99 *Westdeutsche Landesbank GZ v Commission* [2003] ECR II-435 et seq, paragraph 245.
- (28) Case C-482/99 *France v. Commission* [2002] ECR I-4397, paragraph 71.
- (29) Joined cases T-228/99 and T-233/99, paragraph 255.
- (30) Joined Cases T-228/99 and T-233/99, paragraph 246. See also, Case T-16/96, *Cityflyer Express vs. Commission*, [1998] ECR II-757, paragraph 76.
- (31) Case C-124/10P, *Commission v EDF*, Judgement of 5 June 2012, paragraph 85.

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