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LIAT Cleared to Travel Routes in U.S. Virgin Islands and Puerto Rico as Airline Resumes Service Nov. 1

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LIAT ATR 72-600 turboprop aircraft takes off at George FL Charles airport in Castries Saint Lucia on Feb. 3, 2015. By. GETTY IMAGES

ST. JOHN'S, Antigua, CMC – The Antigua and Barbuda government says the cash-strapped regional airline, LIAT, which had been grounded since March this year as a result of the measures taken by regional countries to close their borders to prevent the spread of the coronavirus, along with the airline's own financial problems, will return to the skies on November 1.

A statement issued after the weekly Cabinet meeting, noted that the administrator Cleveland Seaforth, who had been appointed by the High Court in the LIAT bankruptcy matter was invited to address ministers on the plans to get the airline, which is now being re-capitalised back into the

skies.

“The administrator confirmed the intent to fly its first commercial flight on November 1, 2020, and that it will begin regular schedules to a limited number of destinations possibly one week later. The LIAT administrator informed that a permit has been granted to LIAT to fly to the U.S. Virgin Islands and Puerto Rico,” the statement said.

Earlier this month, Antigua and Barbuda Prime Minister Gaston Browne said his administration was prepared to “collapse” the regional airline if it does not emerge as a “new and lean,” entity as part of the re-organizational plans.

Mr. Browne said then that practically all of the countries in the region were collaborating and that the governments of Antigua and Barbuda, Barbados, St. Vincent and the Grenadines and Dominica had written to the administrator agreeing to write off their debts.

“If I am not mistaken, we are talking close to EC\$70 million (One EC dollar=US\$0.37 cents) in debt

would be eliminated from the balance books of LIAT as a result of those countries agreeing to write off the amount due to them,” he added.

“I want to make that abundantly clear as you know we had borrowed US\$15 million to invest in LIAT and we have commenced utilising some of those funds and we will make the funds available to assist the [Administrator] in his objective to try and get LIAT back in the air,” Browne said, insisting “clearly it will be a downsized LIAT”.

The Antigua-based airline owes creditors in excess of EC\$100 million and since the airline stopped its daily schedule, several smaller airlines have sought to occupy the space left by the regional airline.

On October 16, the airline observed its 64th anniversary “of serving the Caribbean” saying the last few months have been very turbulent.

The airline said as it reflects on “serving the Caribbean for the last 64 years, we thank you, our customers, for being there with us through the good and rough times.

“We are working behind the scenes to return to the Caribbean skies, to bring back that familiar Caribbean feeling that says ‘Love Is Always There.’

Prior to its collapse, LIAT flew to 21 destinations, operating an average of 112 daily flights within a complex network combining profitable and uneconomic routes.

Airline observers said that these 39 unprofitable flights were to 18 territories.