

Seychelles appoints airline administrators amidst debt row

By [Elias Biryabarema](#)

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NAIROBI, Kenya - Seychelles said on Tuesday it had appointed administrators to look into the books of national carrier Air Seychelles and advise on whether to implement a rescue plan for the airline or shut down the company.



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The national airline of the Indian Ocean archipelago, established in 1978, has been battling debts of around \$70m owed to bondholders and secured while the carrier was in partnership with Abu Dhabi's Etihad Airways.

In August the bondholders filed a petition to wind up the airline after a standoff over the debt.

Etihad then owned 40% of the carrier but sold its stake to the government for one dollar in April.

State-run Seychelles News Agency quoted Transport Minister Anthony Derjacques as saying two administrators had been appointed to help the government figure out the next steps for the airline.

"The administrators will do one of three things after they have gone through the company's books, which is either to come up with a rescue plan, to get Air Seychelles out of its current state or restructure the company, or they can recommend the winding up of the company," Derjacques was quoted as saying.

Derjacques, however, expressed optimism the airline would be rescued, according to the news agency. "It is in the government's plans to ensure that we minimise the impact of anything that happens at Air Seychelles," he said.

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