



Travel

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Tunisia Tactical: National flag carrier airline TunisAir employees, executives to hold indefinite strike from 12:00 (local time) on February 19; reconfirm travel itineraries

Please be advised:

- According to Tunisia's official news agency, the employees and executives of TunisAir, the national flag carrier airline of Tunisia, will hold an indefinite strike from 12:00 (local time) on February 19.
- TunisAir flights will be completely suspended as a result.
- Foreign carriers' planes will be able to land at airports but the unloading and shipping services of other airlines will come to a halt. This may result in the cancellation or postponement of other flights.
- This strike comes in direct response to the decision made by a subsidiary of a Turkish airports and services firm that operates the Enfidha-Hammamet and Monastir Habib Bourguiba airports, to seize about 10.5 million USD from TunisAir's bank accounts out of the approximately 25 million USD of the airline's debts.
- According to the statement by the airport operating company, this decision was made after several attempts to negotiate with TunisAir to find a solution to recover these unpaid debts.
- The strike is being held as a "final appeal" to prevent the forceful seizure of TunisAir's debts, which may result in its bankruptcy.

Assessments & Forecast:

1. This development comes amid a significant deterioration of the Tunisian economy, particularly with regards to its aviation industry, over the past year due to global coronavirus-related restrictions on travel. While TunisAir's debts date back to at least 2015, it is likely that the airport operating company's decision to seize TunisAir's assets at this time was prompted by the significant financial constraints on the organization as a result of the economic pressure on the aviation industry. This is evidenced by a statement from the airport operating company that it has begun its program to lay off 180 employees for economic reasons. Meanwhile, the strike by TunisAir employees can be attributed to their anticipation of significant job and income losses should the national airline be forced to pay off a significant portion of its debts and forced into bankruptcy. This is particularly given that the ongoing coronavirus-related restrictions in the country have already significantly increased unemployment rates and strained the income of significant portions of the population.
2. _: While the airports operating company will seek to negotiate with TunisAir over the coming hours in order to compel the union to suspend the strike, it is unlikely to result in a satisfactory agreement. This is particularly given the airport operating company's reported long-standing efforts to negotiate with the national airline regarding the repayment of the latter's debts. Moreover, according to the airport operating company, it is open to receiving an alternate proposal

regarding the repayment of debts, given that both organizations “live in the same financial climate”. However, given that TunisAir’s debts go back several years, it is unlikely to be able to pay a financial sum that would be suitable for the airport operating company. Given these points of contention, the strike is liable to persist over the coming days.

Recommendations:

Those intending to travel to and from Tunisia on February 19 and over the coming days are advised to reconfirm travel itineraries due to the slated strike by TunisAir employees and their possible impact on other airline operations.