

Spanish public transport operators to take over on January 8

Spanish company Autobuses de Leon will take over the public transport system on January 8 following the finalisation of a takeover deal.

Spanish company Autobuses de Leon (ALESA) will take over the public transport system on January 8, after the takeover deal was finalised earlier today. The new operators have agreed to spend €8 million for the purchase of Malta Public Transport, the state-owned public transport company created following the nationalisation of the Arriva Malta bus service in January 2014.



The government will grant ALESA with an initial €23 million subsidy for 2015 in what is expected to be a soft launch. The subsidy is expected to increase once the company expands its route network in 2016, but no details of the higher subsidy have been released as of yet. The new operators are expected to initially hire a number of buses to run the service, before eventually bringing over 142 brand new buses. The buses will also have a 20% larger passenger capacity rate and the system will bring a combined total of 3,000 additional bus seats into the network. ALESA also confirmed that they will be recruiting additional drivers.

«I'm delighted that Transport Malta has chosen us to operate this important and complex contract,» ALESA Director Felipe Cosmen said. *«We will be introducing 30% more capacity into Malta's network during peak times and providing additional seats.»*

«Our bid for the contract was focused on improving customers' experience and includes a new fleet, new IT systems, and improvements to be delivered at bus terminals. I'm looking forward to working with existing colleagues and welcoming new staff and together delivering this vital contract to Malta. We are pleased that the strengths of our bid have been recognized today

in the awarding of this important contract and look forward to delivering it's challenging requirements.»

«We trust in the current staff to achieve customer loyalty and provide a transportation system close to the needs of the Maltese. We are recruiting additional drivers to deliver the new network.» Cosmen described the contract as a «great deal» for customers, communities and taxpayers. *«Millions of passengers will benefit from thousands of extra seats, new services and affordable tickets,»* he said.

The deal was allowed to go through after a court rejected an application for a warrant of prohibitory injunction filed by Island Buses Malta against Transport Malta and the Ministry for Transport intended to stop the government from entering into any contractual arrangements with the Spanish company. The court decision, given by judge Jacqueline Padovani Grima earlier this week, also revoked a temporary injunction to the same effect.

ALESA were awarded the public transport tender in April, beating off competition from Maltese consortium Island Buses and Gozo First Travel. However, Island Buses had argued that Transport Malta's expression of interest and subsequent discussions with ALESA were «vitiated» from the start as the tender's goalposts were changed to the disadvantage of the Maltese consortium.

Padovani Grima said an injunction was not necessary because Island Buses have the option to challenge the tender award through a court case. She pointed out that the government is spending thousands every day to maintain the temporary public transport service and that halting the process of selecting Arriva's successor will negatively affect thousands of Maltese people.

«From next January, the new routes will be gradually introduced,» Transport Minister Joe Mizzi said in response to the court decision. *«This comes after a wide consultation with local councils, stakeholders and the public without extra taxes being paid by the Maltese people.»* He contrasted it with *«what happened in the past when millions of euro were paid in consultancy fees to introduce new transport routes».*

The Opposition has heavily criticised this agreement, insisting that the €23 million subsidy is too expensive and that Joe Mizzi should not have met up with representatives of Spanish company before they had been awarded with the tender.