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## AIRPORT DEVELOPMENT (Australasia)

Each issue of Airport Development focuses on a different region of the world, with global news at the end of this section. A list of past focus regions published in recent years can be downloaded from the Bonus section in the subscriber pages of our website.

### AUSTRALIA

**Melbourne Airport is nearing the completion of its international terminal redevelopment, with the final pieces of its new-look commercial offer to be in place by December 2011.** This first purpose-built retail development at the airport is doubling commercial space and is bringing a distinctive local feel to the airside precincts, while adding eleven new retail and food & beverage outlets. After opening the first stage of the retail space in late 2010, the airport is focusing current activity around the Portal – a central hub where a large seating area supports dwell time around speciality retail, destination merchandise, and food & beverage concessions.

**A new ramp at will improve access to Australia's second largest airport and relieve traffic congestion in the airport precinct.** With over 28 million passengers using Melbourne, the new ramp will help locals and visitors alike get on their way from the airport more quickly. Melbourne Airport CEO Chris Woodruff said: "Most people who have been to the airport recently will know that our road networks are very busy during peak periods. The APAC Drive on-ramp will provide a new, elevated access point to the Tullamarine Freeway for city-bound traffic from the long-term carpark area." The construction schedule has been designed so that all major works that impact road users will be done at off-peak times to minimize any inconvenience. Construction of the ramp will cost AUD 26 million, create some 80 jobs, and is scheduled to be completed by July 2012. -- Australia Pacific Airports Corporation (APAC) owns and operates Melbourne Airport. #911.1

\* **Melbourne Airport's continued strong international passenger growth has seen total passengers climb to 28 190 457 (+7.7%) for financial year 2010/11.** International passengers for the 2010/11 financial year grew by 13.5%, taking total international passengers to 6 287 710. **The key driver of international growth was Asia** with passport holders from China growing by 26.2%, Singapore by 16.0%, Malaysia by 15.8%, Japan by 15.2%, South Korea by 14.4%, Indonesia by 10.7%, and India by 7.6%. Traditional markets also showed solid growth with New Zealand passport holders growing by 12.4% cent, United Kingdom travellers by 7.2%, and U.S. passengers by 4.9%.

The airport's Acting CEO Kirby Clark said: "Melbourne Airport and the State of Victoria have a lot to offer to passengers and our continued growth shows that people agree. With **curfew-free operations, a single terminal precinct, high service levels, and low airline fees**, we provide flexibility and convenience. Combine this with the fantastic cultural and sporting events that showcase our State to the

world, we are indeed a premier travel destination. During the last year, we welcomed additional international services from a number of existing airline customers as well as two new airlines to Melbourne Airport."

**Additional international services in 2010/11** included: Jetstar's daily Singapore and Auckland services as well as twice weekly services to Queenstown; China Southern, China Eastern and Vietnam Airlines all increased to daily services; Virgin Australia Group increased international services to Los Angeles, Christchurch, Bali, and Fiji; Qantas introduced A380s and increased capacity on its London and Los Angeles services; Emirates introduced Boeing 777s and increased capacity on its Dubai services; Royal Brunei and Strategic Airlines started international services. Mr Clark noted: "Our strong growth has benefitted Melbourne as well as Victoria, but at peak times, it also created some congestion in our terminal and on the road network. We have a number of **construction projects under way or planned that will improve the overall passenger experience at Melbourne Airport** and also manage expected future growth." #911.2

**Canberra International Airport has launched an AUD 420 million infrastructure programme under its 'Airvolution project'** which will upgrade the airport to allow Australian visa holders to fly from outside Australia directly to Canberra. The expansion will add a Western Concourse Terminal similar to the Southern Concourse Terminal, with the two terminals being joined by a glass atrium. The new concourse will offer a 30 000-m<sup>2</sup> building area, five additional boarding bridges, new airline lounges, double the current baggage-handling capacity, an indoor taxi queuing area, double the passenger screening area, and twelve additional check-in counters. The project is expected to be completed by mid 2013. #911.3

**Brisbane Airport infrastructure has been planned and constructed in accordance with long-term sea level rise forecasts.** Successive Master Plans - in addition to the Environmental Impact Study completed for the New Parallel Runway - have seen critical airport infrastructure built with the appropriate level of immunity, which is above the sea level rise predicted in a new Climate Commission report. Extreme weather events may cause Moreton Bay storm surges and rainfall runoff in the catchment area around the airport. Furthermore, the 1 in 100 flood event which occurred in January 2011 saw Brisbane Airport infrastructure unaffected by rising flood waters, with operations continuing at all stages throughout the flood event, proving the resilience of the airport's critical infrastructure under extreme conditions. #911.4

\* **Brisbane Airport's upgraded and expanded Common User Satellite at the Domestic Terminal was officially opened on 30 April 2011** by Acting Prime Minister and Treasurer, Wayne Swan. The expansion to the Common User Satellite (mainly used by Jetstar, Tiger Airways, and regional airlines) has seen an increase in the number of passenger gate lounges in this area from two to seven; two additional aircraft parking bays, bringing the total to seven; new food & beverage facilities close to the new passenger lounges; new modern and comfortable furniture in waiting areas; improved energy efficiency of the satellite building, and space for airline offices. The Common User Satellite upgrade is the first stage in an overall upgrade of the whole Domestic Terminal Precinct. **Work has also started on the Domestic Terminal Access Project** – an covered elevated walkway that will connect the new carpark to the terminal face. The elevated walkway will pass over the terminal road system and will include lifts, travelators and escalators to take patrons to the ground level immediately outside the



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Domestic Terminal. The walkway, planned to open in early 2012, will also provide easy pedestrian access to the Airtrain. #911.5

\* **Brisbane Airport has hosted its first Airport Atelier, a design charette intended to generate ideas and concepts for a new Property Master Plan to be developed by December 2011.** Airport Atelier has involved up to 80 people across five multi-disciplinary teams, including participants from Brisbane's planning and design sector and representatives from local and state government exploring a series of urban development ideas over two days, building on the existing Brisbane Airport Master Plan 2009. Brisbane Airport Corporation (BAC) CEO & Managing Director, Julieanne Alroe, said: "Airport Atelier was an ideal way to include stakeholders across Brisbane in the planning in the next phase of the airport's property development. Brisbane Airport is not an island. It is a major part of the City of Brisbane, and as the Gateway to Queensland for our international and domestic visitors, it is also the welcoming statement for our State." **Airport Atelier completed an ambitious programme**, with key areas explored including: the 'front door' entrance statement, public and active transport, legibility and connectivity, and place making to ensure future property development is successful, vibrant and prosperous while promoting Brisbane's subtropical lifestyle. -- The design charette followed the successful development of the Brisbane Airport Area Round Table (BAART) - a planning group comprising planning representatives from all levels of government who meet quarterly to collaborate on planning and development issues for the airport region. #911.6

**Sydney Airport is close to capacity with increasingly long delays forecast and a knock-on effect across Australia, a new study has showed.** The report, conducted by consultants Booz and Company for a government inquiry into possible sites for a second airport, predicted five-hour delays within a decade without another facility. It also highlighted the airport's limited ability to accommodate new flights, stifling growth. Almost half of all scheduled flights in Australia land or take off at Sydney's Kingsford Smith Airport and there have been plans for a second site near the city for 30 years. But nothing has materialized so far, with several areas proposed and rejected. The Federal Government though has once again committed to nominating a site, and Infrastructure & Transport Minister Anthony Albanese admitted it was becoming urgent. "It's clear Sydney needs a second airport sooner rather than later," he told the Sydney Morning Herald. "Without action the national economy will be constrained with a negative impact on growth and jobs."

According to the airport website, the annual number of passengers passing through the facility increased 30.7% to 33 million during the period 2000-2009. This represents an average annual growth rate of 3.1%. The study, published in the Herald, highlighted the burden on passengers through the day if morning flights were disrupted. By 2015, it suggested that if flights were limited to 55 an hour in the 7 am - 9 am peak due to bad weather, it would take three hours for the airport's schedule to recover. The delays would have a knock-on effect at other airports whose flights link with Sydney. By 2020, the same morning delay would set back the flight timetable by five hours, it said. #911.7

\* **Sydney Airport has celebrated the 100th anniversary of the first flight made from the airport site**, then the Ascot Racecourse. On 18 April 1911, Capt. Joseph Joel Hammond, a New Zealander, flew a Bristol box-kite biplane on a flight that lasted less than ten minutes. Today, the site forms part of Sydney Airport's east-west runway (07/25). The CEO of Sydney Airport, Russell Balding, said that Capt. Hammond's achievement 100 years ago was an important milestone in the history of Sydney Airport. "Capt. Hammond was one of the early pioneers of aviation. His flights attracted great



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public interest with thousands of Sydneysiders buying tickets to witness the spectacle of a man flying. The first passenger to fly from the site was Capt. Hammond's wife, Ethelwyn. Today, more than 35 million passengers fly to and from Sydney Airport each year," Mr Balding said. The number of passenger movements through Sydney has increased by 4.5% a year since 1991-92. It is forecast to increase by 4% a year to 72.9 million in 2029-30. The average size of aircraft operating on Sydney's international routes is 230 seats. In 2029-30, it is predicted to be 298. In the last financial year, 150 707 domestic and 61 683 international flights went through Sydney Airport. #911.8

**Development of Adelaide Airport's new multi-level parking garage and pedestrian plaza is under way, with construction company Watpac Construction SA starting works in February 2011.** Construction of the AUD 100 million project will take place throughout 2011, with the new parking facility opening to the public in May 2012. The first works also have started on Adelaide Airport's road system, which will be realigned to cater for the new development, which will more than double the size of the existing short-term carpark. The garage will have five levels to provide short-term parking for 2000 public and car rental vehicles and is expected to facilitate some 7000 vehicle entries per day. Adelaide Airport Ltd (AAL) Managing Director, Phil Baker, says the new development will benefit travellers and visitors by providing improved facilities and more efficient access. "In addition to short-term parking, the new multi-level carpark and pedestrian plaza will include facilities for rental cars, taxi pick-up, bus parking, food & beverage outlets, and small retail outlets," Mr Baker says. "The carpark will provide safe and secure access to T1 via a pedestrian plaza. The passenger pick-up and drop-off points will be located in a port cochere [carriage entrance] beneath the new carpark, and a link bridge between T1 and the carpark is also planned, subject to Federal ministerial approval."

**The project represents Watpac's first building construction job in South Australia,** where the company has undertaken civil infrastructure projects for many years. The project's construction phase will directly and indirectly create 596 jobs, generating an economic benefit of AUD 87.2 million per annum. Once operational, the direct and indirect employment benefit will be 87 jobs per year with an economic benefit of AUD 12.8 million per annum. During construction, Adelaide Airport has arrangements in place for customers to park in a temporary carpark to the west of T1 during periods of peak demand. #911.9

**Cairns Airport Pty Ltd (CAPL) has issued a tender to operate duty-free retailing at what the company described as a "unique gateway into Australia".** The lease is for an initial term of five years with an option for a further two. The Queensland airport is Australia's seventh busiest for international passengers with direct flights to and from Auckland, Tokyo, Osaka, Hong Kong, Guam, Port Moresby and to Singapore, via Darwin. More importantly from a travel retail perspective, Cairns and the Great Barrier Reef area attract 39% of Japanese leisure visitors to Australia and 29% of Mainland China's leisure visitors. The airport services the growing regional city of Cairns, set in a world renowned tourist destination that includes the iconic Great Barrier Reef and World Heritage Tropical Rainforests..

**The Nuance Group is the incumbent duty-free retailer** under its F1RST Duty and Tax brand but is likely to face stiff competition from JR Duty Free, Lagardère Services Asia Pacific (which already runs a number of speciality stores at the airport), and possibly DFS. Cairns Airport Pty Ltd (CAPL) General Manager Commercial & Terminals, Kate McCreery-Carr, said the successful tenderer will service incoming and outgoing passengers, providing high-quality goods and services to enhance the visitors' experience of Cairns Airport and the Cairns and Great Barrier Reef region. "In the past financial year, international



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passenger numbers at Cairns Airport increased by an impressive 19.5%, compared to the previous year. That's almost 105 000 more international passengers for a total of approximately 670 000," she said. "This growth and the confidence of airport operators CAPL has motivated a AUD 15 million upgrade of our International Terminal that will provide more streamlined processing areas for Australian border control and security screening agencies and completely refresh the retail offer. The refurbishment will create an exciting new walk-through duty-free store immediately beyond the Australian Customs and Border Protection Services and security processing points."

**This investment in the International Terminal follows a AUD 200 million capital works program in the Cairns Airport Domestic Terminal which was completed in September 2010.**

This delivered new, enhanced and expanded facilities to transform the terminal into a state-of-the-art gateway to the region which caters for, and encourages, economic growth for the next 20 years. "Now our focus is on the upgrade of our International Terminal and we look forward to the completion of this project before the end of this year," McCreery-Carr concluded. Tenders for the duty-free operation close on 30 September 2011. #911.10

**Ipswich Mayor Paul Pisasale has ruled out Amberley as the site of a new regional airport near the city because of its military requirements and proposed a site near Gatton as the ideal spot for a reliever airport for Brisbane.**

The push for an Ipswich regional airport has gathered momentum with another proponent coming forward - Archerfield. Pisasale said the new airport would have to get off the ground in the next five years to be feasible. Archerfield Airport General Manager Corrie Metz said that its site would be the ideal position for an Ipswich regional airport. "Archerfield is local, it's close to Ipswich and the western corridor, and we have the infrastructure, Metz said. "We are 11 km from the Central Business District of Brisbane and close to Ipswich. We're looking for RPTs (regular passenger transport) with operators like Jetstar and QantasLink capable of taking 60 to 80-seater jets. There is some room for expansion here to extend and lengthen the main runway." #911.11

**Mackay Airport has completed the final stages of its AUD 3.5 million redevelopment.** The Delimarche restaurant and the Barra Pond bar already opened for business, marking a major milestone for the project. Mackay Airport General Manager Terry Simpson said: "People will soon be able to check-in and walk straight through security, like they can in most other airports. We are taking the wall out where you enter the departure section so that, as soon as people walk through the new security section, they can enjoy a big open area with plenty of seating." There will be a total of 700 seats in the departure lounge, as well as an upgraded outdoor observation area with a licensed bar, shade and seating available. Three new Jetstar self-check-in facilities have been added to the airport and will be beneficial in keeping customer traffic moving. "The Flavours grab-and-go coffee and snack bar is great for people who are not taking flights but are stopping into the airport, like taxi drivers, those who pass through on buses and staff," he said. Over the last year, Mackay Airport has been developing with an upgrade to the runway overlay, drainage works and retail development of the main terminal. The **AUD 18 million redevelopment** was timely, considering the increased number of travellers through the airport, which will reach 1 million per year. The development should be sufficient for growth and passenger numbers for the next five years. #911.12





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**North Queensland Airports Group reached financial close on 11 July 2011 on an AUD 529 million senior debt package to refinance the various acquisition facilities that were put in place at the time of the privatization of the Cairns and Mackay airports in December 2008.**

The facilities will also fund on-going capital expenditure for the next five years and provide working capital. Chief Financial Officer John Andrejic said: "We are very pleased to have completed this milestone financing following what we viewed as a significant enhancement to the credit risk profile of the group. At acquisition, the AUD 200 million domestic terminal redevelopment for Cairns Airport was only partially complete. The successful completion of this project ahead of time and under budget enabled us to finalize negotiations for the new passenger charge regime with the airlines." -- NQA is owned by JP Morgan's Infrastructure Investments Fund, Hastings Funds Management-managed The Infrastructure Fund, Auckland International Airport, and the Perron group. #911.13

\* **North Queensland Airports (NQA) has announced the appointment of Kevin Brown as its new Chief Executive Officer.** Additionally, NQA announced the confirmation of Marcela Zeman as Chairman and the appointment of Robert Hardy as Director. Brown will take up the position in October 2011. He brings with him extensive airport management experience which has included senior positions at BAA's Heathrow, Aberdeen, Southampton and Edinburgh Airports in the U.K. He replaces former Chief Executive Officer, Stephen Gregg, who stepped down from the role in March 2011 to take on a Board advisory position on tourism and aviation strategy. #911.14

**Record funding has been provided by the Western Australian government through the 2011-12 round of the Regional Airports Development Scheme (RADS) for improvements to 29 regional airports across the state.**

Transport Minister Troy Buswell said AUD 6.4 million would come from the Royalties for Regions programme and AUD 2 million from the Department of Transport for infrastructure upgrades and maintenance programmes. Among the 2011-12 grants are AUD 1.28 million for passenger security screening facilities and an apron extension at Esperance, as well as AUD 1.25 million for a review of the airport master plan and building passenger security screening facilities at Albany in the Great Southern region. More than AUD 800 000 will be spent on taxiways and terminal works at Port Hedland International Airport in the Pilbara, while more than AUD 1 million will be used for constructing dedicated helicopter and general aviation apron areas at Learmonth in the Gascoyne region. Regional Development & Lands Minister Brendon Grylls said Royalties for Regions enabled RADS to provide more projects for the community. -- Since RADS started in 1997, more than AUD 34 million has been committed to regional aviation infrastructure. #911.15

**The South Australian Government wants to upgrade and expand Kangaroo Island's airport to cope with more tourists.**

The Government has commissioned a business study into the airport as part of a range of improvements to the island, including major road and ferry terminal upgrades. Tourism Minister John Rau says he agrees with the Economic Development Board's target of doubling visitors to the Island over the next ten years. "One of the issues with the island is, of course, the opportunity to get here," he said. "Presently, the size of the aircraft that can land safely at Kingscote is limited. We're looking at improving the airport facilities, the runway and the terminal so that we can have larger aircraft come in." -- Tourism on Kangaroo Island is getting a boost of more than AUD 18 million in all to develop facilities. #911.16



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**Westralia Airports Corporation (WAC), the owner of Perth Airport, has been seeking proposals from concessionaires to operate a high-quality speciality retail outlet on the first floor of the International Terminal (T1),** before passengers enter the secure Customs Area and Departure Lounge. Key features of the location include easy access for family and friends, 100% footfall on departing passengers, and easy access to airport staff. The airport company said it is looking for a partner with established brands that represent "quality and value and have a key focus on customer service". -- **Perth Airport currently handles around 11.4 million passengers annually with a current year-to-date growth rate of about 9%.** During the 2010/11 financial year, domestic and international passenger traffic grew by 9.1% and 9.6%, respectively. Over the past decade, Perth Airport has averaged a 10% annual growth in international passenger numbers, on the back of a strong Western Australian economy with high disposable incomes and a greater propensity to travel, bringing opportunity to airport retailers. #911.17

#### **NEW ZEALAND**

**The ground floor arrivals upgrade of Auckland's international terminal started in January 2011 and was due to be completed in August 2011.** The airport's Retail Redevelopment – Transition Manager Duncan Stuart says this latest refurbishment will see the upgrade of toilets as well as the relocation of shops to improve the arrivals area. Door 9 will be closed, and Door 8 – where the retro espresso caravan now stands – will become the new main entrance. Pedestrian crossings are also being moved to make this a reality in the next few months. Duncan says that although the project sets out to improve the arrivals area in time for the Rugby World Cup when the airport will welcome huge numbers of visitors, its overall aim is to enhance the passenger experience. **The upgrade is part of the wider project to upgrade the entire terminal, which started back in October 2008.** Since then, the terminal has gained a host of high-class retail outlets and a new meeting area for travellers under the iconic Pou Manawa meeting place, as well as a refurbished food court and parents' area. #911.18

**Auckland International Airport has unveiled an NZD 50 million retail revamp after two years of work and is promising there will not be any signs of construction activity during the Rugby World Cup.** Parts of the airport have resembled a construction zone during the past two years with extensive modifications and constant building around the international terminal. There would be some further shop fitout in the "airside" international duty-free and retail area for departing passengers and some more work on bars and food outlets in the public side of the terminal but this would be finished before the World Cup kicks off on 9 September 2011. The new airside retail area includes luxury outlets and has as its centrepiece an impressive tree-like structure that branches out to a fabric-covered frame likened by Auckland Mayor Len Brown to the Starship Enterprise. The structure, known as Pou Manawa, is lit up with images depicting flight and voyaging.

The old 1980s-vintage retail area was dated and shops blocked the view towards the airfield. It is now more spacious with floor-to-ceiling windows. **Retail revenue makes up almost a third of total turnover** but fell 9% during the last financial year, from NZD 105.3 million to NZD 95.8 million. The airport blamed disruption caused by the building activity and a Commerce Commission requirement to reinstate two duty-free operators following the exit of Regency Duty Free. The company has said some disruption is still to be expected during the current year but the impact would be more modest and benefits of completed works would lift spending. -- With 13 million international passengers through the airport, Auckland Airport is busier than any of New Zealand's shopping malls. An improved shopping environment will encourage travellers to linger longer and spend more. #911.19

**Christchurch International Airport's new integrated check-in hall and terminal is a leap into open-plan style – unlocking space for hurried passengers to locate their aircraft and move to nearby check-in counters.** In May 2011, Stage 1 of the terminal project was completed, with the building open to domestic and international travellers, plus the wider public. While Stage 2, which began in mid-May 2011, will take until September 2012 to complete – a year after the start of the Rugby World Cup – already about 70% of the total project has been completed, the airport's CEO Jim Boulton says. Given the earthquakes on 4 September 2010 and 22 February 2011, the project is about four months behind schedule, but the airport's contractors hope to make up some of that delay.

**A significant part of the footprint of the building is dedicated to retail space – part of a strategy Christchurch International Airport Ltd has developed to drive revenues from sources other than the traditional aircraft landing charges.** The total cost of the terminal development will be NZD 237 million, with the building programme on budget and funded through the airport's bank facilities. The owners - Christchurch City Holdings Ltd (75%) and the Government (25%) - will be watching returns from the investment closely.

Outside parts of the terminal building are constructed from Danpalon, a 'light architecture' material forming rectangular panels that can be lit internally to give colour-scapes – a red and black combination might be put on show to recognize efforts of local sports teams, Boulton says. To complete the design – which includes a footprint incorporating a triangle-oblong-triangle combination – the final pieces will be put in place following the demolition of the former domestic terminal.

**The new project was designed in consultation with airlines, border agencies and to fit in with international regulations.** The integrated check-in hall has 58 counters as well as numerous self-service kiosks. Boulton says: "In an airport of our size of 6 million (annual) passengers – 1.5 million international and 4.5 domestic – it works perfectly." The airport's growth projections had been disrupted by the earthquakes. International passenger numbers for March 2011 had been down about 30% from a year ago, but improved in April to just a 10% fall on 2010 figures. "Our best estimate at this stage is that we expect numbers to be depressed for at least two years. We think we are probably likely to get back to 10% down year-on-year at the end of the June 2012 year," Boulton says, adding: "Then we think we should be able to recover fully by the end of the June 2013 (financial) year ... to where we were in June 2010."

**The company had predicted the new terminal would cater for 8 million visitors a year by 2014.** Projections before the earthquakes were that the terminal would be large enough to cater for growth through to the 2018-20 period, before a further expansion of the new footprint went ahead with an addition to the international terminal towards the Antarctic centre, for flights to the ice continent. The longer-term plan will see the Antarctic apron move over to the southern end of the airfield. #911.20

**Wellington Airport is doubling capacity of the upper level carpark by extending it to the south to ease peak time congestion and to provide more space for passenger pick-up and drop-off.**

The new space will have direct access to the check-in area and is expected to be available for use in time for the increased requirements during the Rugby World Cup. The upper level extension will improve access for people dropping off passengers at check-in, provide more spaces for disabled passengers, and will also double the covered parking available on the ground level. During the construction period, there will be some changes to the access layout of the southern section of the terminal carpark, with signage directing people to available spaces. During the construction period extra staff will be on site to help direct customers. #911.21





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**The last four years have been transformational at Wellington Airport, with a number of high-profile projects completed, including the unique copper-plated terminal extension – the Rock.**

The Airport's 2030 Master Plan was drafted and finalized during this time and several projects included within it are now well under way, including a redevelopment of the general aviation area. This period has also been a difficult and volatile one for the economy, but Wellington Airport has shown considerable resilience in terms of passenger numbers, and new commercial initiatives have allowed earnings to continue to grow. Construction work on a new aircraft hangar facility started in January 2011. The building of about 2000 m<sup>2</sup> will be located on the airport's western apron area. The hangar has been designed to host all aircraft regularly using the airport, including A320s and B.737s operated by airlines serving international routes from the capital. #911.22

\* **Steven Fitzgerald, Wellington Airport's CEO since January 2008, is moving to a full-time position with HRL Morrison & Co, where he will be responsible for airport investment.** HRL Morrison & Co is a specialist investment management firm that manages Infratil, Wellington Airport's major shareholder. Fitzgerald will remain on the Board of Wellington Airport, but passed on his local CEO responsibilities on 8 August 2011 and relocates to HRL Morrison & Co's Sydney office in late August. **John Howarth, the Airport's Chief Operating Officer will take over the CEO role on an acting basis** while an international search is conducted to find the next WIAL chief. #911.23

**The Government's decision to extend Queenstown Airport is an issue of national significance and the application will go straight to the Environment Court.**

Environment Minister Dr Nick Smith said the application to the Environment Protection Authority from the Queenstown Airport Corporation was to alter the airport to include 19.1 hectares owned by Remarkables Park Ltd. "Queenstown is a place of national significance and the airport is the gateway to an iconic region of New Zealand that is growing as a tourist destination," he said. The Environment Court is already considering applications relating to rezoning and timing of flights allowed in and out of the airport, and the most sensible way forward is for this application to be considered in the same forum, according to Smith. #911.24

**More space for private jets is being provided at Queenstown Airport in an NZD13 million upgrade.**

Construction has been finished in time for the busy southern winter and an expected increase in private jets during the Rugby World Cup later in 2011. Work on the apron extension for an extra jet stand, more space for parking private jets, and an area for possible expansion of the terminal began on 2 May 2011. Following the apron extension, the airport will be able to park five or six large and four smaller jets, double the present capacity. Corporate and private jets are already common visitors to Queenstown. Meanwhile, the NZD 7 million **45 m-high infill to create a level runway end safety area** that started in February 2010 has been finished. Contractor Fulton Hogan had entered the night construction phase, necessary so flights were not disrupted. The NZD 2 million runway lights project, funded by the Airways Corporation, has also been finished in June 2011, well ahead of the October deadline imposed by the Civil Aviation Authority. The 118 runway lights should help reduce the number of flights diverted because of bad weather. Eventually, the lights will be used to maximize the airport's daylight operations, allowing aircraft to land until 10 pm. #911.25

**The 70-plus-year-old Paraparaumu Airport on North Island will undergo a significant upgrade to ready itself for commercial flights.**

Construction will soon begin on a Kapiti Coast-themed airport terminal, and on a carpark. Runway resurfacing began in February 2011, and an upgrade of runway lighting and navigational aids is also planned. The overall cost of the airport development is estimated at

NZD 3.5 million. The expense is one-half of a business plan hoped to act as a “catalyst for development” in the region. The other half is the simultaneous development of the Kapiti Landing Business Park, on the land surrounding the airport. The first business building, an 8700-m<sup>2</sup>, NZD 12 million Mitre10 Megastore, already opened in March 2011. **The projected cost of the airport and business park development over the next 10-15 years is NZD 750 million.**

Paraparaumu Airport Holdings bought the airport in 2006 for around NZD 40 million. Airport owner Sir Noel Robinson said the resumption of commercial services had always been the underlying objective of the airport redevelopment. Plans had been halted previously by five years of Resource Management Act negotiations and other regulatory processes. Developers also had to find solutions to a local coalition’s opposition, complaining about the effects of noise on more than 350 nearby houses. Any future expansion will focus on increasing the frequency of flights to Auckland. Flights to other major centres are also a possibility, as are flights between smaller centres. #911.26

#### **NEW CALEDONIA**

**At Nouméa’s La Tontouta Airport, the first of two passenger boarding bridges is currently being installed. This follows completion of the new arrivals hall in April 2011,** which formed Phases 1 and 2 of the development project . The glazed bridge allows arriving passengers to get a first impression of the beautiful landscape and the architecture of the future departures hall with a Melanesian touch. Installation of the bridges is one of the major projects of the third development phase of the airport. **Phase 3 will also see the renovation and extension of the check-in area to accommodate 24 counters.** The surface area of the arrivals lounge, designed with a new customs and phytosanitary area, will be doubled and the space underneath the terminal will be developed along with two new parking zones for freight carriers. Phase 4 of the works will consist in renovating the existing building. The development of the new terminal will continue through to 2012. #911.27

#### **MARSHALL ISLANDS**

**A major development has begun in the Marshall Islands to bring the Majuro airport runway up to international safety standards.** Majuro is a designated emergency landing site for trans-Pacific flights, and the extension is reportedly one of the biggest construction projects in the Marshalls history, costing around USD 16 million. Marshall Islands Transportation Minister, Kenneth Kedi, has told that press that most of the work involves creating open space at the end of the runway as a safety buffer in the event of an emergency. “There’s an extension of 1000 feet which would give a greater accessibility if a plane were to undershoot or overrun,” he said. #911.28

#### **NORTHERN MARIANA ISLANDS**

**Guam International Airport intends to limit capital expenditures as a result of enplanement volatility, with capital expenditures largely funded by U.S. government grants.** Of USD 19 million in budgeted 2011 capital expenditures, USD 17million are grant funded. The airport’s liquidity is expected to improve with the recovery of enplanements, following the declines observed between 2007 and 2009. #911.29

**The rehabilitation of the main runway at Saipan’s ‘Francisco S. Ada International Airport’ has been extended to about a year and is now expected to be operational by October 2011.** The airport is located in the U.S. Commonwealth of the Northern Mariana Islands in the Pacific Ocean. The Commonwealth Ports Authority Board approved some change orders for the FAA-funded project. CPA



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Executive Director Edward Deleon Guerrero said the Board's actions follow the FAA's pre-approval of the supplemental requests. He disclosed that a notice to proceed has already been issued to the contractor, Guam Pacific Power Corp. Inc. (GPPC), and construction work was scheduled to begin immediately. GPPC had been awarded the construction contract on 21 September 2009. This contract involves rehabilitation of Runway 7/25 to include milling of existing runway, taxiway, blast pad and shoulder pavements, an asphalt concrete overlay, and other works. Due to the new construction schedule and other additional requirements, the project's total cost has also been amended from USD 12.4 million to USD 13.9 million. #911.30

### **PAPUA-NEW GUINEA**

**A new airport is to be built in Komo in the tribal Highlands**, surrounded by jungle and located in one of the least accessible highland regions in the world. It will be able to handle aircraft up to and including Antonov 124 freighters. Its construction is testament to the huge global surge in demand for energy. The energy sector is an increasingly lucrative niche for many carriers as shippers expedite cargo to help in building new infrastructure or to service existing plants.

**A joint venture between McConnell Dowell and Consolidated Contractors is building the air facilities, linked bridges and rail track, which are scheduled for completion in 2012.** The key reason for its construction is the USD 19 billion Exxon Mobil-led PNG LNG project. The integrated LNG development includes gas production, liquefaction, processing and storage facilities in the Southern Highlands and Western Provinces and has a target capacity of 6.6 million tonnes per year. Production is due to start in 2014 and even in its first year of output, when it will not be at full capacity, the project is expected to account for 30% of total national exports. But its construction requires the delivery of huge volumes of heavy plant equipment, which are unsuitable for the country's dilapidated roads. With any delay in output set to cost billions, the developers concluded an airport for some of the largest aircraft in the world was a 'must have.' #911.31

### **FIJI ISLANDS**

**Airports Fiji LTD (AFL) has announced plans to spend FJD 68 million over the next four years on upgrading the airports around the islands.** According to local reports, Adrian Sofield, Chairman of AFL, said the operator had plans to upgrade the country's main gateway Nadi International Airport, as well as the Savusavu, Nausori and Lasaba airports. AFL has allocated FJD 15 million towards the upgrades of Nausori Airport and has already invested in new night landing lights. A further FJD 25 million will be spent on upgrading the overlay of Nadi International Airport. Sofield added that AFL would upgrade the Labasa airstrip and also extend the runway at Savusavu. **The upgrades form part of AFL's 20-year master plan, part of which will eventually see FJD 50 million spent on redeveloping Nausori as a full international airport.** #911.32

### **Other regions**

#### **INDONESIA**

**The Transport Ministry said on 26 July 2011 that Jakarta's Soekarno-Hatta International Airport will undergo an IDR 11.7 trillion (USD 1.36 billion) overhaul.** Director General for Air Transport, Herry Bhakti Gumay, told the press that construction will start in 2012 and will be entirely funded by State-owned airport operator Angkasa Pura II. "In 2014, Soekarno-Hatta will become a world-class airport," he said. **Changes will include renovating Terminals 1 and 2, completing the**

**development of Terminal 3 and building a new cargo terminal by 2013.** Other improvements include an automated transport system linking the terminals. When completed, the new gateway will have additional parking spaces for 20 000 vehicles, a convention hall, a shopping centre, a new hotel, and various recreational facilities. A fourth terminal to boost the airport's capacity to 87 million passengers per year will be built after the current construction project has been completed. #911.33

#### **CHINA**

**The second runway of Shenzhen Airport was completed and put into use in late July 2011,** adding yet another airport with several runways after Beijing, Shanghai, Guangzhou, Chengdu, Chongqing, and Kunming. **According to the development plan of the aerial city of Shenzhen Airport, a third runway is planned to be built in the future.** By 2035, the passenger throughput of Terminal 3 will reach 4500 passengers/hour, which will enable Shenzhen becoming a world-class airport. In December 1996, Shenzhen became the fourth largest airport in China. In 2003, the passenger throughput exceeded 10 million, which listed Shenzhen Airport in the top 100 airports in the world. In 2007, Shenzhen Airport's passenger throughput surpassed the 20 million mark. In 2010, the passenger throughput reached 26 713 000 (+9.1%); the cargo and mail handling capacity surpassed 808 800 tonnes, up by 33.6%, and the number of aircraft movements reached 216 900 (+7%). The analysis of ACI shows that Shenzhen has entered the global top 50 airports list. #911.34

#### **THAILAND**

**Airports of Thailand (AoT) has approved a USD 5.47 billion plan to expand Bangkok's Suvarnabhumi International, enabling the airport to handle 103 million passengers per year by 2024.** The project will be carried out in three phases. The first phase is scheduled from 2013 to 2016, the second and third phases are scheduled from 2017 to 2020 and 2020 to 2024, respectively. The first phase covers construction of a domestic passenger terminal, a third runway, and a carpark building. The second phase includes both domestic and foreign passenger terminals and a fourth runway. The third phase will include a fifth runway, additional passenger terminals and the expansion of car-parking space. -- AoT is planning to move the remaining domestic services at Don Mueang Airport to Suvarnabhumi in 2016. #911.35

#### **PHILIPPINES**

**The Government is planning to put up a PHP 8 billion budget terminal at the Clark Freeport in Pampanga to take in the traffic that Manila's congested airport system cannot accommodate.** The new facility is expected to rise by 2014 and will have a capacity of about 10 million passengers. "We're looking at a two-airport system with both Manila and Clark being interlinked," said Victor Luciano, President & CEO of Clark International Airport Corp. (CIAC). "The development of Clark will be more for a niche market without getting any traffic out of Manila." He added that the state-owned CIAC has been coordinating with the DoTC to have the contract for the new terminal's construction bid out under the administration's public/private partnership (PPP) framework. The PPP scheme aims to transfer the heavy capital burden of infrastructure development to the private sector by the early part of 2012. The proposed full-service terminal will be linked to Manila by a high-speed railway system. Clark was to be groomed to replace Manila's Ninoy Aquino International Airport (NAIA) as the country's premiere international gateway. But a more recent review of policies showed that 'Diosdado Macapagal International Airport' (DMIA) in **Clark may operate better as a hub for budget flights that are**



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**driving the growth of air traffic in the region.** Regional carriers such as Malaysia's AirAsia and Singapore's Tiger Airways, together with partner Southeast Asian Airlines (SEAir), currently operate out of Clark, the former U.S. military base close to the northern part of Metro Manila. The DMIA has been seen as a more accessible terminal for people in Quezon City and nearby cities. Clark also has more than 2000 hectares of available space where its airport can expand. In contrast, NAIA is located in the middle of residential communities. The 600 hectares of available space in Manila has also been used up. About 90% of all air traffic in the Philippines, or about 25 million passengers a year, originates from Manila. Because of this heavy volume, NAIA has experienced flight delays almost daily due to runway traffic congestion. #911.36

#### **KENYA**

**Nairobi's Jomo Kenyatta International Airport plans to begin construction of a USD 500 million terminal early in 2012 to meet a forecast increase in passenger numbers.** The terminal, the first expansion at the airport since 1978, will have the capacity to handle 20 million passengers, according to the Chairman of the Kenya Airports Authority, Martin Wambora. Bids for the project are expected in September 2011. The project, which will include a railway terminal, 60 check-in counters and 40 boarding gates, will take about 24 months to complete. The airport is forecast to handle 6.03 million passengers in 2011, up from 5.5 million in 2010. That number is expected to rise to 38 million by 2030, said Lucy Mbugua, General Manager for Marketing & Business Development at the Airport Authority. Revenue generated by the airport in the 12 months to June 2011 rose to KES 5.97 billion (USD 66.1 million) from KES 5.05 billion a year earlier. The new terminal is expected to generate revenue of USD 111 million in the first year of operation, with an annual growth estimated at 10%, the General Manager for Projects & Engineering Services, Philemon Chamwada, told reporters. #911.37

#### **SAUDI ARABIA**

**On 7 August 2011, the General Authority of Civil Aviation (GACA) opened the new international terminal at 'Prince Muhammad International Airport' in Madinah that can handle 35 flights daily** and improve services to pilgrims. "The new terminal has the capacity to accommodate 600 passengers per hour," GACA said, adding that the capacity would double to 1200 passengers once the second phase of the airport project is completed. The second phase includes construction of the first floor, which will be completed by the end of September 2011. Efforts are also under way to expand the airport's aircraft parking facility to accommodate five large-size planes at a time. Earlier in 2011, GACA completed construction of two passenger lounges at the airport for Umrah passengers. Since the beginning of the 2011 Umrah season, the airport received more than 700 000 pilgrims who arrived and departed on 2800 flights. GACA intends to increase the airport's monthly capacity from 400 000 passengers to 1 million.

Located about 15 km from the city centre, the airport was constructed in 1971. It has since then seen a number of expansions and development projects. Expansion is aimed at accommodating the growing number of Umrah and Hajj pilgrims who visit the Kingdom every year. According to a statement issued by the Ministry of Hajj, there will be a 45% increase in the number of Umrah pilgrims in 2011 after it issued more than 5.18 million visas for the minor pilgrimage. "As many as 3 855 564 pilgrims have arrived in Madinah since the beginning of the Umrah season this year," the Ministry said. "By next month, 1 330 636 more Umrah pilgrims are expected to arrive," it added.

**The Madinah Airport expansion has reduced the pressure on King Abdulaziz International Airport (KAIA) in Jeddah,** the main gateway for foreign pilgrims. KAIA has so far received more than





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2.4 million pilgrims (+109%) during this Umrah season. The pilgrims arrived on a total of 14 200 flights (+62%). The holy cities of Makkah and Madinah are crowded with Umrah pilgrims who have come from different parts of the world, especially Iran, Pakistan, Egypt, Turkey, India, Malaysia, Indonesia, and Bangladesh. According to a report issued by NCB, the Kingdom's tourism industry earnings from international travellers would reach SAR 80 billion by 2015. -- During 2009, religious tourism trips accounted for 47.1% of all trips to the Kingdom," the NCB report said. #911.38

#### **HUNGARY**

**Malév Cargo, the freight unit of Hungary's flag airline, said it will start operating from a different base at Budapest Airport beginning on 1 January 2013.** Malév will rent a 4250-m<sup>2</sup> base plus 583 m<sup>2</sup> of offices and additional space for its operations at the airport's new freight centre, called Cargo City, from airport operator Budapest Airport Zrt. The new freight centre is located in the south-eastern part of the airport, next to Runway 2, facing towards Vecsés. The first phase of the project will be completed in 2012. The 11 000 m<sup>2</sup> of warehouse space and the adjoining 5000 m<sup>2</sup> of office space - the first phase of the development - has been leased up to 80% to two major ground-handling companies. #911.39

#### **GREAT BRITAIN**

**Work on the first part of the new nine-mile Metrolink line connecting Manchester Airport with the city began in August 2011 (#904.22).** Over the next few weeks, the first phase of construction will take off, building the new line in the Mersey Valley area. Councillor Andrew Fender, chair of Transport for Greater Manchester Committee, said: "Given the fantastic response we've had from people about the recent opening of the South Manchester line, we are very enthusiastic about the benefits the Airport line will bring to everyone in Greater Manchester and beyond." As part of the initial phases of construction, the ground will be levelled off to make way for the line, with further piling works getting under way towards the end of 2011. #911.40

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