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CZECH REPUBLIC

Airport operator Letiště Praha plans to invest about CZK 27 billion (USD 1.09 billion) **at 'Václav Havel Airport Prague', as** it expects passenger numbers to double within the next two decades. Major projects include **the expansion of Terminal 2 and building of a new parallel runway**, which has been discussed since the 1960s. These projects will enable the airport to handle up to 21 million passengers per year, up from 13 million in 2016. The airport operator has informed about strategic projects for the next decade on the occasion of the airport's 80th anniversary on 5 April 2017. The current capacity totals about 15.5 million passengers. By 2020, the company wants to invest CZK 2.3 billion into expanding the check-in areas, in increasing the number of check-in counters and security checkpoints, and extending the parking capacity. The airport's capacity will thus increase to 17 million passengers. "We grow carefully, based on the increase in passenger numbers. Five million more people than we handle now means that we have to increase capacity everywhere - from parking spaces, to check-in, runway system and services. In co-operation with renowned international consultancy firms, we have drafted development studies that will allow us to implement the growth in stages," says Ing. Václav Řehoř, the new Chairman of the Prague Airport Board of Directors.
Over the next 20 years, passenger numbers are expected to increase on average by 3.4% annually. In 2010, the airport handled 10.9 million passengers; by 2017, the figure is expected to be around 14 million people, after exactly 13 million (+8.7%) in 2016. According to Mr Řehoř, passenger capacity should be increased by 2 million per year in the near future. The long-term plan envisages the extension of Terminal 2, which is to take place in several stages. In the future, the terminal is set to become the main handling area for both passengers and their baggage with one central security checkpoinbt. According to Řehoř, the main reconstruction works should be completed by 2025. By that date, the airport should also have a new parallel runway, and the main runway should also have been upgraded so it can handle three aircraft operations per hour instead of the current two. These changes should allow PRG to increase its capacity to 21 million passengers a year. One issue that remains to be solved is the link between the airport and the city centre, which is unlikely to happen earlier than in eight year's time.

GERMANY

Terminal 2 at Munich Airport was honoured as the world's No. 1 terminal at the 2017 World Airports Award ceremony, announced by the London-based Skytrax Institute. The rankings are based on a survey of 14 million passengers around the world. Terminal 2, which opened in 2003, now includes the new satellite facility that went into operation in April 2016. The completion of the expansion project has increased Terminal 2's capacity from 11 million to 36 million passengers per year. The new building has 27 pier-side stands, providing passengers with direct access to their aircraft with no need for a bus transfer. Terminal 2 is jointly operated by Munich Airport and Lufthansa as a 60:40 partnership. Commenting on Terminal 2 being voted the world's best terminal, Munich Airport's CEO Dr Michael Kerkloh said that this was not just an award, but also the start of a mission: "I see this accolade as an inspiration for us to maintain the excellence of our service and the overall passenger experience in the terminal and to improve it wherever possible." The outstanding results achieved by Terminal 2 in the World Airports Awards are rooted in a number of areas: Along with impressive scores in the passenger experience and overall comfort categories, the terminal achieved top ratings for the entertainment options and the quiet zones where guests can relax, read or work. T2 also won plaudits as a transit terminal: Right from the drawing board, the building was designed to keep connecting times to a minimum. The addition of the midfield satellite terminal has enhanced Terminal 2 in terms of quality as well as capacity: As one of the world's most advanced airport buildings, the satellite offers passengers a wide range of shopping and dining options amid pleasant surroundings, flooded with natural light. The total T2 retail and dining space has nearly doubled with the addition of 7,000 m² of new restaurants, cafés and stores. Also winning rave reviews is the decor in the satellite, with the many details inspired by local sights and culture, leaving passengers in no doubt that they are in Munich.

The gates are designed as future-ready waiting areas tailored to travellers' needs. Everywhere in T2, passengers can find quiet zones where they can sit back and relax in comfortable lounge chairs. And those who want to use the time productively will appreciate the free WLAN access, electric outlets, and USB connections. The family waiting areas are set up so that the little ones can expend their excess energy before boarding. In addition, the satellite terminal offers shower facilities outside the Lufthansa lounges for the first time. They are located on the Non-Schengen level for those who wish to freshen up before departing on long-haul flights. Passengers looking for a special oasis of quiet can visit one of the eleven Lufthansa lounges in Terminal 2. They include five new ones now open in the satellite building affording spectacular views of the airport apron. For the utmost in comfort, the roof terrace of the First Class lounge features exclusive amenities right at the heart of the airport. The lounges for passengers with mobility limitations and the unaccompanied minors lounge all have special facilities geared to their guests. All passengers with a boarding card are welcome to take the short trip to the satellite with the underground people mover to have a look.

The Chinese conglomerate HNA Group has acquired an 82.5% stake in Frankfurt–Hahn Airport (HHN) in western Germany from its owner, the State government of Rheinland-Pfalz (Rhineland-Palatinate). This is the first acquisition of an overseas airport by HNA, the parent of China's biggest private commercial airline. It is also the latest in a succession of acquisitions mounted by the company of various international assets (including Gategroup and the airline caterer Gate Gourmet and a minority stake in Dufry, the duty-free and travel-retail group), in order to step up its global expansion. The statement did not disclose the financial details of the deal for Hahn, a former military base now mainly used by Ryanair and other budget carriers.

Hahn Airport, located 120 km from Frankfurt, has been losing money in recent years; in 2015, it lost around EUR 16 million. The State government said in a statement that it had decided to approve the sale of the State's 82.5% stake in the airport and would now move forward on signing the contract. The remaining stake in Hahn Airport is owned by the neighbouring State of Hesse. Differing from Frankfurt Airport, Hahn has a license to operate 24 hours a day, which is an attractive feature for cargo flights. The freight volumes of Hahn Airport (72,577 tonnes in 2016) make it the fifth busiest in Germany.

HNA had made a bid for the acquisition - together with several other bidders such as local German group ADC - and appears to have won due to its rich overseas investment experience. In 2016, it was reported that Shanghai Yiqian Trading Co. was to buy the airport for USD 10 million, but the deal was blocked by the local government and fell through. -- HNA's international business now spans aviation, finance, real estate, logistics, hospitality, tourism and ecological technology.

SWITZERLAND

Zürich Airport's attractiveness as a destination in its own right will be further strengthened by The Circle for which the foundation stone was laid on 24 March 2017. Renowned architect Riken Yamamoto originally sketched his architectural vision of The Circle on a paper napkin. Following the laying of the foundation stone eight years later, his vision is becoming an ever more visible and tangible reality. The Circle is rising up at the best-connected location in Switzerland. Together with co-owner Swiss Life AG and further partners, and in the presence of numerous guests from the world of business and politics, the foundation stone was laid under what will be the main square for the further development of this unique location. Andreas Schmid, Chairman of the Board of Directors of Flughafen Zürich AG, is delighted: "We are not simply adding another building at Zurich Airport, we are strengthening it as a destination in its own right. With The Circle we are taking off in a whole new different direction." The foundation stone ceremony also marks a milestone for the marketing of The Circle. The newly launched communication campaign invites prospective tenants to find out more about the project.

Featuring attractive office space, two hotels from the Hyatt Group with an adjacent Convention Centre, a medical centre run by the Zürich University Hospital, various brand worlds, alongside spaces for art, culture, education, restaurants and cafes, The Circle represents an enrichment for the whole region, both culturally and economically. 6,500 jobs will be created over approximately 180,000 m² of usable space. The Circle is scheduled for completion by the end of 2019. The investment costs amount to around CHF 1 billion. Flughafen Zürich AG and Swiss Life AG have formed a joint ownership company, with Flughafen Zürich AG holding a 51% stake and Swiss Life AG 49%. The implementation partner is HRS Real Estate AG.

AUSTRIA

Flughafen Wien AG has filed an appeal within the legally permissible deadlines against the ruling handed down by the Austrian Federal Administrative Court banning construction of the third runway. An extraordinary appeal has been filed with the Austrian Supreme Administrative Court on grounds of unlawfulness of content, serious procedural violations, inconsistency in the reasoning underlying the court decision, and an inconceivable interpretation of the law. On the one hand, the basis for the appeal is the violation of essential constitutionally anchored rights such as freedom of ownership, freedom to carry on a business, and the principle of equality. On the other hand, the legal provisions used to justify the court decision were arbitrarily and inconceivably interpreted. Above all, the decision is materially unlawful, contradictory in its reasoning, and involved a serious violation of significant procedural principles such as the right to be heard. **Stopping the third runway project is potentially doing serious damage to Austria as a business location** and in creating jobs. The third runway project alone involves up to 30,000 additional jobs as well as the threat of the economy and tourism being unable to expand in the future.

POLAND

The Government will most likely build a new central airport that would replace Warsaw-Okecie as the country's central air transport hub. The Central Airport (Centralny Port Lotniczy or CPL), as the project is called, is referred to in Poland's Strategy for Responsible Development adopted by the Council of Ministers on 14 February 2017. The strategy calls for conducting detailed studies regarding CPL and deciding whether to proceed by the year 2020 as part of a programme to integrate various means of transport to promote Poland's development. The decision has the full support of ruling party leader Jarosław Kaczyński and Deputy Prime Minister Mateusz Morawiecki. After approval by the Cabinet's Economic Committee, the Infrastructure Ministry will have two months to prepare the concept and choose a location, possibly somewhere between the capital Warsaw and Łódź, the third largest city in Poland, near the A2 motorway and along a high-speed rail line to be built between Warsaw and Łódź. The State-owned Polish Development Fund (Polski Fundusz Rozwoju – PFR) and Bank Gospodarstwa Krajowego (BGK) will be heavily involved in financing the PLN 20 billion project. Additionally, an estimated PLN 15 billion will arise for road and railway connections. Some 75% - 80% of the airport construction is to be financed by international institutions such as the EIB, EBRD, and other banks. The new airport will be able to serve 50 million passengers a year. Warsaw's Chopin Airport was used by 12.8 million passengers in 2016, but projections suggest that it will run out of capacity by 2020 as it cannot be expanded any further due to its location in the capital. -- Polish Airports serviced nearly 34 million passengers in 2016, 12% more than in 2015, according to the latest data from the country's Civil Aviation Authority. Infrastructure & Construction Minister Andrzej Adamczyk has said that some forecasts predict that Poland would have 50 million passengers travelling by air in 2030, but the figure could also be 60 million. Adamczyk added that the new airport could be launched by "2027 or 2028 at the latest."

THE NETHERLANDS

The European Investment Bank (EIB) is granting a EUR 350 million loan to Amsterdam-Schiphol Airport to help finance the construction of a new pier and a small new terminal building during the next eight years**.** The new pier will be completed at the end of 2019; the new terminal will be operational in 2023 allowing for a growth in capacity of up to 15 million passengers per year. The airport will also expand and renovate internal roads and parking garages in that period. "Schiphol is the visiting card for the Netherlands, and further development of the airport is necessary in this time of continuous modernization and growth," said EIB Vice President Pim van Ballekom. "The EIB has supported Schiphol in the past, by the addition of the fifth runway and the new baggage-handling system for example, and we hope to continue this in the future," he added. The first instalment of the agreement was for EUR 175 million, with a second payment of the same amount due at a later date. In addition to the EIB, the work will be financed by bonds and operational cash flow. "Schiphol is very pleased that the EIB is willing to stimulate the expansion of Schiphol with this financing facility," added Els de Groot, Schiphol Airport's CFO. "It is confirmation of the very good relationship that we have built up over the years. Thanks to the planned expansion, we will continue to offer the best possible service to our passengers, safeguarding our position as our country's mainport and connecting the Netherlands to the rest of the world."
Passenger numbers at Schiphol grew by 9.2% to 63.6 million in 2016, making Amsterdam Airport Europe's third-largest after London-Heathrow and Paris-CDG. The airport plans to invest about EUR 600 million a year in maintenance, accessibility, improvements and expansion of capacity.

Leeds-based **Turner & Townsend Plc (T&T) has landed a cost management role on the expansion of Amsterdam Airport with a new terminal and pier allowing it to serve an additional 14 million passengers a year**, on top of the 59 million it already serves. T&T won the contract in a joint venture with the Den Haag-based construction costs expert IGG Bointon de Groot B.V. The new terminal will be constructed to the south of Schiphol Plaza and will be connected to the existing terminal. Completion of the scheme is planned for 2023, and the new pier, located near Cargo Station 1 and capable of accommodating multiple wide and narrow-body aircraft, will be ready for use by the end of 2019. **The contract will cover the controlling of all costs of construction work for a new terminal and pier, and associated projects, both land and airside at Amsterdam Airport**. T&T's Associate Director Astrid Boumans-Bakker said: "We're delighted to be working alongside IGG on such an important airport expansion programme that meets the long-term capacity growth for Schiphol. Gerard Geurtjens, Area Project Director for Schiphol Airport, said: "IGG/Turner & Townsend was the strongest bidder and we're reassured by the consultancy's reputation working on some of the world's largest aviation projects. Amsterdam Airport Schiphol needs additional space in order to accommodate and facilitate the growth in both the number of passengers and air transport movements. With the development of a new pier and terminal, Schiphol is investing in the capacity and quality of Mainport Schiphol, as well as strengthening the airport's international competitive position. At the same time, Schiphol is working hard to improve accessibility to the airport through investments in the public transport hub, Schiphol Plaza and the Jan Dellaertplein."

BELGIUM

Brussels Airport has an ambitious plan to get ready to accommodate the expected growth in air traffic in the next 25 years and has developed a Strategic Vision for 2040 based on social, demographic and economic evolutions in the world in general and in the aviation industry in particular. Vision 2040 contains projects in the short, medium and long term and stipulates the large lines of the future of Brussels Airport. Based on this, future strategic choices and decisions about the infrastructure will be made. The Strategic Vision Brussels Airport 2040 is the starting point for a dialogue with all involved parties. The plan connects Belgium to the rest of the world and to the future, and has the potential to double the number of jobs on and around the airport site to 120,000 by 2040. The airport operator intends to develop Brussels Airport in an open and transparent way, in dialogue with all stakeholders concerned and with consideration for its impact on the environment and its surroundings. That is why Brussels Airport has created Forum 2040, in which all stakeholders are represented: neighbours, municipalities, civil society organisations, companies and experts.

In order to drive forward the airport's activities, and in doing so, to uphold the connectivity and the economic growth of Belgium, **the infrastructure of Brussels Airport will need to be adapted. This is planned from 2025 forward, after a first optimization phase of the existing infrastructure by 2020**. Throughout the next two decades, the airport expects an increase of passenger numbers by 3.8% and the cargo volume by 4.7% annually. According to the plan, the direct and indirect employment numbers can rise from 60,000 today, to 75,000 in 2020.

One of the goals of Brussels Airport is to create a prestigious and modern business park- Deloitte, KPMG, and Microsoft have already chosen to participate in this. Trends show that more companies chose to settle at or near airports because of easy mobility. Other than increasing the number of jobs available, **the strategic vision has three main focal points:** First, **the runway infrastructure needs to be improved** to enhance airport capacity. This gives the airport two options, increasing the length of Runway 05/27, or extend the available taxiways. Secondly, the vision promotes the **construction of two extra piers**. A western pier will be added in 2023, and a third one will be added around 2030. Lastly, **the cargo zone needs to be modernized and refurbished** to certain standards in order to support key sectors in the economy.

The Strategic Vision 2040 focuses on a balanced approach by connecting with the direct and indirect environment around the airport. An independent panel will select 60 participants for the forum, based on residency or expertise to ensure all parties involved will get equal opportunity to speak and participate. An independent chairman will guide the discussions. The top diplomat Jan Grauls chairs the Forum 2040, the dialogue platform where a variety of stakeholders will talk to each other about the Strategic Vision 2040 of Brussels Airport.

LUXEMBOURG

At Luxembourg Airport, the capacity of Terminal A is almost saturated due to the rapid traffic growth, attributed to the entry of new airlines and the fast growth of existing airlines. As the airport handled 3.02 million passengers (+12.4%) in 2016, the terminal's 3 million capacity is no longer sufficient to accommodate the anticipated passenger growth. Airport operator Luxembourg Airport Authority, therefore, had announced construction of a new Terminal B in 2016. Planning, preparation and construction works of the new terminal were started in the same year, with completion scheduled for mid-2017. **The new Terminal B will be used for regional aircraft and flights within the Schengen area**, mainly flights with less than 50 passengers.

Terminal B will encompass the redevelopment of an existing terminal that was originally built in 2004 but abandoned for eight years. Although abandoned, the terminal has been well maintained and is in good working condition. Certain areas of the terminal and the apron will be renovated, as part of the redevelopment, in order to accommodate more passengers and bigger aircraft. The new terminal will add 700 m² of passenger waiting space and ten new aircraft contact gates, increasing the airport's total number of gates to 15. The new gates will enable the airport to handle more flights, leading to 90% efficiency in flight management.

Certain existing structures within the terminal will be removed to create space for new facilities such as food and beverage outlets. Terminals A and B will be connected through an existing connector bridge, which will be extended and equipped with moving walkways. Two new aircraft stands, A12 and A14, will be positioned just opposite the connector bridge to handle narrowbody aircraft. The new stands are being exclusively built for existing airlines EasyJet, Vueling and Ryanair. Other projects forming part of the terminal redevelopment include the installation of aircraft power supplies, upgrading terminal security and IT systems, and a thorough inspection of the current air-conditioning, electricity, escalator and other systems. The new terminal will allow passengers to board their flight by walking for a short distance instead of taking a bus.
The Airport Master Plan for the development of the landside area in front of the terminal was released by the airport operator following the announcement of the new terminal construction in 2016. The landside development is designed to provide required infrastructure and facilities to support the medium and long-term growth forecasts at the airport, as well as complementing the existing terminal infrastructure. **The Master Plan envisages the development of 4,100 new parking slots**, of which 1,200 will be located in the current Parking F, which features proportionately-sized slots. Located in front of Terminal A, short-term parking area C was also expanded as part of the master plan to offer 345 spaces for visitors. All the parking spaces located around the terminal will be connected through underground passages without any road crossings and protected from all weather conditions. Also included in the master plan is a tram line, which will establish a direct above-ground connection to the terminal at the existing bus stops by 2021. The tramline will allow passengers to directly reach the departure halls by eliminating the hassle of crossing streets and changing levels.
Terminal A features 18 aircraft gates from A1 through A18 and accommodates all aircraft with capacity of more than 50 passengers. The terminal has three levels offering operating and passenger facilities. Level 0 or the ground level features the main entrance and exit areas for parking and public transport. It houses check-in desks, the baggage check-in area, gate access areas, customs desk, an airline lounge, and airline counters of Turkish Airlines, TAP Portugal, Luxair and Luxaviation. Other passenger facilities include cash dispenser, bank and currency exchange counters, duty-free stores, coffee shop, book store, information help desk, and a police desk. Level-1 provides access to underground parking and features the walkway that connects to Terminal B. Baggage claim area, oversize baggage claim and lost baggage counter, ID control and customs, boarding gates and baggage assistance centre are the facilities located on that level. Level-1 also has duty-free stores, restaurants, charging stations, car rentals, and a photo booth. Level +1 or the mezzanine level, features a fully-equipped Regus Express business centre, which includes meeting rooms, private offices, a business lounge, and a co-working space. It also has two restaurants, which offer elegant views of Runway 06/24, which is 4,000 m long and 60 m wide.

FRANCE
The first passengers traveled through Lyon-Saint Exupéry Airport's new Terminal 1 after it opened its doors on 11 April 2017 to the first low-cost carriers. Terminal 1 Hall B is being built in phases into the existing Terminal 1 and doubles the size of the airport. The new Terminal 1, which will be fully opened during the summer, will cover 70,000 m², providing the airport with a new dimension and a high-quality service to meet the most stringent international standards. It increases the airport's annual capacity to 14 million passengers. Lyon-Saint Exupéry (LYS) handled almost 10 million passengers in 2016. The low-cost carriers Air Arabia, EasyJet, Transavia, and Pegasus have started operating from Hall B. Conventional airlines will operate from the new terminal from September 2017. A new entrance and walkway to the terminal is being built, and so are changes to the road links. Hall B will feature a 10,000-m² shopping, restaurant and relaxation area. Operations will start gradually, so business can carry on as usual as the work progresses. It will be completed in summer 2018 and be able to accommodate 14 then 15 million passengers in the long run. -- The expansion work also includes the destruction of the old check-in area in Terminal 3 to create a link to Terminal 1.

The EUR 45 million commercial renovation at Nice Côte d'Azur Airport (NCE) is nearing completion, with a range of tailor-made, unique concepts that convey a true sense of the Riviera. According to Filip Soete, the airport's Commercial Business Unit Director. When launching its commercial redevelopment three years ago, the ambition was clear – to create "the most surprising commercial experience in a European airport." The Terminal 1 refurbishment was completed in May 2016, and Terminal 2 will be 90% complete in May 2017. The EUR 45 million commercial investment has seen 11,000 m² in Terminal 1 affected by the revamp, with retail space increased by 160%, lounges by 70%, and seating spaces by 60%. In Terminal 2, 23,000 m² are being updated, with 110% more commercial space, 90% more seating and lounges doubled in size.
This development is taking place against the backdrop of positive traffic figures. While the terror attack of 14 July 2016 initially saw visitor numbers to NCE fall, the airport handled 12.4 million passengers in 2016 (+3.4%). Commercial revenues in the renovated Terminal 1 have also yielded strong results. "We have met our objectives for Terminal 1 in terms of revenues, with turnover up by 20%, so we are very happy with that, and it is in line with what we expected, despite the difficult environment," says Soete. "We are very confident for this summer. We have a strong aviation programme – Qatar Airways is returning with a five-times-weekly B787 service to Doha, and EasyJet is increasing its schedule – so we are optimistic about 2017."
At the heart of the new Terminal 2 commercial offer is an 840-m² walkthrough store operated by Lagardère Travel Retail under its Aelia Duty Free brand, which opened on 9 February 2017. Mirroring the passenger route in Terminal 1, all travellers in Terminal 2 pass through a single security check area before entering the walkthrough store. The aim is to provide passengers with a fluid, simple route through the terminal. The T2 walkthrough store has exceeded expectations, even outperforming the T1 store. The concept is 'Playful New Luxury', with core categories including fragrances & cosmetics, confectionery, and wines & spirits. New brands include Crème de la Mer, Jo Malone and Filorga, while iconic French brands featured include Chanel, Dior, and Guerlain. Michel Pérol, CEO Lagardère Travel Retail France, comments: "Lagardère Travel Retail France is pursuing a strategy of overall operator across the three segments of duty free, restaurants and travel essentials. Nice Côte d'Azur Airport's commercial project gave us an opportunity to express this ambition on an exceptional site." A real experience has been created for travellers in the Hair & Nail Bar by Éric Zemmour, which offers express beauty services for nails and the possibility of a blow dry before departure. Among the food & beverage highlights in Terminal 2 will be Jamie's Italian, created by U.K. celebrity chef Jamie Oliver. The 200-m² restaurant opens on 1 June 2017 and is one of ten outlets SSP will run as part of an eleven-year deal with the airport. Also opening in Terminal 2 will be L'Estivale, created by Mauro Colagreco from the two-Michelin-starred Mirazur restaurant in Menton. It will serve a menu inspired by local food, flavours and his travels from around the world in a rustic bistro-style environment.
"Nice Côte d'Azur Airport has ambitions to become one of the major platforms in southern Europe, with a genuine focus on the passenger experience," comments Gérard d'Onofrio, Managing Director, SSP France, Belgium, Netherlands. "We are delighted to be partnering with the team at Nice to create a food & beverage offer that will undoubtedly place the airport in the top echelons for dining." Chez Pipo provides a true taste of the Riviera in Terminal 1 with its first airport restaurant. It is a real institution in Nice through the generations, famous for its 'socca' made from chickpea flour. Adapted for the travel environment, it offers a range of products inspired by the region. La Tarte Tropézienne is a famous patisserie from St Tropez. -- The T2 renovation will be fully complete by the end of 2017, at which time there will be 68 shops and restaurants across the two terminals. These are all consistent with the vision to be "surprising, entirely contemporary, and loyal to the locality."

SNC-Lavalin Group Inc. has sold its operations in France and exited the airport management and maintenance business with the sale of 19 regional airports. The Montreal-based engineering and construction firm announced that it has signed and closed an agreement to sell its on-going activities in France and Monaco to Ciclad and Impact Holdings for a nominal amount. The two firms have handed over the operation of the airports to a new company, Edeis, they have formed in late 2016. The deal

includes 13 offices that cover several markets such as industry, agribusiness, transportation, and cities. Some 1,100 employees are being transferred to the new owners. The airports are located in smaller French cities (Angoulême, Annecy/Mont Blanc, Auxerre-Branches, Bourges, Châlon-Champforgeuil, Cherbourg-Maupertus, Dijon/Bourgogne, Le Havre-Octeville, Nîmes/Alès Camargue Cévennes, Reims, Rouen, Saint Martin-Grand Case, Tarbes/Lourdes Pyrénées, Toulouse-Francazal, Tours/Val de Loire, Troyes, Vannes/
Golfe du Morbihan, along with the Caribbean island of Saint Martin and including SNC's investment in Société d'Exploitation de l'Aéroport de Mayotte in the Indian Ocean. One airport is located in Castellón in Spain. While the company has held the operations in France since the mid-1990s, they have not generated the expected profitability, Infrastructure President Ian L. Edwards said in a news release. The sale is part of the company's efforts to improve its profitability by focusing on its four core business sectors: oil and gas, mining and metallurgy, infrastructure, and power. "Even with this deal, nothing prevents us in the near future to work on a project in France," added SNC spokesman Louis-Antoine Paquin. -- Lavalin's activities in France had covered several markets, including complex buildings, industry and agribusiness, transportation and cities, as well as the operations and maintenance of 19 regional airports. The sale should positively impact the overall EBIT margin of the company's Infrastructure sector. Both Ciclad and Impact Holding are well placed to position the business in France for the future. They are both active in investments in France, including in engineering, and have previously partnered successfully to grow the companies they have invested in.

SPAIN

Passenger traffic at the airports operated by AENA grew to 244.8 million (+11.4%) in 2016. Of the total, 230.2 million passengers were recorded at the 48 airports and heliports in the Spanish network. Traffic at Luton Airport in the U.K., the busiest of the 16 international airports Aena manages, reached a historic high at 14.6 million passengers (+18.5%). Total consolidated revenue increased to EUR 3,772.5 million (+7.2% compared with 2015), of which 25.1% correspond to commercial revenue (24.5% in 2015). Commercial revenue grew by 10.2% (up to EUR 948.8 million). EBITDA for the period stood at EUR 2,293.6 million (+9.3%) and reaching a margin of 60.8% due to the efficiency level achieved despite operational stress posed by traffic growth. The operating cash flow increased significantly by 12.6% to EUR 1,834.7 million against EUR 1,629.0 million in 2015. Accounting net financial debt has fallen to EUR 8,228.0 million (including the consolidation of Luton's net financial debt amounting to EUR 337.9 million) compared with EUR 9,401.7 million at the end of 2015, reducing the ratio of financial debt to EBITDA from 4.5x in 2015 to 3.6x on 31 December 2016. **The amount invested in 2016 was EUR 305.4 million (including EUR 61.1 million at Luton).**
On 27 January 2017 the Council of Ministers approved the Airport Regulation Document (DORA) which regulates obligations under the current legal framework for the provision of aeronautical services for the 2017-2021 period. As a result of this DORA, regulated airport tariffs will be reduced by 2.22% per annum in the period, beginning on 1 March 2017. Aena, S.A. has implemented a new commercial incentive scheme for the DORA period to 2021, focusing on new routes, long-haul passenger growth, and short and medium-haul passenger growth in airports with special need to foster demand.
Consolidated net profit increased to EUR 1,164.1 million (+39.7%), reflecting a positive business development, the reversal of provisions for legal proceedings related to land expropriations at Madrid-Barajas Airport and higher corporate tax expense. Excluding the extraordinary reversal of provisions, net profit amounted to EUR 1,010.4 million (+21.2%). -- The Board of Directors of Aena, S.A. proposd to the Ordinary General Shareholders Meeting the distribution of a EUR 3.83 dividend per share.

ITALY

The objective of airport operator Aeroporti di Roma (ADR) is to provide the Mediterranean with a modernized landmark hub, making Rome's 'Leonardo da Vinci Airport' into a facility of primary importance on a global scale. In the first phase, the interventions are to be carried out in the current airport area. In the next phase, **expansion of the airport to the north is planned**

through the acquisition of new land. **By 2021 an increase in the airport's capacity to largely over 50 million passengers a year is expected**, bringing Leonardo da Vinci in line with the main European airports. **In addition to the expansion of the aircraft aprons and completion of a new runway, the terminals system will be extended**. At the same time, the Master Plan has been defined. Development to the north will mean a further increase in total capacity of 50 million passengers a year. **Upon completion of the Master Plan, the overall capacity of the Rome airport system will exceed 100 million passengers per year**.
The distinctive feature of the airport facilities foreseen for this development resides in their flexibility and the high degree of intermodality of the links with the region and the city. **It is expected that 50% of passengers will reach the new airport using public transport, integrated and connected through an innovative Ground Transportation Centre**. Another key element is the high level of environmental sustainability, which renders Fiumicino a striking example for the self-generation of energy and the use of renewable energy resources. And the adoption of the main environmental and local area values in the new facilities, with the integrated management of the recycling of waste and the realization of appropriate environmental compensation works.
The **details of the development to the north** are: A new terminal with higher standards of service; two new runways; new aircraft aprons; a new system of taxiways to ensure a smooth and efficient air traffic flow; new technological power plants so as to ensure the self-production of 85% of the overall power requirements; production of 30% of electricity requirements from renewable sources; production of 50% of thermal power requirements from renewable sources; reduction of emissions equal to approximately 15,000 tonnes of CO_2 per year; a new complex of buildings, carparks, services, and facilities.

GREECE

Fraport Greece has made an upfront payment of EUR 1.234 billion in total and will further invest up to EUR 400 million for improving and expanding the infrastructure of the 14 airports it has acquired by 2021. The focus is on enhancing facilities, operational processes and the passenger experience. On 11 April 2017, Fraport Greece (73.4% owned by Fraport AG and 26.6% by Copelouzos Group) started the 40-year concession for managing, operating and developing 14 regional airports on the Greek mainland and on popular holiday islands – a mammoth investment for the country's infrastructure and economically vital tourism sector. Following the operational transfer of the airports, Fraport Greece paid the upfront concession fee of EUR 1.234 billion – the biggest concession fee in Greece's history – to the Hellenic Republic Asset Development Fund (HRADF). Along with this upfront fee, an annual fixed concession fee of EUR 22.9 million will be paid to the Greek State, as well as a variable annual fee based on 28.5% of Fraport Greece's yearly operational profit (EBITDA). Actual ownership of the airports is retained by the Greek State.
Alexander Zinell, Fraport Greece's CEO, emphasized: "Today marks the beginning of a new era for the 14 Greek regional airports. Within only twelve months we have established Fraport Greece, a world-class airport operator with over 500 highly motivated staff eager to move each of the 14 airports into the future. We will develop and manage the airports for the benefit of passengers and airlines – for all stakeholders. These mainland and island gateways will act as a catalyst of growth for Greek tourism as well as other industries. Well managed airports have been proven to serve as dynamic economic engines for their regions. We appreciate the outstanding support received throughout Greece and look forward to the challenges and opportunities ahead." Dr Stefan Schulte, Fraport AG's Executive Board Chairman, explained: "Since being selected as the winning bidder for the Greek Regional Airports in 2014, we have remained steadfastly committed to this visionary project. We believe in Greece and its potential as one of the greatest travel destinations in the world. The goal of Fraport Greece is to enhance the travel experience for visitors from around the world – by upgrading and expanding facilities and by improving operational processes, shopping and services. Today is a great day for Greece and its people. It is also an important day for us because Fraport Greece is the single largest expansion of our airport portfolio and a milestone in further growing our international business". Dimitris Copelouzos, the founder and Chairman

of Copelouzos Group, said: "With the single largest upfront payment for a concession in the history of the Greek State, Copelouzos Group and Fraport AG implement the biggest private investment in the country. This is a solid proof of the confidence we have in the Greek economy, and a tangible strengthening of its perspectives. We believe that the concession of the 14 regional airports will be the springboard for relaunching the economy and aim at improving national competitiveness through the Greek tourism, the heavy industry of Greece."
The 14 Greek regional airports served a total of 25.3 million passengers (+9%) in 2016. Fraport Greece will operate, manage and develop the airports over the next four decades. The airports included in the concession are: Aktion (PVK), Kavala (KVA), Thessaloniki (SKG), Kerkyra/Corfu (CFU), Chania/Crete (CHQ), Kefalonia (EFL), Kos (KGS), Mytilene/Lesvos (MJT), Mykonos (JMK), Rhodes (RHO), Samos (KGS), Santorini (JTR), Skiathos (JSI), and Zakynthos (ZTH). Approximately EUR 968 million in long-term financing for the Greek Regional Airports project is being provided by a consortium of leading financial institutions. Some EUR 280 million of the total loan will be used to finance construction projects at the 14 airports, while EUR 688 million were used as part of the upfront concession payment to HRADF. Fraport Greece recently raised its total capital to EUR 650 million.

TURKEY
Istanbul Grand Airport (IGA) company, which is building the world's largest airport to be opened in 2018, is preparing to build a trade centre with an investment worth EUR 6 billion located near Istanbul's third airport. Istanbul Airport City, an urban development project will include hotels, offices, malls, and social living areas as well as fair and event zones. The Istanbul Grand Airport company, the consortium carrying out the construction of the airport, launched the project during the recent Marché International des Professionnels de l'Immobilier (MIPIM) 2017, the world's largest and most prestigious real-estate fair held in Cannes/France. Once completed, the new airport will have an annual capacity of 200 million passengers, claiming first place among the world's largest airports, built from scratch.
With the capacity to serve 90 million passengers a year, the first stage of the airport and the Airport City project will enter service on 26 February 2018, coinciding with President Recep Tayyip Erdoğan’s 64th birthday. The Airport City will be located near the main terminal and the parking area, and will be constructed simultaneously with the terminal. The IGA company, which will operate the airport under a build-operate-transfer (BOT) model for 25 years, will do the same for the Istanbul Airport City over a period of 49 years. The first stage of the complex will be a 420,000-m² space, with two more sections to follow, the East Part and the T2 Part. Once it is completed, the complex area will span more than 1.51 million m² and provide employment to 225,000 people by 2025, taking into account employment in the areas of ground services, airlines, security, maintenance and repair, and food & beverage services.
"**At IGA, our development strategy is to act as the master developer and we are open to develop these assets with sub-developers or co-developers and create a business model based on mutual benefit**," said IGA Executive Committee Member Mehmet Kalyoncu at a press conference in Cannes. Since the IGA will be the sole group responsible for the project, sub-developers or co-developers will not need to co-ordinate with any governmental institutions for construction permits or any other legal procedures to invest and realize a project in Istanbul Airport City. "We want developers to focus on developing the best projects, rather than wasting time in bureaucracy," Kalyoncu explained. IGA Executive Chairman Hüseyin Keskin underlined that Istanbul New Airport will have links to Canal Istanbul, a project known to the public by its official name ‘Kanal Istanbul’. It will be realized on the European side of Istanbul, aiming to create a sea-level waterway connecting the Black Sea to the Marmara Sea. The waterway's length will be around 40 to 45 km and will have a width of between 145 and 150 meters on the surface. Along with the waterway, when the planned airport and roads and other similar infrastructure projects are considered, an investment of around USD 50 billion will be required to successfully accomplish it. Keskin said Kanal Istanbul will host around 1.5 million people around it. Kanal Istanbul and Istanbul New Airport will complement each other.

The first stage of construction of Istanbul New Airport, with 23,000 people working three shifts, was nearly half finished (42% complete in March 2017), marking a significant milestone in the construction of the world's largest airport. Construction work at the EUR 10.2 billion (USD 10.81 billion) project is expected to be finished in 2018. A new 65 km long metro line that will connect Istanbul's third airport to the city centre and pass through Istanbul's six districts is being built by the Ministry of Transportation, Maritime & Communications. The construction of the 13-station metro line has an estimated cost of TRY 4.9 billion. The subway line, starting from Gayrettepe, will take around 26 minutes from one end to the other. Gayrettepe, where the existing subway, metrobus and bus lines currently meet, will be the main transfer point for both the Asian and European sides, according to officials.
The new airport will provide opportunities for flights to more than 350 destinations for nearly 100 airline companies. According to the best-case scenario, as of 2025 a total of 120 million passengers, including 35.5 million on domestic flights and 84.9 million on international flights, are expected to be handled at the airport. While the passenger traffic expectation was 120 million passengers in 2025, 69% of the passengers were expected to travel internationally, while 31% were expected to travel on domestic routes.

Since Istanbul's Ataturk Airport is due to close its doors in 2021, when TAV's concession expires, the airport operator is looking abroad for new business. TAV lost the battle to run the new Istanbul Airport and is currently screening more than 20 privatization projects worldwide, with a focus in emerging Asian, Middle Eastern, and African nations. The group's dedicated construction unit is a major selling point, letting the company offer a continuous value chain from building to operation. TAV has also built up non-aviation businesses in such areas as duty-free shops, food services, security, and information technology to provide 54% of revenue. The average figure in the industry is 50%, though TAV aims to hit 60% in the near future.

Other Regions

AUSTRALIA

A fourth terminal at Sydney Airport for international travellers that is connected to the existing domestic terminals is part of plans to help it cope with strong passenger growth and competition from the future airport at Badgerys Creek in the city's west. According to the preliminary plans, Terminal 4 would be on the site of Qantas' jet base sandwiched between Terminal 3 and Qantas Drive on the airport's perimeter. A pier for the new terminal would also extend south from the domestic precinct, while "remote aprons" could be built near the northern boundary in Airport Drive. The new terminal will mean the relocation of the Qantas maintenance facility to another part of the airport.
A month after turning down its "right of first refusal" to build and operate the new airport at Badgerys Creek, Sydney Airport chairman Trevor Gerber told shareholders that three years of consultation with the Federal Government over Western Sydney Airport had forced it to develop detailed plans to expand its existing operations. "We think the time is about right to have some significant expansion," he said on Tuesday, when asked how Western Sydney Airport will affect its long-term profitability. "We think the demand is clearly there, too."
The number of passengers passing through Australia's largest airport rose almost 6% to 41.9 million in 2016, underpinned by a strong growth in travellers from China and other parts of Asia. -- While a fourth terminal is part of the long-term plans, the airport's priority for the next five years is an AUD 500 million expansion of the international terminal (T1) that will include three new gates, passenger bridges, and an expansion of baggage system and claim areas.

PHILIPPINES

The Department of Transportation (DOTr) abruptly terminated a plan to auction off to the private sector the operations and modernization of five regional airports, **a PHP 108 billion deal that generated strong interest from the private sector**, as evidenced by the active participation of highly-qualified local and international players. The scrapping of the auction, involving the Davao, Bacolod, Iloilo, Laguindingan, and New Bohol (Panglao) airports, was announced by the Public Private Partnership Center on 23 May 2017. It said **the Government would instead pursue the development of the airports 'through other modes', e.g. by funding the development itself**.
The PPP project was carried over from the Aquino Administration. Being implemented by the DOTr and Civil Aviation Authority of the Philippines, its auction was deferred under the previous Administration since it came too close to the 9 May 2016 polls. It would have been the second airport PPP after Mactan-Cebu International Airport, won by the Megawide Construction Corp. and India's GMR Infrastructure in 2014.
In its statement, the PPP Center defended the project - and the entire PPP programme - as it sought to combat the perception by some that it was being sidelined under the Duterte Administration. "While the PPP Center believes in the credibility of these airport projects, structured as PPP, and gratefully acknowledges the solid interest of the private sector, we respect DOTr's and CAAP's authority and their decision to terminate the projects," the PPP Center said. It cited successful PPPs under Mr Aquino that gave Filipinos the first steps toward a modernized Cebu International Airport, two new expressways in Metro Manila, and more public classrooms through school infrastructure projects. "**It is clear that PPPs remain as a viable option in the procurement of infrastructure projects, especially those that require an integrated approach (i.e. design-build-operate-maintain) in order to save on procurement timing, reduce interface risks, and avail of private sector's technology and efficiency**," the PPP Center said. The Duterte Administration had communicated a different approach, stating a preference for the Government to first build the projects and then bid out the operations and maintenance contracts to the private sector. It said this was part of the administration's 'hybrid' approach to PPP projects as this policy would lower the cost of public services since there would be no heavy investments for the private sector to recover. This was a departure from the previous PPP practice wherein private sector handled both the development cost as well as the operations and maintenance aspects. Another shift is the **plan to get more funding for projects from China**, given warming ties between Manila and Beijing under Mr Duterte.
In November 2016, the Board of the National Economic and Development Authority (NEDA) had approved the un-bundling of the airport projects. This meant each airport project would be bid out individually instead of the initial structure of bidding, which allowed the auction of the five airports in two separate packages. Then last month, Transportation Secretary Arthur Tugade said they would likely remove Davao International Airport - the most coveted asset from the five gateways - from the mix and the DOTr would develop Davao Airport, then eventually bid out the operations and maintenance to the private sector. The latest deadline for the submission of pre-qualification requirements for the project was set on 15 June 2017. It had been delayed several times on account of shifting policy. Five groups were pre-qualified during the original process. These were the Metro Pacific Investments Corp.; San Miguel Corp. with South Korea's Incheon Airport; Aboitiz Equity Ventures with VINCI Airports; Megawide Construction Corp. and India's GMR Infrastructure; and the Filinvest Group with Japan's Sojitz and Jatco.

GREAT BRITAIN

Birmingham Airport is considering plans to open a terminal on the site of the proposed high-speed (HS2) railway station. The future line will link London, Birmingham, the East Midlands, Leeds, and Manchester. In this way passengers would be able to walk from a train straight into the airport to board their flights. With the proposed Birmingham Interchange HS2 station just 38 minutes from London, it could see the West Midlands airport attracting millions of additional passengers keen to avoid Heathrow or Gatwick once the GBP 55 billion rail scheme starts running in 2026. A masterplan for new developments at the airport is currently being drawn up, but it is understood a terminal at the

Interchange Station is one of the options being looked at for the time when **Birmingham Airport will become the U.K.'s first high-speed connected airport and its catchment area will be dramatically enlarged into central London, giving it an increasingly national role**. Airport Chief Executive Paul Kehoe has made no secret of his aim to use HS2 to attract more passengers. The airport has already undergone major development in recent years, extending its runway, building a new air traffic control tower, car- parking facilities, hotels and passenger facilities. The new HS2 station would be built across the M42 and plans would see passengers using a 'rapid transit peoplemover' to reach the airport. Newly elected Midlands Metro Mayor Andy Street is also backing expansion for the airport, which could include a second runway that would allow it to serve 55 million passengers by 2050.

Four U.K. construction hubs are being sought by Heathrow Airport to allow components of its GBP 16 billion expansion project to be built away from the Heathrow site with good connectivity, access to a relevant supply chain, and strong local skills. The logistics hubs will pre-assemble components linked to projects related to the proposed third runway before transporting them to the airport. This method will make the project more affordable and mean jobs linked to the investment will be spread more broadly across the country. The airport claimed this method of construction had been popular in the housebuilding sector but had only had a limited role in major British infrastructure projects so far. Interested applicants need to apply by 31 July 2017, and all applications will be considered by Heathrow.
Heathrow hopes to have full approval to proceed with its expansion projects by the end of 2020 and begin construction rapidly after that, completing the third runway in 2025. The airport has used off-site locations before for other projects. It said large parts of the structural steelwork for its Terminal 2 building were constructed in Yorkshire and Lancashire before being transported to Heathrow. When it built its carpark at T2, the GBP 2.5 billion project employed businesses around the country.

UNITED ARAB EMIRATES
The Department of Finance of Dubai, the Investment Corporation of Dubai, and Dubai Aviation City Corporation have announced the signing of USD 3 billion in credit facilities to fund airport expansion in the Emirate. The funds will be used to expand the Dubai International (SXB) and Dubai World Central (DWC) airports and mark the first stage of a larger programme to transform the latter into the Emirate's primary aviation hub with a capacity to serve 146 million passengers by 2025. The facilities comprised a USD 1.625 billion seven-year conventional facility and a USD 1.475 billion equivalent dirham-denominated seven-year Islamic ljarah (lease). Dubai Media Office said the facilities, for which HSBC acted as financial advisor, were more than 50% oversubscribed.
The twelve-year expansion project of DWC is expected to cost roughly USD 35 billion in total. Abu Dhabi Commercial Bank, Abu Dhabi Islamic Bank PJSC, Bank of China, Citibank, Dubai Islamic Bank, First Abu Dhabi Bank, HSBC, Industrial & Commercial Bank of China Ltd, Intesa Sanpaolo, JP Morgan, Noor Bank PJSC, and Standard Chartered acted as joint arrangers and bookrunners.

An expansion of Dubai's 'Al Maktoum International Airport' (DWC), currently the second largest airport in the emirate, has been delayed by a year to 2018, said a report citing the airport operator. On completion of the work in 2018, the airport will boast an annual capacity of 26 million passengers. The Dubai government had recently announced that it had secured USD 3 billion in long-term financing for the expansion of its airports, which are forecast to serve 146.3 million passengers by 2025. Al Maktoum International is being gradually ramped up to take over from Dubai International Airport, currently the world's busiest and home to Dubai carrier Emirates.

Green Airports

Government representatives who attended the recent International Transport Forum (ITF) in Leipzig, Germany were urged to support the air transport industry with its plans to reduce the climate change impact from its operations. In October 2016, governments meeting at ICAO agreed the world's first global market mechanism to deal with a single industry's carbon emissions growth. The scheme, known as the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA), comes into effect after 2020. Speaking at the ITF, Michael Gill, executive director of the cross-industry Air Transport Action Group (ATAG), said that governments have a key role to play in achieving aviation's climate goals. "Agreeing CORSIA was the first very important step, but its smooth implementation is absolutely crucial to the success of this world-first measure," he noted, adding: "First, we need more states to join up for the initial, voluntary phases of CORSIA. We applaud the 69 governments that have demonstrated strong climate leadership already and urge all remaining states to join in this action from the start of the scheme."
Gill said that currently, more than 80% of the growth in international aviation CO2 after 2020 would be covered, but a more complete coverage would only serve to increase the effectiveness of CORSIA. "Capacity building is our priority over the coming years, as both governments and airlines prepare for the start of CORSIA," Gill said. "Within the industry, we are launching a major push to make sure airlines and other aircraft operators are ready to comply with CORSIA from day one."
CORSIA is just one part of the aviation sector's climate action framework, which also includes a longer-term goal to halve aviation's CO2 emissions by 2050. Gill told the forum that this would take a "collaborative, ambitious effort by industry and governments working together".

London Gatwick Airport (LGW) in the UK and Lyon-Saint Exupéry Airport (LYS) in France have been certified by Airport Carbon Accreditation for reaching carbon neutral status, supporting the European airport industry's commitment to having 50 carbon neutral airports by 2030. This brings the total number of carbon neutral airports in Europe to 27, with the first airport being Sweden's Stockholm Arlanda in 2009. There are currently 116 airports in Europe working to address their CO_2 emissions. Olivier Jankovec, director general at ACI Europe, commented: "Lyon Saint-Exupéry plays an invaluable role in its region and the whole of France. Its latest achievement of becoming carbon neutral speaks volumes about its commitment to sustainability and it is something that all of the team there can be justifiably proud of." Jankovec said that it was "great" to see LGW moving up to Level 3+ of the Airport Carbon Accreditation programme and becoming the second busiest carbon neutral airport in Europe.

Hartsfield-Jackson Atlanta International Airport (ATL), GA, has partnered with Delta Air Lines and the Bonneville Environmental Foundation to launch 'Change the Course', a year-long water conservation and restoration initiative. The project aims to restore 30 million gal to Georgia's waterways over the next year through education and awareness. This includes Flint River, which flows directly into ATL. ATL's more than 104 million annual passengers can help the initiative by texting their efforts to a designated number, or by simply refilling water bottles at specifically marked water stations. Change the Course will restore 1,000 gal of water for every text and bottled filled.

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