

World Report **March 2008**



DIRECTOR GENERAL'S NOTE

It has been a long time since we have witnessed four major airport terminal openings in such a short period. In January, Singapore's Terminal 3 commenced operations. Earlier this month, Beijing's Terminal 3 opened. This next week will see the opening of Pudong Terminal 2 by the Shanghai Airport Authority - our hosts for the Airport Business and Airport Service Quality conferences. And, next Thursday, the long-anticipated Heathrow Terminal 5 opens for business.

Between them, these four terminals have an annual capacity of 132 million passengers and show an extraordinary commitment by airports to provide for the growth our industry is experiencing. However, it is also notable that three of these terminals have opened in the Asia-Pacific region (two in China alone). Beijing's Terminal 3 (with a capacity of 50 mppa) had a construction timeframe of four years. And, although the construction environment in Europe is different to that in China, it took 20 years for Heathrow to get its much needed T5 - a timeframe brought on not by construction delays or the airport company, but by the longest planning enquiry in British history.

We are seeing remarkable growth in the Asia-Pacific region and Governments and airports are responding as needed. Other regions will continue to grow as well and in Europe, Eurocontrol has predicted that, unless urgent action is taken, more than 60 airports will be congested by 2025 and the top 20 European airports will be saturated for 8 - 10 hours every day. In the United States, an antiquated air traffic control system and political gridlock over fixing it have meant that 2007 was the worst on record for delays. The FAA has estimated that by 2015, delays in the air transport system will cost the US economy some \$22 billion. This is obviously an unacceptable situation which impacts financially, environmentally and in terms of customer service.

While we are faced with an ominous capacity crunch in the two largest aviation markets in the world, it is not too late to fix the problem. More airport capacity is needed and more efficient use of existing capacity is also a high priority. Due to the long lead time in developing new airport infrastructure, these decisions must be made now - we owe it to those who otherwise will be stuck in an aircraft traffic jam in 10 years time.

Robert J. Aaronson

LAST CHANCE!

With 10 days to go, registrations are still open for the **ACI Airport Business and Trinity Forum** (13 March - 2 April, Shanghai) and **ACI Airport Service Quality conference** (1 April - 2 April, Shanghai).

Please visit www.aci.aero for details and to register for these events. Remaining spaces are limited.

ACI NEWS

Angela Gittens named new ACI Director General

We are pleased to announce the appointment of Angela Gittens as Director General of ACI World, commencing at the end of April. With 20 years of aviation experience, Gittens has extensive knowledge of airport business management, policy issues and contractual frameworks. ACI Chairman James Cherry says, "Angela is a well-known leader in the airport sector whose strong leadership skills will enable her to speak out effectively on behalf of the airports community. With over 1600 ACI member airports to represent worldwide, it is a challenging role. The ACI Board members are confident that she will be an outstanding spokesperson and advocate for airport interests, as she has demonstrated throughout her career."

Angela currently serves as Vice-President, Airport Business Services for HNTB Corporation, a leading firm in transportation infrastructure services. Angela has held top executive positions at three of the largest US airport systems. During her service as Director of the Miami-Dade County Aviation Department, Miami International Airport attained recognition for its environmental achievements with ISO 14001 certification, the first airport in the US to do so. Her responsibilities included leadership of a multi-billion dollar capital improvement programme at Miami and five smaller airports.





3rd Aviation and Environment Summit

22 April - 23 April | Geneva

ATAG, ACI, CANSO, IATA and ICCAIA will host the third global Aviation & Environment Summit in Geneva. Since the first event in 2005, the aviation industry has been working together relentlessly to further limit its environmental impact.

The 2008 Summit will provide the opportunity for the entire industry to assess progress and to agree on future action. Make sure you register today, since space is limited! ACI members are able to register for a special early price for this invitation-only event.

Please check the summit website
www.environment.aero

Who should attend?
Airport directors, environment managers, communications executives. World Business Partners involved in the environment.

Speakers include:

- James Leape, WWF
- Willie Walsh, CEO British Airways
- Scott Carson, CEO Boeing
- Thomas Enders, CEO Airbus
- Jim Cherry, Aeroports de Montreal / ACI Chair
- As well as a top-level line up of aviation CEOs, Directors General and environmental experts

Prior to that, as General Manager of Atlanta's Hartsfield-Jackson International Airport she led the airport's preparations for the 1996 Olympics and during her tenure the airport became the busiest airport worldwide. As Deputy Director of the San Francisco Airports Commission, she focussed on developing new concessions at the airport to enhance financial returns and customer satisfaction. Gittens has served on numerous aviation industry boards and committees including the FAA's Management Advisory Committee, the Executive Committee of the Transportation Research Board and the Board of Directors of JetBlue Airways.

AIRPORT SERVICE QUALITY

Airport Service Quality Awards 2007

ACI has announced the top performing airports in the Airport Service Quality Survey. The ASQ rankings are based on the results from nearly 200,000 questionnaires completed by passengers in 2007. For the third year in a row, Asia Pacific airports garnered the three top positions in the 'worldwide' category, with Seoul's Incheon coming in first, Kuala Lumpur second and Singapore Changi in third place. The official awards ceremony will be held 1 April at a gala dinner which will be held at the two-day ACI conference on customer service and facilitation in Shanghai this year.

Programme director Craig Bradbrook comments, "Service quality should never be viewed as a 'nice to have' feature in managing airport services, but as a key discipline in the airport management process. We see a high correlation between management commitment to service and passenger satisfaction."

Each airport faces specific challenges in improving their service delivery, and regional business parameters as well as size can play a role in customer expectations and how airport performance is perceived. That is why ASQ analyses the customer feedback by regional and size categories. Additional categories include 'best domestic airport' where Halifax, Austin and Ottawa took top honours this year and 'best improvement over previous year' which was awarded to Aberdeen.

Three airports - Southampton, Incheon and Halifax - were given the 'airport people award'. Each winner has developed a strong customer service culture across the entire airport community, which has been rated by passengers as having the most courteous and helpful airport, airline and security staff.

Robert J Aaronson, ACI Director General will present two special recognition awards this year. Mr Wu Nianzu, Chairman of Shanghai Airport Authority, will be recognised for his strong leadership in modernising and expanding the airports under his direction. The Civil Aviation Authority of Singapore and the Singapore Changi airport will be honoured for outstanding leadership in airport business for the past 20 years. Aaronson says, "It is a my privilege to recognise the dedication of forward looking individuals and organisations who are paving the way for airport excellence in times of growth and change. They are models for our industry, and we wish to specially acknowledge their leadership, innovation and commitment to quality in airport service delivery." **The full list of ASQ winners is on page 4 of this World Report.**

- *The ASQ Survey programme now includes more than 115 participating airports, with recent additions including: Shenzhen, Dalian, Colombo, Winnipeg, Taipei, George, East London, Port Elizabeth, Oakland, Milan Malpensa, Milan Linate, Lima, Jacksonville, Washington Dulles, Washington Ronald Reagan and Cairo.*

STATISTICS

Preliminary Airport Traffic Results for 2007

ACI has released preliminary results for 2007 traffic, based on the regular monthly reports of total traffic from over 870 airports and international reporting from over 580 airports. Due to the very large participation, these preliminary results give an excellent indication of traffic development for the year. Thanks to robust demand on international routes worldwide, total global traffic saw a 6.4 percent increase in overall 2007 passenger numbers. With the exception of Latin America, international traffic outstripped domestic in every region and airports report an 8.2 percent increase in international passenger numbers.

Strongest increases were noted in the Middle East (+17.6% int'l / 16.5% total) and Africa (+14.6% int'l / +13.7% total) followed by Europe (+8.2% int'l / +7.3% total) and Asia-Pacific (7.9% int'l / +7.7% total). North-American international traffic showed a +4.8 increase contrasting with a +3.3% growth in total passengers (international and domestic).

Director General Robert J Aaronson comments, "We see some very good news in these figures. The remarkable spurt of growth in international passenger and freight traffic made 2007 a banner year for air transport, particularly in thriving new markets in Asia Pacific, Africa and the Middle East. Even the mature markets in North America and Europe saw excellent growth in the international sector. Among the countries with the strongest increments were India, China, United Arab Emirates, Vietnam, Egypt, Spain, Poland and Russia.

"But there is also cause for caution. With a number of external factors coming into play, 2008 may present a much more sedate picture. Last quarter traffic growth rates were moderate across all regions, with the slowest growth in December, the consequence of diverse factors such as financial market instability, high fuel prices, currency devaluations and air carrier restructuring.

"We will be carefully watching the monthly traffic results during the first half of 2008 to see if persistent economic and business trends are developing that could have a lasting impact on demand. In a potentially volatile environment, it is all the more critical for airports, air navigation service suppliers and airlines to work closely together to anticipate real growth needs and plan accordingly for a sustainable future. With this new 2007 data in hand, key executives from across the industry will meet at ACI's global industry conference in Shanghai later this month. They will examine the best means to maintain customer service excellence and to develop new revenue streams in our rapidly evolving business environment."

SUMMARY:	
PRELIMINARY (ESTIMATED) RESULTS 2007	
•	Total passengers: 4.5 billion, +6.4%
•	Total intl. passengers: 1.8 billion, +8.2%
•	Total cargo (includes mail): 80.3 million metric tonnes, +2.5%
•	Total aircraft movts: 68.6 million, +2.4%

TRAINING

Enhance your airport's business strategies to maximise growth!

The ACI GTH will be delivering an exciting new course in Cairo (Egypt) next month. Entitled Airport Business Development & Planning, the course will examine and analyse the issues related to commercially developing an airport. Given the universal need for airports to grow their business whether to finance future capital expenditure and/or maximise shareholder value, the course will suggest strategies to unlock existing resources and define ways to optimize revenues to enable this growth. A review of business development planning tools will also help managers create a road map for the airport and its community.

Mr. John Milton, the course developer and instructor, has been involvement in the aviation industry for over 30 years across many countries and airports. His experience encompasses a vast array of airport businesses from small regional to major international models, together with a number of senior advisory roles to government. Over half of John's experience has been at senior managerial level with particular experience with the commercialisation, privatisation and management of airport organisations. This course will be held on 21-23 April 2008 at the ACI GTH Training Centre at Cairo International Airport.

- *Who should attend?: Business development managers, terminal planning managers, commercial department managers, strategic development managers, airport directors, concessionaires*

Global Training Hub courses

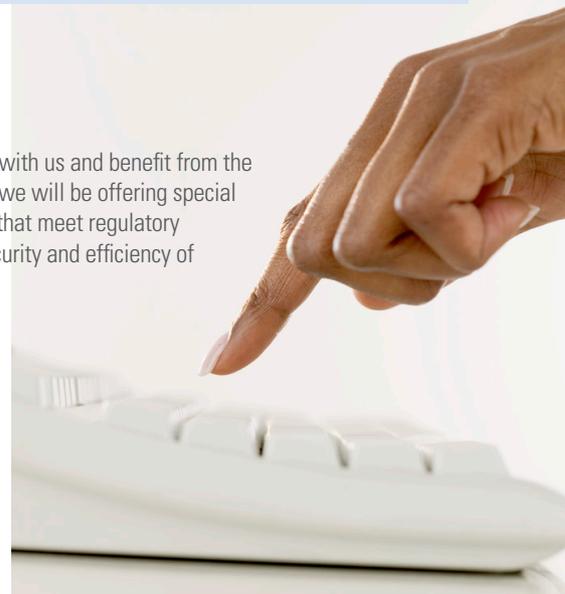
Month	Dates	# days	Topic	Location	Language
April	06-10	5	Airport operational safety	Dubai	English
April	21-23	3	Airport business development and planning	Cairo	English
April	21-24	4	Centros de gestión de seguridad aeroportuaria	Panama City	Spanish
April	21-25	5	GSN Diploma Programme: Safety Management Systems	Zurich	English
April	28-30	3	Airline/Airport business relations	Montreux, Switzerland	English
April	28-30	3	Understanding and managing your SMS	Port of Spain	English

To register please visit www.gth.aero or contact ACI: +41 22 717 8585

Online Learning Centre (OLC) Spring Subscription Drive

To facilitate your access to simple and cost-effective training tools on the internet, register your interest with us and benefit from the special promotions offered during the OLC Spring Subscription Drive. Throughout March and April 2008, we will be offering special discounts and the opportunity to win free courses for yourself and your staff. The OLC provides courses that meet regulatory requirements and offer airport-wide applications for all sectors of your staff – maximising the safety, security and efficiency of your operation.

Send an email to elarning@aci.aero with your name, contact details (email, phone number) and the best date for our representative to contact you to explain the benefits of the OLC and provide you with details regarding the promotions. www.gth.aero/OLC



WORLD BUSINESS PARTNERS

New WBP Board member

Joining the World Business Partner Board is Ron Steinert, a Principal at the Gensler consultancy. Ron heads the firm's aviation practice area and is responsible for establishing corporate overview on all airport projects. He has devoted 35 years of his career to the planning and design of airport terminal facilities. Ron has been instrumental in developing Gensler's brand which focuses on Terminal Area Plans. Concepts and built facilities that celebrates the passenger experience. He has developed a philosophy that focuses on a logical organisation of the many elements of an airport that maximises comfort, convenience, and long range flexibility.



ADPi (FRANCE)

ADPi: a partner for your airport. The architects and engineers of Aéroports de Paris Group have worked for over 50 years to design and develop innovative airports in over 80 countries. Recognised experience, integrated teams of architects and engineers united by a common drive for perfection, and quality of service with the goal of client satisfaction; these are the primary strengths of ADPi, the architecture and engineering subsidiary of Aéroports de Paris Group.

www.adp-i.com

2007 ACI Airport Service Quality Awards

BEST AIRPORTS WORLDWIDE

1) Incheon, South Korea 2) Kuala Lumpur, Malaysia 3) Singapore 4) Hong Kong 5) Central Japan (NGO)

BEST AIRPORT BY REGION

Africa

1) Johannesburg, South Africa
2) Cape Town, South Africa
3) Durban, South Africa
4) Nairobi, Kenya

Asia-Pacific

1) Incheon, South Korea
2) Kuala Lumpur, Malaysia
3) Singapore
4) Hong Kong
5) Central Japan (NGO)

Europe

1) Oporto, Portugal
2) Zurich, Switzerland
3=) Helsinki, Finland
3=) Munich, Germany
5) Southampton, UK

Latin America & Caribbean

1) Guayaquil, Ecuador
2) San José, Costa Rica
3) Mexico City, Mexico
4) Port of Spain, Trinidad & Tobago
5) Curaçao, Antilles

Middle East

1) Tel Aviv, Israel
2) Doha, Qatar
3) Abu Dhabi, UAE
4) Muscat, Oman

North America

1) Dallas Fort Worth, USA
2) Halifax, Canada
3) Ottawa, Canada
4) San Diego, USA
5) Detroit Metropolitan, USA

BEST AIRPORT BY SIZE OF AIRPORT

fewer than 5 million passengers

1) Halifax, Canada
2) Ottawa, Canada
3) Guayaquil, Ecuador
4) Porto, Portugal
5) Cairns, Australia

5 – 15 million passengers

1) Central Japan (NGO)
2) Tel Aviv, Israel
3) Auckland, New Zealand
4) Christchurch, New Zealand
5) Adelaide, Australia

15 – 25 million passengers

1) Kuala Lumpur, Malaysia
2) San Diego, USA
3) Zurich, Switzerland
4) Vancouver, Canada
5) Melbourne, Australia

25 – 40 million passengers

1) Incheon, South Korea
2) Singapore
3) Detroit Metropolitan, USA
4) Minneapolis St. Paul, USA
5) Munich, Germany

over 40 million

1) Hong Kong
2) Dallas Fort Worth, USA
3) Denver, USA
4) Houston George Bush, USA
5) Amsterdam, Netherlands

BEST DOMESTIC AIRPORT

1) Halifax, Canada
2) Austin, USA
3) Ottawa, Canada

AIRPORT PEOPLE AWARDS

Europe: Southampton, UK
Asia-Pacific: Incheon, South Korea
North America: Halifax, Canada

DG'S SPECIAL RECOGNITION AWARDS

Mr Wu Nianzu, Chairman, Shanghai Airport Authority
CAA of Singapore & Singapore Changi Airport

BEST IMPROVEMENT

Aberdeen, UK