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AIRPORT OPERATIONS

Airport privatization & management

Fraport AG is well positioned to assume responsibility for operating Pulkovo Airport, Russia's fourth largest, beginning in 2010. As part of the international tender process, the City of St Petersburg (the current owner and operator of Pulkovo Airport) has announced that the Northern Capital Gateway consortium – in which Fraport holds a 35.5% share – is the preferred bidder. Fraport's partners in the project are VTB Bank, Russia's second largest financial institute, and Copelouzos Group, a Greek business and investment conglomerate. Fraport will serve as the airport operator at Pulkovo Airport, applying its decades of know-how gained at Frankfurt Airport and around the globe. "We are optimistic to be awarded the contract following the final negotiations," said Fraport AG's Executive Board Chairman, Prof. Dr Wilhelm Bender, in St Petersburg. "Using our internationally recognized expertise, we want to operate and expand Pulkovo Airport in a continuously growing Russian air transportation market. Pulkovo is the main transportation junction in one of Russia's most popular tourist regions."

The 30-year concession contract for developing, modernizing and operating the airport in Russia's second largest metropolis is expected to be inked by the end of the 2009. Phase 1 of the concession will focus on constructing a brand-new passenger terminal, expanding ramp areas, developing real estate, and modernizing the existing airport infrastructure. -- Pulkovo Airport (www.pulkovoairport.ru/eng) welcomed 7.1 million passengers in 2008 and registered continuous passenger growth during the past few years. Located about 20 km from downtown St Petersburg, Pulkovo (IATA airport code = LED for ex-Leningrad) features two independent runways for take-offs and landings as well as one domestic and one international passenger terminal. Scheduled and charter airlines link Pulkovo with some 230 destinations. With a population of about 5 million people and some 3.5 million tourists in 2008, St Petersburg is well on its way to becoming one of Europe's most popular tourist destinations. -- Vienna International Airport and its consortium partner, Russia's Gasprombank, also had been on the shortlist for the concession to operate Pulkovo since September 2008. VIA had a 26% interest and Gasprombank a 74% share in their consortium. The third firm on the shortlist was Russian oligarch Oleg Deripaska's Basic Element (BasEl). #860.OPS1

SEA S.p.A., the operator of the Milan airports, plans to sell its 5% stake in GESAC S.p.A., the operator of Naples-Capodichino Airport under a 40-year concession until 2043. Expressions of interest have been invited by 20 July 2009. GESAC is currently owned by BAA Italia S.p.A (65%; itself owned 100% by BAA International), the City of Naples (12.5%), the Province of Naples (12.5%), Interporto Campano S.p.A. (5%) and SEA S.p.A. (5%).

Details on the SEA website: www.sea-aeroportimilano.it #860.OPS2

Mubadala Development and Abu Dhabi Airports Company (ADAC) are jointly developing a USD 1 billion aerospace cluster in and around Al Ain International Airport for aerospace manufacturing and services firms. The cluster is aimed at attracting dozens of small to medium-sized firms to relocate to the facilities in order to create an aerospace community around Mubadala's carbonfibre manufacturing plant. ADAC is due to sign a partnership with the Bavarian Aerospace Cluster, promoted by bavAIRia e.V., to develop the centre. #860.OPS3

The ground-handling scene

Cargolux Italia has appointed Hong Kong Air Cargo Terminals Ltd (Hactl) as its one-stop-shop service provider for physical cargo handling, documentation handling and ramp handling services at Hong Kong International Airport. Cargolux Italia has been operating flights between Hong Kong and Milan twice weekly since 14 June 2009. The Italian carrier has appointed Cargolux Airlines International as its worldwide general cargo sales agent (GCSA), representing Cargolux Italia for all commercial enquiries and cargo operations. Lilian Chan, General Manager, Marketing & Customer Service of Hactl, said: “The long-term business partnership between Hactl and Cargolux will ensure we have a solid foundation for the added co-operation with Cargolux Italia, enabling it to grow from strength to strength in Hong Kong as well as in the region.” #860.OPS4

Air India and Singapore Airport Terminal Services (AISATS), the leading provider of integrated ground handling in India and Singapore, respectively, have formed a joint venture to provide ground-handling services at the Bangalore and Hyderabad international airports. -- AISATS also has successfully recruited Saudi Arabian Airlines as its new customer at Bangalore Airport. #860.OPS5

UFIS Airport Solutions (UFIS-AS) is upgrading its UFIS® Resource Management System (RMS) at Singapore-Changi Airport by implementing the Passengers with Reduced Mobility (PRM) module and additional enhancements to the integrated iTrek wireless application. The UFIS solutions support Singapore Airport Terminal Services (SATS) in managing the complex tasks of its ground-handling operations and in-flight catering services. The delivery of the PRM application is in response to SATS' initiative to continuously improve its passenger service quality. The module is to cater for SATS Special Services within the airport’s three terminals. With the new module, SATS can track all requests and staffs assignments for the passengers needing special assistance. The UFIS PRM application, a recent addition to the UFIS portfolio, is already in use at airports in Rome, Athens, and Hannover. The enhancements to the iTrek wireless application include showing on the handheld devices a list of equipment scheduled to be used, thus enabling SATS to extend its apron service delivery framework. Enhancements include the introduction of the iTrek Apron Service Report (ASR) on the handheld devices, thereby eliminating the need to travel back to the SATS Operation Control Centre to complete the report. Other enhancements improve the communication and working relationship between the apron and baggage sections. For example, using the handheld devices, apron personnel can record that a ULD has been dispatched. Baggage receives the update and can then confirm the receipt of the ULD.

The initial UFIS® project with SATS began in 2003. Since then UFIS-AS and SATS have been working together to bring additional enhancements to the system. The iTrek application was introduced in 2007. It focuses on using WAP wireless mobile phones which are provided by partner iDen/DNS™. “Singapore-Changi Airport is one of our most important customers in the Asia-Pacific region,” said Holger Mattig, Managing Director of UFIS Airport Solutions Pte Ltd. “We are glad that we can provide full integration of the iTrek wireless application with UFIS RMS, with SATS being the first customer to take advantage of this service.” -- The UFIS package installed in Singapore includes an Airport Operational

Database (AODB), Basic Data Processing Systems, a Flight Information Processing System (FIPS), a Resource Management System (RMS), as well as Hub, Status and ULD Management Systems. A total of eleven interfaces to external systems, related to personnel and flight data (for example, SAP and KRISCOM), are also a part of the system. As integration medium for the interfaces UFIS-AS uses IBM's Websphere MQ. "I am pleased that the long-term co-operation with SATS has resulted in continuing to provide the best services to Singapore Changi Airport", said Anders Sagadin, UFIS-AS's President & CEO. "We look forward to continuing to work with them to be a leading airport by providing flexible solutions." #860.OPS6

Commercial aspects

Airport retail operator Aldeasa has just opened eight new stores in the new Terminal T1 of Barcelona Airport, commissioned on 17 June 2009. The new stores, in which Aldeasa has invested EUR 4 million, cover an area of 2480 m² in AENA's shopping space ('Las Tiendas del Aeropuerto') in both the arrivals and departures areas. The design of the stores, where top-class world brands are on offer, has meant a change of image for Aldeasa, as the design follows the architecture and colour scheme of the new terminal, having used the black and white combination for both the furniture and elements of the stores. The final result is a retail space that holds one of the widest, newest and most competitive selections of items to be found in any of the airports where Aldeasa is present.

With the purpose of catering for the diverse needs of consumers, Aldeasa has developed a new shopping concept based on an integral, comfortable and swift service, an excellent variety of products, and extremely high-quality standards. The latest technologies have also been used to keep customers informed of what goes on at the store: specific offers and promotions, open cashiers, and fast cashiers exclusive to arriving passengers. To do so, a large screen has been installed as a video wall at the promotional area, as well as fixed and mobile plasma screens around strategic spots in the stores and the exit cashiers. A new feature is the 'Thinking Barcelona' shop, a space that sells local produce and souvenirs by Catalan designers, whose setting is reminiscent of Gaudí's works. In addition, Aldeasa operates four duty-free stores (two 'The Shop' stores and two 'The Express Shop' stores), where it offers consumers the best perfume brands as well as delicatessen and alcohol brands. Aldeasa's offer at T1 also includes a men's fashion shop, a gifts store, and a watches and accessories store. -- Aldeasa has carried on business at the airport of El Prat since 1977, when it opened a store covering some 600 m². The retailer currently operates 23 stores covering a total of 5450 m², where a total of 270 people work. Barcelona is the second largest airport within Aldeasa's entire network in turnover terms. Aldeasa is also present at the airports of Girona and Reus, where 48 people work. #860.OPS7

Frankfurt Airport has opened a 1000-m² shopping square in the public area of Terminal 2 between the check-in halls D and E, featuring 825m² of retail and 200 m² of F&B. The airport operator Fraport says that Boss, Tommy Hilfiger, Pilgrim, Virgin, Sunglasses by Pfendt Airport Optic and the Metropolitan Pharmacy already opened their stores and will be followed in late October 2009 by the 'Three Frogs & A Crown', the gastronomy concept 'Le Pain Quotidien', and a further accessories concept. The market square is located next to the glass facade in T2, enabling lots of daylight to enter the shopping plaza and facilitating views of the city skyline and the Taunus mountain range. Fraport says that the parquet flooring and high-end stone facades "increase the pleasant atmosphere". As for the brands, Boss and Tommy Hilfiger are both presented by operator Gebr. Heinemann in a large 200-m² store with a focus on casual wear. Nemati Frankfurt presents the Pilgrim jewellery brand in its first and only mono-brand store at a German airport, offering an assortment of jewellery, watches, and sunglasses on 35 m². There is also a 215-m² Virgin Multimedia store offering a wide assortment of bestsellers in books and travel literature, plus a wide variety of magazines, newspapers, merchandizing articles, and gift ideas. #860.OPS8

McArthurGlen Luxury Retail, a division of McArthurGlen Group, Europe's leading developer, owner and manager of Designer Outlet Centres with 17 centres across eight European countries, is introducing its Collezioni concept at two more European airports – Porto and Dublin. The launch of the first Collezioni at Venice 'Marco Polo Airport' in summer 2008 (21 units) pioneered a radical reinterpretation of the presentation of luxury brands in the airport retail setting and McArthurGlen is now expanding this proven concept to other European gateways. At Porto Airport in Portugal, Collezioni will deliver a phased opening of 14 prestige stores across freshly designed retail space, along the main passenger flow in the International Departures Lounge. Phase 1 of the Porto project opens in summer 2009 and the second phase follows by the end of 2009. Porto Airport is operated by ANA Aeroportos de Portugal SA and is a fast-growing, award-winning airport with 4.5 million passengers. Luis Rodolfo, Retail Director, ANA, says: "We are really looking forward to the fashion range Collezioni will create for Porto. ANA is investing heavily to give this award-winning and beautiful airport the best that retail has to offer and Collezioni will deliver the top- quality fashion that stops passengers in their tracks. We want to make Porto a truly amazing airport experience, for passengers and shoppers."

At Dublin Airport, Collezioni opens in summer 2009 with six units, housed in the EUR 55 million new extension at Terminal 1. Dublin ranks as Europe's 11th largest airport with 23.5 million passengers in 2008. Both Dublin and Porto have experienced strong growth in traffic over the past five years. Brian Collie, Chairman of McArthurGlen Luxury Retail, welcomes the two new openings: "The Travel Retail experience needs, more than ever, to stand apart from the shopping avenues and High Streets, and Collezioni helps achieve that by delivering a truly unique brand experience at each location. These two latest openings also demonstrate the adaptability of the Collezioni concept to meet the needs of different locations and passenger profiles, bringing together both international labels and regional favourites."

In the meantime, the Collezioni travel-retail concept is being extended to its fourth European location with the opening of 11 new stores at Glasgow International Airport, scheduled for autumn/winter 2009. The company said the shops would feature "young, directional fashion brands eager to capture an annual audience of 4 mllion departing passengers". The stores will be in the airport's GBP 31 million Skyhub terminal extension which opened in October 2008 (#849.3).

The Collezioni concept facilitates the entry of fashion brands into the airport environment by overcoming a range of perceived barriers to entry and providing a critical mass of prestige brands, all operating as individual stores. This is principally made possible by the unique strength of relationship between McArthurGlen and its more than 750 brand partners, established by over 14 years of co-operation in the outlet channel in Europe. J W Kaempfer, Chairman and founder of the McArthurGlen Group, has the final word on the two new Collezioni openings as further confirmation of the effectiveness of the Group's entry into the Travel Retail channel: "McArthurGlen's experience and relationship with its brand partners is the bedrock of the Collezioni concept and, complemented by Brian's exceptional insight into Travel Retail, the synergies we have developed have enabled us to create a unique experience for the customer. We provide our brand partners with the support and confidence to enter a new channel that provides an ideal setting and exceptionally concentrated, affluent consumer profile. For the world's leading luxury brands, Collezioni opens up vital new opportunities in full price retailing." #860.OPS9

Vienna Airport-based travel retail operator Saveria has bought out the 70% shareholding of Aer Rianta International (ARI) in the Aer Rianta International Sardana JFK Inc. duty-paid joint venture at New York JFK Terminal 4, as well as its stake in the fashion operation at Boston's Logan International Airport. ARI confirmed that the landlords at both airports have given consent to the sale and the new company name at JFKT4 and Boston is Saveria USA, Inc. The New York JFKT4 operation is the most developed of the two locations, featuring several offers which until now have operated under the ARI 'Runway' shopping brand. -- ARI's Americas Division operates stores in its core duty-free business at the two Montreal airports and at Ottawa, Edmonton and Winnipeg, and at Grantley Adams International Airport in Barbados. Saveria is an Austrian company based at Vienna Airport which belongs to the Sardana Group, founded by owner Rakesh Sardana in 1983. The Group operates over 50 outlets of speciality retail representing a portfolio of luxury and premium brands both at Vienna Airport and in downtown Vienna. #860.OPS10

The Dubai-based retailer Flemingo Duty Free is hoping the new store at Monrovia International Airport in Liberia will increase its presence on the African duty-free market. Flemingo is about to open a new store at the airport selling a mix of liquor, tobacco, fragrances, cosmetics, and confectionery. While some retailers look to establish and promote their own brands, Flemingo Duty Free has adopted a different strategy. Its joint Managing Director Mahendra Thakar explained: "Our main priority is to sell customers exactly what they want which is the top brands in the various product categories. Brand building is not a priority. We endeavour to provide passengers with the top 10 brands in each category at competitive rates. We are always looking to expand our stores and are continuously updating them to ensure they are of the required standard." #860.OPS11

Germany's IT-services firm T-Systems has launched its inaugural advertizing campaign with EYE at Singapore-Changi Airport. Having recently announced an expansion plan into the South East Asian region, T-Systems has chosen to establish its presence at Changi using EYE's Piersite Lightboxes at Terminal 2. This is due to the high number of business decision-makers travelling within the airport and the target region. "EYE has made stand-out site recommendations based on the countries that we wish to target and Changi Airport is a logical location to address key business decision-makers. Utilizing Formula 1-related creative talent, we see out-of-home as an excellent medium to create impact," said T-Systems Singapore Senior Communications Manager Alexis Lynn Oh. EYE Singapore General Manager Raju Bhakta commented: "Reaching arriving, departing and transit passengers alike, EYE's Piersite Lightboxes capture a sizeable audience and are also proven to be highly engaging. Results from our Eye Tracking study at Singapore-Changi Airport have shown that 78% of passengers view the advertizements on the Piersite Lightboxes as they pass them by." -- T-Systems' campaign coincided with the Infocomm Media Business Exchange (imBx) trade event, Asia's largest for the telecommunications and technology sector, which was held in Singapore on 15-19 June 2009. The campaign runs till August 2009. EYE offered more than 200 static, digital and ambient advertizing opportunities across five terminals at Changi Airport. The company has offices in and operates out-of-home media businesses in Australia, New Zealand, Indonesia, Singapore, the U.K., and the U.S.A. Eye Corp Pty Ltd is a wholly-owned subsidiary of Ten Network Holdings Ltd, a publicly listed company, which operates Australia's TEN television network. #860.OPS12

An 80-m² spa at London-Heathrow's T5 satellite terminal is the latest addition to spa services offered by Be Relax at European airports. The company already operates spas offering passengers a wide range of beauty treatments at the Frankfurt, Manchester, Milan (Linate + Malpensa), Munich, Paris (CDG + Orly) Rome-Fiumicino, and Zürich airports. Paris-based Be Relax provides relaxation and beauty services at the heart of airports and business around the world, including chair massages, table massages, and oxygen aroma therapy. Contact via: www.berelax.com #860.OPS13

Operating aspects

In June 2008, European airports adopted a landmark environmental resolution, committing them to reduce their carbon emissions, with the ultimate goal of becoming carbon neutral. This resolution also committed airport trade body ACI Europe to develop, within a year, a European-wide accreditation programme allowing airports to make their commitment a reality. This programme – the Airport Carbon Accreditation – was launched at the 19th ACI Europe Annual Congress in Manchester. Airport Carbon Accreditation will assess and recognize efforts of airports to manage and reduce CO_2 emissions within their direct control. It will also take into account their collaborative efforts with airlines, air traffic controllers, ground handlers, and others on the airport site. The launch of the programme - which is voluntary - sees a total of 31 European airports applying to become Airport Carbon Accredited. More applicants are expected in the months ahead.

Comprised of four levels of accreditation – Mapping, Reduction, Optimisation and Neutrality, Airport Carbon Accreditation will be administered by leading consultancy WSP Environmental and overseen by an independent Advisory Board made up of representatives of the European Commission, ECAC (European Civil Aviation Conference) and Eurocontrol. Dr Yiannis Paraschis, the outgoing President, ACI Europe & CEO of Athens International Airport said: "In launching Airport Carbon Accreditation today, we are turning our commitment to reduce carbon emissions into concrete action. Airport Carbon Accreditation is a genuinely demanding, scientifically robust and institutionally-endorsed programme. The fact that we are doing this in the midst of the worst ever trading conditions speaks volumes about how serious we are about taking on the challenge of climate change."

Olivier Jankovec, Director General, ACI Europe commented: "Until now, there hasn't been a common framework for mapping and reducing carbon emissions on the airport site – which is a uniquely complicated space. The 31 airports signing up today to Airport Carbon Accreditation account for 26% of passenger traffic in Europe – no small beginning." He added: "For ACI Europe, today is the culmination of two years of hard work. This is about collectively engaging the European airport community to play its part in addressing the impact of aviation on climate change, alongside the persistent efforts of airlines and other industry partners."

The full list of airports participating in Airport Carbon Accreditation is as follows: Aéroports de Paris (Paris-CDG & Orly) in France, Amsterdam Airport in the Netherlands; Athens International Airport in Greece, Avinor (Oslo, Trondheim-Værnes and Ålesund-Vigra) in Norway, Dublin Airport Authority (Dublin, Cork and Shannon) in Ireland; Dubrovnik Airport in Croatia, Fraport (Frankfurt Airport) in Germany, LFV

(Göteborg-Landvetter, Kiruna, Luleå, Malmö, Ronneby, Stockholm (Arlanda & Bromma), Umeå, Visby and Åre Östersund) in Sweden, Manchester Airport Group (Manchester, East Midlands, Bournemouth and Humberside) in the U.K., SEA Milan Airports (Malpensa & Linate) in Italy, TAV (Istanbul Atatürk International, Ankara-Esenboga International and Izmir Adnan Menderes International) in Turkey. #860.OPS14

The Association of European Airlines has released data on the baggage-delivery and punctuality performance of its members for Winter 2008/9 (November-March). 28 AEA member airlines contributed punctuality data, and 26 baggage data, to the data collection which is unique in the aviation sector as a voluntary consumer-information exercise. In all three key areas of measurement – long and short haul punctuality and overall baggage delivery, the figures show significant improvement over the same period in 2007/8. The number of missing bags, i.e. not available for collection on arrival, was 13.0 per 1000 passengers, compared to 15.5 for the previous winter. AEA points out that, on average, 85% of delayed bags are delivered to the customer within 48 hours. A similarly improving trend in punctuality was also noted. On short-haul operations, 83.2% of flights departed within 15 minutes of schedule, compared with 79.6% a year earlier. On long haul services the figure was 70.6%, up from 66.7%. The number of flights cancelled was extremely low: 1.9% for short haul and 0.7% for long haul. The improvements are clearly influenced by the business climate: during these five months, the airlines covered by the Consumer Report carried 6% fewer passengers and operated 9% fewer flights. The report is based upon a voluntary commitment by the members of the Association to provide consumer information according to a set of commonly defined standards. Any similar statistics reported by airlines that are not part of the AEA Consumer Report should not, under any circumstances, be construed as representing a fair comparison with the figures presented here, as AEA cannot guarantee the accuracy of such figures and indeed has reason to believe that they may represent entirely different performance criteria. Data tables showing punctuality and baggage data by AEA member airline can be viewed here. #860.OPS15

On 22 June 2009, Europe's low fares airlines joined forces to call upon legacy airlines to drop a lawsuit against the opening of a low-cost facility at Brussels Airport. In a recently launched court case, some traditional airlines represented by the Belgian Air Transport Association (BATA) as well as two other professional associations (BAR and AOC) claim that they had not been consulted properly and argue that the project should not be realized. The Brussels low-cost terminal was planned to open in October 2009 (#828.28), by converting an already-existing terminal, which is currently totally redundant, following the opening of the new A pier. This timetable has now been put in jeopardy, due to an injunction which, despite the considerable investment already made, prevents the airport continuing with the development of the facility. This is the more difficult to understand as - consistent with the low- fares' sector's appetite for competition - the new terminal will be available to all carriers, which elect to use it. A number of traditional airlines have, in fact, expressed possible interest in operating from it. John Hanlon, Secretary General of the European Low Fares Airline Association (ELFAA), said: "Low-fares airlines already account for more than a third of the European air transport market and nearly all of the growth over the past five years. As airlines are becoming more specialized and forward-looking, so airports are adapting to a changing market by offering dedicated facilities to different types of airlines. Some legacy carriers are trying to prevent a legitimate project simply to keep out unwanted competition and to uphold an outdated, one-size fits all system, under which low-fares airlines effectively subsidize a few traditional carriers. Low-fares airlines use airport infrastructure much more effectively and allow an airport to grow its passenger numbers, thereby creating much-needed jobs at the airport and in the wider economy. They do not require provision of many of the expensive features at airports, which traditional carriers insist on, and should not be made to cross-subsidize them." #860.OPS16

Ireland's Minister of State Tony Killeen has said that the opening of the new U.S. pre-clearance facilities at Shannon Airport in summer 2009 will present the airport with a crucial competitive advantage over other European facilities. Under the system, flights from Shannon will be treated like domestic flights in the U.S.A. Passengers will have no need to undergo further time-consuming checks in any U.S. airport, unlike passengers arriving there from any other European state. The U.S.A. currently has no plans to introduce pre-clearance elsewhere in Europe other than Dublin in 2010. According to Killeen: "The provision of the new facilities has the potential to replace business lost due to the global economic downturn and the advent of open skies, with its implications for transatlantic business at Shannon Airport. The facilities will also give airlines the opportunity to consolidate trans-Atlantic services to and from the airport with the expansion of existing services and the opening of new U.S. routes. He noted that transatlantic airlines using Shannon and Dublin would be able to fly into less congested and less expensive domestic terminals on arrival at US airports. #860.OPS17

Delta Air Lines has confirmed a new bag policy whereby passengers travelling to or from cities outside the United States can check two bags per passenger at no extra charge. For customers between the U.S. and Europe, those in Economy Class will be charged USD 50 (or the local equivalent currency) for the second checked bag. Premium Class clients do not have to pay nor anyone who has purchased a full-fare Economy ticket. When travelling within the United States, the U.S. Virgin Islands, or Puerto Rico, customers will be charged USD 15 for the first checked bag and USD 25 for the second checked bag (each way, for round trip). They also get a heavier allowance, 18 kg against 22.5 kg. Northwest, now part of Delta, has applied the same rules. #860.OPS18

Anchorage International Airport, Alaska is testing a no-lift baggage counter design at the Alaska Airlines counters. Sean Bogart, an architect in the aviation division at Gresham Smith & Partners, feels that it could be a common standard in future airport designs – as it is already in other countries of the world. A belt adjacent to the agent's desk runs perpendicular to the main take-away belt. The passenger sets a bag on the belt to be weighed. The belt then advances to the main take-away. Bogart says: "This process helps to reduce the repetitive strain injury associated with such tasks typically performed by an airline or TSA agent, thus reducing workers' compensation claims and operational costs." #860.OPS19

Finnair is offering faster connections at Helsinki-Vantaa Airport for customers travelling from Asia and continuing to European destinations. Since 15 June 2009, travellers departing from Asian destinations who have under an hour to change flights at Helsinki-Vantaa will be given boarding passes that include a 'short connection' notification. Passengers will be informed about the service at check-in and in person at Helsinki Airport. Signs will also be in place at the security control. #860.OPS20

Air New Zealand has published the results of a biofuel test flight carried out at the end of 2008, which showed that up to 1.4 tonnes of fuel can be saved on a 12-hour long-haul flight using a 50/50 fuel blend of second-generation jatropha sustainable biofuel and traditional Jet A1. The test, a joint initiative between Air New Zealand, Boeing, Honeywell and Rolls-Royce, was carried out on 30 December as part of a drive for more sustainable air travel for future generations and used the highest blend of any type of biofuel in a test flight to date (#820.OPS17). Air New Zealand says that the report also found that the biofuel's properties gave a saving of about 4.5 tonnes of CO2. Data from this evaluation flight programme will be published to various industry bodies to contribute to the current programme evaluating this and similar fuel products with a view to achieving approval of them as alternatives to existing Jet A1. -- The first ever biofuel flight was in February 2008 by Virgin Atlantic, using a 20% fuel blend. Continental and Japan Airlines have followed in recent months. #860.OPS21

Financial & traffic news

IATA has announced that international scheduled traffic results for May 2009 showed passenger demand declining 9.3% compared with the same 2008 month while freight demand was down by 17.4%. International passenger load factors stood at 71.2%, down from 74.5% recorded in May 2008. The 17.4% decline in international cargo is a relative improvement compared to the 21.7% drop in April. Since December 2008, cargo demand has been moving sideways in the -20% range. This is one of the first physical signs of the economic recovery being anticipated in equity markets. International passenger demand weakened from the -3.1% recorded in April to -9.3% in May. But both of the past two months have been slightly stronger than the 11.1% decline reached in March, even after adjusting for the distortions caused by the timing of Easter. This indicates that a floor may now have been reached. However, the capacity adjustment of -5.0% in May did not keep pace with the fall in demand during the same month. Moreover, although the impact of the recession appears to be stabilizing, strong headwinds from debt and low asset prices are expected to weaken and delay any significant recovery. "We may have hit bottom, but we are a long way from recovery," said Giovanni Bisignani, IATA's Director General and CEO. "Capacity is not aligned with demand. Passenger load factors dropped 3.3 percentage points over the last twelve months. The impact on revenue is dramatic. After a 20% fall in international passenger revenue in the first quarter, we estimate that the drop accelerated to as much as -30% in May. This crisis is the worst we have ever seen," said Bisignani. #860.OPS22

The 2008 financial year brought satisfactory results for the EuroAirport Basel/Mulhouse/Freiburg. When compared with the previous year, turnover increased by 6.8% reaching EUR 80 million. With the new hangars put into service in the Zone 6 bis, the share of non-aeronautical revenues increased by 10% to account for 53.5% of total turnover. Despite high energy prices, expenses could be contained thanks to rigorous cost control. Passenger numbers also remained stable in 2008 at 4.26 million. In addition, with 81 000 arrivals and departures, EuroAirport recorded stable aircraft movements for the fourth year running. The net operating result came to EUR 3.5 million. After the deduction of extraordinary expenses, it amounted to EUR 8.4 million. At EUR 24.5 million, the cash-flow fell by 7% compared with the previous year (EUR 26.3 million) and amounted to EUR 26.6 million (+9%) excluding extraordinary items. As a result of the major investments made during the course of 2008 (EUR 24 million), the net debt could not be reduced. The rise in net debt at the end of the year by EUR 7.1 million to EUR 110.7 million is partly due to the increase in value of the Swiss franc in December 2008. Consequently, the net debt/cash-flow ratio in 2008 remained unchanged at 4.2, without taking into account extraordinary items. Nevertheless, EuroAirport remains committed to its goal of reducing net debt to under EUR 100 million by 2010. In the first five months of 2009, EuroAirport welcomed 1.4 million passengers (-12%). The number of aircraft movements dropped by 11%. Today, EuroAirport offers direct scheduled and holiday flights to more than 90 destinations as well as intercontinental connections via the major European hubs – Amsterdam, Frankfurt, London, Munich, Paris, Vienna, Zürich - which are served several times daily by Star Alliance, Oneworld, and SkyTeam. #860.OPS23

Aéroports de Paris successfully placed a CHF 250 million bond issue with the following characteristics: Format: fixed rate; coupon: 3.125%; re-offer spread : 103 bp; maturity date: 15 July 2015. The Group, rated AA- by Standard and Poor's, has seized a window of opportunity in the Swiss Franc bond market to diversify its investor base. Crédit Suisse is the lead manager and ABN AMRO - RBS is co-lead manager. -- Aéroports de Paris issued a profit warning for 2009 because of a sharp drop of traffic at its 14 airports. #860.OPS24

Atlanta International Airport officials are preparing to re-enter the bond market for up to USD 800 million in financing for the threatened international terminal project. The officials have set in motion a process that, if approved by Atlanta City Council, would allow for the sale of bonds to investors by the end of summer 2009, potentially saving the billion-dollar-plus project from a near certain shutdown. The airport is also looking to refinance up to USD 590 million in existing general revenue bonds at a better interest rate. -- The fate of the Maynard Holbrook Jackson International Terminal has been caught in a dispute between the city and Delta Air Lines over a new 30-year airport master lease and future capital projects at the world's busiest airport. #860.OPS25

Polish airports handled 20.65 million passengers in 2008, about 1.5 million more than in 2007, according to the Civil Aviation Office (ULC). Warsaw's Okecie Airport, built to handle 7 million passengers annually, was again the busiest and handled 9.437 million passengers. The next busiest airports were: Krakow-Balice (14% share in the market), Katowice-Pyrzowice (11.6%), Gdansk-Rebiechowo (9.4%), Wroclaw-Strachowice (7.2%), and Poznan-Lawica (6.1%). All the mentioned airports served over 1 million passengers in 2008. #860.OPS26

Operating revenues at Denver International Airport increased by 2.0% in 2008, thanks largely to a 2.8% increase in passenger traffic. The airport's 2008 audited financial statements shows operating revenues rose USD 10.6 million to USD 540.8 million last year. Operating expenses exclusive of depreciation increased 28.6%, or USD 83 million, to USD 373.8 million. The increase in operating expenses was largely attributable to a USD 56.2 million increase in repair and maintenance projects."Our facility has been open nearly 15 years, and there have recently been some major repair and remodel projects completed, which under accounting rules had to be expensed," said Stan Koniz, the airport's Deputy Manager for Finance & Administration. "We expect this trend to continue through 2010." Other increases in operating expenses resulted from higher costs for personnel, supplies, and contractual services. Many of those were attributable to DIA's increased snow-removal efforts. Non-operating expenses net of non-operating revenue decreased by USD 4.1 million. Non-operating expenses were adversely impacted by an USD 18.6 million increase in interest expense related to the disruption in the auction bond and variable-rate bond markets in 2008. #860.OPS27

Names

J. Andrew Reeves has been named ASIG's Senior Vice President Operations & Sales, responsible for all of ASIG's North American operating units, covering 56 airports in the United States and the Caribbean. Most recently Andy served as Vice President, Operations and ASIG's four Regional Vice Presidents will continue to report directly to him. Direct oversight of ASIG's Sales & Customer Service Department will also continue under Andy. #860.OPS28

Awards

The 5th Annual ACI Europe 'Best Airport Awards' were announced in Manchester during the gala dinner of the 19th ACI Europe Annual Congress. This years' judging panel was drawn from a well-respected group of independent experts including the European Commission, Eurocontrol, and the European Disability Forum. ACI Europe counts more than 400 airports in 46 European countries among its membership and this year's competition saw a high level of entries in each of the four categories. The ACI Europe 'Best Airport Awards' cover four categories of airport and aim to recognize achievement in core activities such as customer service, retail, security, and environmental awareness. The awards were presented to winning airports by Dr Yiannis Paraschis, President of ACI Europe and CEO of Athens International Airport, Mike Davies, Chairman of Manchester Airports Group, David McMillan, Director General Eurocontrol, and Daniel Calleja, Director Air Transport, European Commission.
The first award, recognizing airports in the '1-5 million passenger' category, went to Aeroporto G. Marconi Di Bologna SpA for being 'a great all-rounder' in operations, retail, community engagement and airline relations. The winner of the '5-10 million passenger' category was TAV Ankara-Esenboga Airport. As with number of the top candidates in this category, the airport excels in all the keys areas of operations, however the judges singled it out for its work in the area of environmental innovation, securing an incredible 25% energy savings stemming from its recycling of exhaust gases to power its air conditioning plants.
This year's award in the '10-25 million passenger' category went to Palma de Mallorca Airport. The airport's exceptional success in defying the seasonality associated with its status as a holiday destination. The airport's strong relations with its airline customers and its successful adoption of a hub strategy helped to make it the clear winner in this category. And in the final category, for airports with 'over 25 million passengers', this year's final award went to Amsterdam-Schiphol. The judges cited Amsterdam Airport 's successful focus on community relations and environmental awareness as the decisive factor for them – particularly commending the airport for its "barrier of silence", which will help minimize noise for the neighbouring community. #860.OPS29

Air Transport Research Society (ATRS) announced the winners of the 2009 Airport Performance Benchmarking Awards during the 13th World Conference held at Abu Dhabi The winners are: North America (large airports more than 15 million passengers): Atlanta Airport; North America (large airports less than 15 million passengers): Raleigh-Durham; Europe: Copenhagen Airports; Asia: Hong Kong; and Oceania: Brisbane. #860.OPS30