

The new Quito International Airport: more than just an air terminal



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Luis Eduardo Pérez has over 20 years of experience in the airport industry. Before joining Corporación Quiport S.A., he acted as President of HAS Development Corporation, an affiliate of the Houston Airport System, that operates and invests in international airport projects. He was also Deputy Director of the Houston Airport System, the fourth largest airport system in the United States and sixth around the world, with an operation that exceeds 52 million passengers per year and one thousand operations per day. He has been part of different international airport concessions and has worked for well known enterprises such as; Pan American World Airways in the United States, Airbus Industries in France, and Vancouver Airport Services in Canada. He completed his studies on Aeronautical Sciences and has a Master's degree in Aviation and a Doctorate degree in Law. He is very familiar with Ecuador and its airport system, as he acted as General Manager of ADC-HAS Management in 2004.

Buried deep in the mountains, Quito, the capital of Ecuador, is set in the Pichincha province at 2,800 metres above sea level (masl). The International Airport, Mariscal Sucre, opened 73 years ago, is located at the same altitude.

For this South American country, bordering with Colombia at the north and Peru at the south, tourism is the third most important source of income, after oil and bananas. According to the National Police Migration Management, over 800,000 foreign tourists come to the country every year, with 300,000 passing through the Quito airport.

Exports of agro-industrial products are another important line of business, which fosters the progress and development of this 256,370km² country. According to the

Superintendence of Companies, 88 cargo handling companies operated in 2004. From these, 62 are located in Pichincha (Metropolitan Quito District).

Such passenger and cargo volume, plus urban growth of the capital city, have turned the Mariscal Sucre International Airport into an unsafe and undersized airport (it is located in the middle of the northern area in Quito).

The solution: building a new airport
In 1976, the Civil Aviation General

Main Characteristics of the Mariscal Sucre and the New Quito International Airport

DESCRIPTION	Mariscal Sucre	New Quito Airport
Establishment	1960	2010
Altitude	2,800 masl	2,400 masl
Location	Centre of the city	25 km away from Quito
Area	130 ha.	1500 ha.
Runway	One runway: 3,120m x 46 m	One runway (with a 2 runway projection): 4,100 m x 40 m
Expansion Capacity	120 ha. – 130 ha.	200 ha. – 1000 ha.
Passenger Service Capacity	3,600,000 passengers (saturated)	5,000,000 passengers (1st. stage)
Cargo capacity	15,000 m ²	46,000 m ²

Management (DGAC), responsible for 100% of the navigation system and air traffic control in the country, received analyses and surveys concerning the location of a new airport. Thirteen years later, the DGAC acquired the land for the building of the new airport in Tababela, 25 kilometres away from Quito.

In December 2001, the National Government granted the Quito Municipality the authority to develop the city's new airport system. The Municipality organised a selection process, to select the administrator of the aforesaid system and build the new airport.

The Canadian Commercial Corporation (CCC), Official Agency of the Government of Canada, won the concession and entrusted the administration and handling of the Quito Airport System, and the building of the new airport, to Corporación Quiport S.A.

Financing

Corporación Quiport S.A. is a consortium of important Canadian, Brazilian, and US firms, that have decided to undertake a project that is undeniably necessary for the country's development.

The investors; AECON, Andrade Gutiérrez Consessoes (AGC), Airport Development Corporation (ADC), HAS Development Corp. affiliated with HAS (Houston Airport System), make up Quiport and together with other multilateral financial organisations, such as the Inter American Development Bank (IDB), Export Development Canada (EDC), Export-Import Bank of the United States (Ex-Im Bank), and Overseas Private Investment Corporation (OPIC), finance this undertaking, which is unique in the Americas.

The Project Finance model currently applied in the Quito airport system, won the International Award granted by International Finance Legal Review.

The investment made by Corporación Quiport S.A., which does not include any State financial guarantee, comes to \$450 million for a complete financial project that will demand \$600 million.

This long term investment, made for a 35 year concession period, foresees profits of around 18% beginning in 2018 and following an efficient airport operation.



The vertical construction of the New Quito International Airport, currently in progress, began with the laying of the foundations of the passenger bridge

The concession contract guarantees the expansion of services; Corporación Quiport S.A. shall build, when necessary, an additional runway and will multiply the capacity of terminals and other facilities, without any public investment or increase in airport tariffs (other than inflation).

In 2040, at the end of the concession, Corporación Quiport S.A. will return to the Ecuadorian State an airport in perfect operational condition, with modern facilities, to continue providing first class service to airport users.

Progress beyond the construction

All around the world, airport activities generate job opportunities that are not only related to airport providers, but that

have to do with the actual functions of an airport and the number of flights it serves.

The number of passengers an airport handles, influences the number of job opportunities that are directly and indirectly generated: airlines, support services, transportation, etc. Once the airport opens, the provision of other services (catering, maintenance works...); services for airline employees and passengers (hotels, restaurants, car rentals...); transportation services (customs, duty free zone, cargo...), shall also be an important source of employment opportunities.

In addition to this, in the long term, the neighbouring area will benefit from the presence of industries related to



Aerial view of the ground filling and levelling works at the New Quito International Airport construction site



Environmental Engineer Elizabeth Roldán from AECON-AG during a control monitoring at the New Quito International Airport construction site

airport services, such as hotels and commercial facilities, housing compounds for airport workers, small supply businesses, etc. Although not directly connected to the airport, these businesses will increase their value with the proximity to the airport, because they will gain prestige and easy access to air services.

Defined as a project for development, the new Quito airport comprises the establishment of a duty free zone, in which high technology production units will be installed. These will constitute the most dynamic element of growth and progress in the central part of the country.

This development was conceived, and is being carried out, with a strict respect for the environment and the communities living in the zone of influence of the airport. Therefore, a network of specialised auditing firms are constantly monitoring the quality of the construction at the new Quito airport, from the engineering, economic and environmental perspectives. These firms report to Quiport's associates and to international credit agencies.

Quito will have its new airport in October 2010; a grand effort that joins first class infrastructure, growth in

tourism, growth in exports, increase of employment opportunities and national pride.

Vertical construction

Tirelessly... this is how 800 people work on the construction of the new Quito International Airport. So far, the foundation and casting of the passenger terminal are in progress.

The passenger terminal, a 38,000m² area distributed over four levels, will have the capacity to service over 5 million passengers per year and may be expanded according to future needs.

The casting for the boarding bridge at the terminal is also ready; this platform will provide a comfortable, swift and safe access to passengers and users of the terminal.

Industrial camp

In order to begin the vertical construction works, it was necessary to set up an industrial camp, where the assembly of all metal structures and production of concrete needed for the works is completed.

This camp has a provisional concrete plant, a concrete laboratory run by the

Catholic University (PUCE) and a structure assembly plant. The concrete lab controls the quality of concrete used for the construction (bedding, resistance, aggregate grading, air content and temperature) and iron structures that will be used in the civil works are cut, folded, and assembled at the structure assembly plant (slab casting, pillars etc).

Work progress

The construction of the new Quito International Airport, progresses according to pre-established schedules. So far, 22% of the total work has been completed.

70% of the total movement and compacting work has been concluded to date. This required moving 4.4 million cubic metres of soil, from a total of 7 million cubic metres.

The construction of the control tower is scheduled for this first quarter and it is expected to be 40% to 50% complete by the end of 2008.

Conclusion

The new Quito International Airport is the only brand new airport being built in the Americas.

This aerodrome is the result of a set of well coordinated and efficient actions of a public and private partnership, both national and international.

It is the most important economic and social incentive in Quito and in the Sierra region:

- It is a source of employment
- Promotes collateral businesses
- Will become the grand bridge of air exports in Ecuador
- Will promote tourism
- Will be the first duty free zone with a competitive, global and cost efficient production system.

When it begins operations in 2010, the new Quito International Airport will be the largest civil aeronautic complex in Ecuador. It will be one of the most modern on the continent, with the largest expansion potential and will not have the threat of having other populated areas develop around its facilities. ➦