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ACI ASIA-PACIFIC
YEAR IN REVIEW 2016

TABLE OF CONTENTS

The Voice of
ASIA-PACIFIC Airports

NEW LEADERSHIP

The Regional Assembly in April elected Ms. Kerrie Mather, Managing Director and Chief Executive Officer of Sydney Airport as the new ACI Asia-Pacific President for a two-year term, taking over the reins from Mr. Dennis Chant who has retired from Queensland Airports Limited.

"

2016 was a productive year for ACI Asia-Pacific as we marched into the 11th year of the creation of ACI Asia-Pacific. We continued to provide enhanced services, new industry reports and more networking opportunities for our growing membership throughout the year.

The engagement with the ICAO Regional Offices was strengthened while we continued to reach out to industry partners as we reinforced our role as one of the most reputable and influential aviation organizations in the region.

"

Kerrie Mather
President
ACI Asia-Pacific

ACI Asia-Pacific Regional Board Meeting held in Gold Coast, Australia, April 2016

ENGAGEMENT WITH ICAO

The Asia-Pacific region continued to represent the interests of Asia-Pacific airports at the 53rd Conference of Directors General of Civil Aviation, Asia and Pacific Region (DGCA Conference) held in Colombo, Sri Lanka in August.

The DGCA Conference is the annual summit of policy makers on civil aviation matters from the 38 States and territories from Asia and Pacific. The 53rd DGCA Conference, with the theme "Fostering Safe, Secure and Efficient Aviation System in an Eco-friendly Environment with No Country Left Behind" was hosted by the Civil Aviation Authority of Sri Lanka and attended by over 300 delegates from States in Asia and Pacific as well as representatives from industry partners including IATA and CANSO.

The discussions focused on the five ICAO strategic objectives, namely, safety, security & facilitation, navigation capacity efficiency, environmental protection and air transport economics. Three Information Papers were submitted by ACI covering APEX in Safety, APEX in Security and *Airport Carbon Accreditation* which sought to provide an update to and solicit support from the Civil Aviation regulatory bodies in the region on these 3 ACI programmes.

ACI presented a Working Paper "Airport Slots" at the Economics Commission of the ICAO 39th Assembly in Montreal in September. As airport capacity becomes an increasingly scarce resource, the existing policy and process on the Worldwide Slot Guidelines need to take into consideration the significant changes in recent years, and that the Guidelines in fact, act as a barrier to entry and competitive market growth. The Regional Office assisted in soliciting support and encouraging members in the region to actively engage with their respective national authorities on the airport slots issue and to gather relevant slot utilization data to back the ACI position.

To support the work of the ICAO working group on the issue of "Airport Network and Cross Subsidization", the region in collaboration with ACI World visited Beijing in December. The ACI delegation met with relevant stakeholders to discuss pertinent issues such as: definition of networks, availability of data, benchmarking methodology, and relevant performance indicators.

11th ACI Asia-Pacific Regional Assembly Resolutions

The 11th ACI Asia-Pacific Regional Assembly, Conference & Exhibition held in April in Gold Coast, Australia has seen a record breaking attendance. Hosted by Queensland Airports Limited, the event attracted over 550 delegates representing over 230 organizations from 52 countries.

At the Assembly, members unanimously approved resolutions to support ACI Initiatives on Airport Safety and Security including urging airports to:

- set up Runway Safety Teams;
- promote positive safety culture; and
- participate in APEX in Security.

Building Connections & Member Engagement

The region recorded another year of growing membership, both on airport and World Business Partners (WBP) members. To date, the region counts 104 airport members and 79 WBP from 48 countries. The region has steadily earned its reputation as the key association representing Asia-Pacific airports' interests and strives to provide improved services in order to better meet members' needs. During the year, the region has reached out to a number of members to foster closer connections and partnership:

- Malaysia
- Iran
- Iran, Oman and Qatar - World Business Partners Airport Tour

Malaysia

The Regional Office met with Malaysia's new regulator, the Malaysia Aviation Commission (MAVCOM) in Kuala Lumpur in October as the first step to establish relationship between the two organizations. A delegation from MAVCOM also attended the ACI Conference on Investing in Airports in Goa, India in December.

Iran

The ACI delegation met with the executive management team from Iran Airports Company (IAC) and Imam Khomeini International Airport (IKIA) in Tehran in December. With the sanctions lifted earlier this year, IAC and IKIA are poised to modernize their facilities and make their airports one of the best and safest in the Middle East. Through the Global Training and APEX programmes, ACI will assist IAC and IKIA to achieve their ambitions.

Iran, Oman and Qatar - World Business Partners Airport Tour

The WBP Airport Tour, the unique service available in Asia-Pacific region, was held in November and for the first time, invitation was extended to ACI EUROPE's WBP members. The tour provided an opportunity for representatives from 10 WBP to explore business opportunities available in Muscat International Airport, Oman & Hamad International Airport, Qatar and airports managed by Iran Airports Company.

PROGRESS IN 2016 – ACI'S PRIORITY AREAS

Aviation Security

2016 was not a good year in terms of airport security but in spite of that, the Regional Office has made several milestones during the year. In November, we participated in the first ever APEX in Security Pilot Review in the region in Indonesia together with Review Team members from North American, European and African airports. The new APEX in Security peer review programme was well received by the aviation community when the Regional Office presented an introductory paper during the 4th ICAO Regional Aviation Security Forum, an annual meeting that the region has been participating since its inauguration in 2013.

ACI's engagement with the regulators is coming to fruition after years of participation in ICAO regional security events and involvement in collaborative projects with individual governments. Regulators are now approaching the region for cooperative projects to enhance security in the region. One of such examples being the joint effort between the Australian government, the Regional Office and other agencies in producing the handbook: "A guide to developing and implementing a Suspicious Activity Identification Program at airports". Furthermore, it has become noticeable that more weight is now given to facilitation of passenger processing when security measures are enacted, a sign that ACI's call for a balanced approach to security and facilitation has not gone unheeded.

The region also participated in a number of Smart Security Opportunity Assessments, with IATA, at several airports in Japan and Thailand this year. Smart Security is a joint ACI and IATA project with the aim to enhance security and to balance security with passenger facilitation at passenger screening points at airports.

Economics

In 2016, the region continued to lay ground work and strengthen our capabilities in Airport Economics.

One of the key projects in laying the foundation was the development and release of the inaugural edition of the ACI Asia-Pacific 2015 Economic Review in July with guidance from the Regional Economics Committee. The review aimed to draw high-level insights from the ACI annual economic survey from the regional perspective, and to provide pointers in specific areas for further studies.

In addition, throughout 2016 the region worked closely with ACI World and stepped up our advocacy efforts in India by adopting a multi-pronged approach:

- To increase public awareness of airports' perspective on the issue of airport charges, ACI published a press release in June in response to India's National Civil Aviation Policy (NCAP) voicing its support for hybrid till and welcome a number of initiatives stipulated in the NCAP.

- To support our members in regulatory hearings before the Airports Economic Regulatory Authority of India (AERA), ACI prepared a number of written submissions throughout 2016 address various concerns: Mumbai International Airport's tariff review in May, AERA's regulatory approach on Capital Cost Regulation in August and AERA's consultation regarding the implementation of Hybrid Till under NCAP in October.

- To address the various challenges faced by the India aviation sector, ACI organized the 2nd Investing in Airport Conference in Goa, India in December. The event provided a platform for policy makers and stakeholders to interact in topics such as economic regulation and privatization and engaged directly with the regulators. At the conference, ACI released a Policy Brief on "Airport Ownership, Economic Regulation and Financial Performance". The key findings provided evidence to support ACI's positions in the area of economic regulation, airport ownership & privatization and airport charges. ACI also met with the Chairman of AERA and discussed various topics and issues of concerns.

Environment

The region continued to make efforts in promoting sustainability and earned fruitful results in 2016. We proudly welcomed the first two carbon neutral airports in Asia-Pacific in the *Airport Carbon Accreditation* programme, Indira Gandhi International Airport and Rajiv Gandhi International Airport, in Delhi and Hyderabad, India respectively.

Significant progress was also made in China and Japan as we welcomed their first accredited airport: Beijing Capital International Airport, Kansai International Airport and Osaka International Airport. These are significant milestones in demonstrating Asia-Pacific airports' responses to climate change issue.

The region continued to promote the programme and other environmental initiatives through ICAO meetings such as 53rd DGCA Conference and, Eco -Airport Workshop in Indonesia. This year, the region has also sent promotional letters to the Ministries of Transport and Environment in the region, which provided updates of the programme and featured the cooperation between UNFCCC and the *Airport Carbon Accreditation* programme.

The Regional Environment Committee has published the ACI Asia-Pacific Environmental Survey 2015 Report and distributed to all participating airports in July. The report enabled airports assess to the current situation in the region and is useful in helping airports to design and implement their environmental initiatives and improve airports environmental management in the future.

Cabin waste is one of the main environmental issues for airports and airlines. Throughout the year, the Regional Environment Committee worked closely with IATA and ACI World and published a guidance document in November to help airports and airlines address this issue.

Safety

In 2016, safety continued to be one of the top priorities in the region. Asia-Pacific region has initiated a project to share aerodrome safety performance data amongst Regional Safety Committee members with a view to improving safety in the mid-term to long-term. The Regional Safety Committee has also started drafting guidance materials on safety promotion and change management, both are important elements of safety management system.

Several APEX in Safety Reviews were conducted in Bahrain, China, Indonesia and Qatar during the year. Asia-Pacific airports have also been supportive in sending their staff to work as safety assessors at other airports. Many airports see participation in APEX missions as an effective and rewarding means of professional development for their staff.

Dubai Airports had generously hosted an airport tour and a jointed Committee Dinner Regional Operational Safety Committee & Regional Environment Committee, provided a great opportunity for members to exchange and network in the two main fields of airport operations.

Other than promoting safety within the airport community, the region has been active in representing airports at ICAO Asia-Pacific and ICAO Middle East safety meetings, ensuring that the views of the industry are adequately considered when policies and regulations related to aerodrome operations are made. ACI is now an industry partner of several ICAO regional safety meetings.

📖 Training & Development

In terms of regional talent development, Mr. Sunil Kumar Munnangi of GMR Hyderabad International Airport Limited was named "Young Executive of the Year 2016". Adelaide Airport in Australia bagged the ACI Asia-Pacific Human Resources Excellence Recognition which aims to recognize airports' outstanding achievements in Human Resources management.

Three airports from Cambodia, Iraq and Mongolia benefited from the Financial Assistance for Training enabling their staff to attend ACI training courses and airport study tours.

Three ACI Developing Nations Airport Assistance (DNA) courses were delivered in Australia, Cambodia and India to a total of 46 participants.

DNA
Developing Nations Airport Assistance

ACI Asia-Pacific Supports the Youth Development in Advancing the Aviation Industry

In March, ACI Asia-Pacific delivered a training session to a class of 30 students from the Hong Kong Polytechnic University on Air Transport Economics, led by Dr. Achim Czerny, in support of the region's aviation, a fast growing business driven by the strong economic development in many countries in the region.

EVENTS

Opportunities for members to network with the aviation community in 2016 were abundance as the region successfully organized series of key industry events.

ACI 8th Annual Airport Economics & Finance Symposium & Conference

📍 **London, United Kingdom, March 7-9**

✈ *Partnered with ACI World &*
ACI EUROPE ✈

Held in London, with support from the World Bank Group, the annual airport economics forum explored workable solutions to ensuring the economic sustainability of all airports.

11th ACI Asia-Pacific Regional Assembly, Conference & Exhibition

📍 **Gold Coast, Australia, April 18-20**

The annual conference and assembly drew record breaking attendance, incorporated innovative changes to the conference programme and elected our first ACI Asia-Pacific female president.

The Trinity Forum 2016

📍 **Mumbai, India, September 12-14**

✈ *Partnered with ACI World and The Moodie Davitt Report* ✈

The Trinity Forum has long been recognized as the leading global airport commercial revenues conference in the region. Hosted by Mumbai International Airport, this year's theme addressed "Adding Value and Joy to the Journey in an Omni-Channel World". There was a lot of stimulating discussions on the dramatic rise of e-commerce which potentially could be a "disruptive change" for the industry.

ACI Asia-Pacific
Small and Emerging Airports Seminar

📍 **Siem Reap, Cambodia, October 24-26**

Hosted by CAMBODIA Airports, the event attracted over 190 aviation executives from across the Asia-Pacific region. Focused on opportunities and challenges dear to small and emerging airports' hearts, topics included Seasonality in Tourism, Community Assistance, Risk Management and Business Continuity, Thinking out of the Box: Innovative Ways to Enhance Revenues, and much more.

25th AVSEC World

📍 **Kuala Lumpur, Malaysia October 25-27**

AVSEC World, an event jointly organized by ACI, ICAO and IATA unites professionals in the security sphere to discuss current issues and actions to be taken to manage risks in the aviation industry was successfully concluded in Kuala Lumpur, Malaysia.

📍 **Brussels, Belgium**

November 21-22

✈ *Partnered with ACI EUROPE* ✈

Under the theme of "Delivering Safe, Efficient, and Secure Airports", the event addressed how to safeguard airports against ongoing threats.

Security and Crisis Management Special Summit

Investing in Airports

📍 **Goa, India, December 6-8**

Aviation stakeholders met in Goa, India for the ACI Investing in Airports conference – Creating the conditions to meet future demand. The event was organized in cooperation with ICAO and the International Transport Forum (ITF) at the Organization for Economic Cooperation and Development (OECD).

RECOGNITION & AWARD WINNERS

Airport Carbon Accreditation

Level 3+, Neutrality:

- Indira Gandhi International Airport, India
- Rajiv Gandhi International Airport, India

Level 3, Optimization:

- Adelaide Airport, Australia
- Brisbane International Airport, Australia
- Chhatrapati Shivaji International Airport, India
- Gimpo International Airport, Republic of Korea
- Hong Kong International Airport, Hong Kong
- Incheon Airport, Republic of Korea
- Kaohsiung International Airport, Chinese Taipei
- Kempegowda International Airport, India
- Queen Alia International Airport, Jordan
- Sunshine Coast Airport, Australia
- Sydney Airport, Australia

Level 2, Reduction:

- Chiang Mai International Airport, Thailand
- Don Mueang International Airport, Thailand
- Dubai International, United Arab Emirates
- Dubai World Central, United Arab Emirates
- Hat Yai International Airport, Thailand
- Kansai International Airport, Japan
- Kuala Lumpur International Airport, Malaysia
- Macau International Airport, Macau
- Mae Fah Luang Chiang Rai International Airport, Thailand
- Osaka International Airport, Japan
- Sharjah International Airport, United Arab Emirates
- Suvarnabumi Airport, Thailand
- Taiwan Taoyuan International Airport, Chinese Taipei

Level 1, Mapping:

- Abu Dhabi International Airport, United Arab Emirates
- Bahrain International Airport, Bahrain
- Beijing Capital International Airport, China
- Hamad International Airport, Qatar
- Phnom Penh International Airport, Cambodia
- Siem Reap International Airport, Cambodia
- Sihanoukville International Airport, Cambodia

Airport Service Quality

Congratulations to all top performing airports in the Airport Service Quality (ASQ) Awards 2015!

The ASQ Awards has always been a prestigious industry award recognising the excellent customer service level demonstrated at airports worldwide. The 2015 awards presentation ceremony was held in Gold Coast, Australia during the Gala Dinner of the 11th Asia-Pacific Regional Assembly, Conference & Exhibition.

Young Executive of the Year 2016

Mr. Sunil Kumar Munnangi of GMR Hyderabad International Airport Limited was named as the Young Executive of the Year 2016 for his submission on the topic *Effective Collaboration and Cooperation among Airport Stakeholders*.

The YE Award introduced back in 2009 has identified some very talented individuals, sharing their innovative ideas and solutions on how they would tackle our industry's challenges. The Award strives to honor and recognize our industry's younger generations.

Human Resources Excellence Recognition 2016

The HR Excellence Recognition is a programme initiated by the region in 2013. The objective of the programme is to promote professional excellence in airport HR management. The results of the HR Excellence Recognition 2016 are:

GOLD

Adelaide Airport Limited

SILVER

GMR Hyderabad International Airport Limited

BRONZE

Yangon Aerodrome Company Limited

PUBLICATIONS

ACI Asia-Pacific

ACI Asia-Pacific, one of the five regions of the Airports Council International (ACI). is based in Hong Kong and represents over 100 members operating 581 airports in 48 countries in Asia-Pacific and the Middle-East.

As the only global trade association of the world's airports, ACI represents airports' interests with governments and international organizations, develops standards, policies and recommended practices for airports, and provides information and training opportunities to raise standards around the world. In 2015, ACI Asia-Pacific airports have handled 2.79 billion passengers and 49.6 million tonnes of cargo.

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