



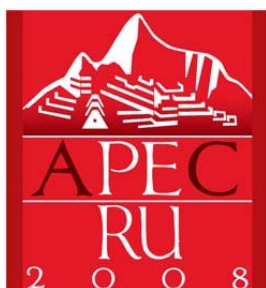
**Asia-Pacific
Economic Cooperation**

2008/SOM3/CTTF/STAR/009


Session: 10

Airport Privatizations – Programs to Coordinate Security Efforts

Submitted by: Aeropuertos del Perú



6th Secure Trade in APEC Region Conference
Lima, Peru
20-21 August 2008



**Sixth 'Secure Trade in the APEC
Region's Conference
(STAR VI)**

**“Security and Vulnerabilities of the
Global Supply Chain”**

20-21 August, 2008 Lima - Perú



**Airport Privatizations
Programs to Coordinate
Security Efforts**



Victor M. P. Rocha – Operations Central Manager 1



Programs to Coordinate Security Efforts

AIR TRANSPORT INDUSTRY


AIRPORT SECURITY

AIRPORT PRIVATIZATION






2



Air Transport Industry



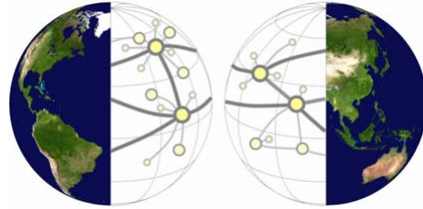
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Industry Key Characteristics

Global and dynamic

- Changing rapidly and radically



Significant contributor to countries' national prosperity:

- thriving national airlines and/or
- international airports

4

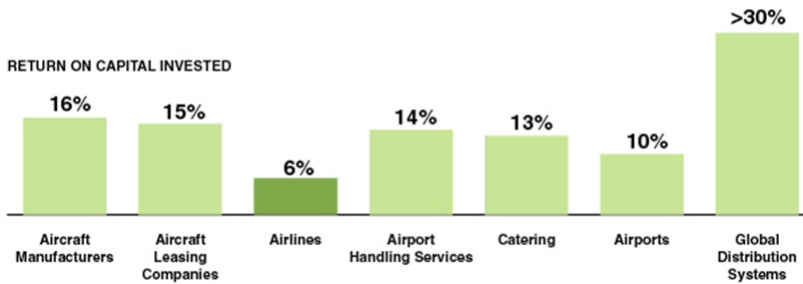


Industry Value Chain

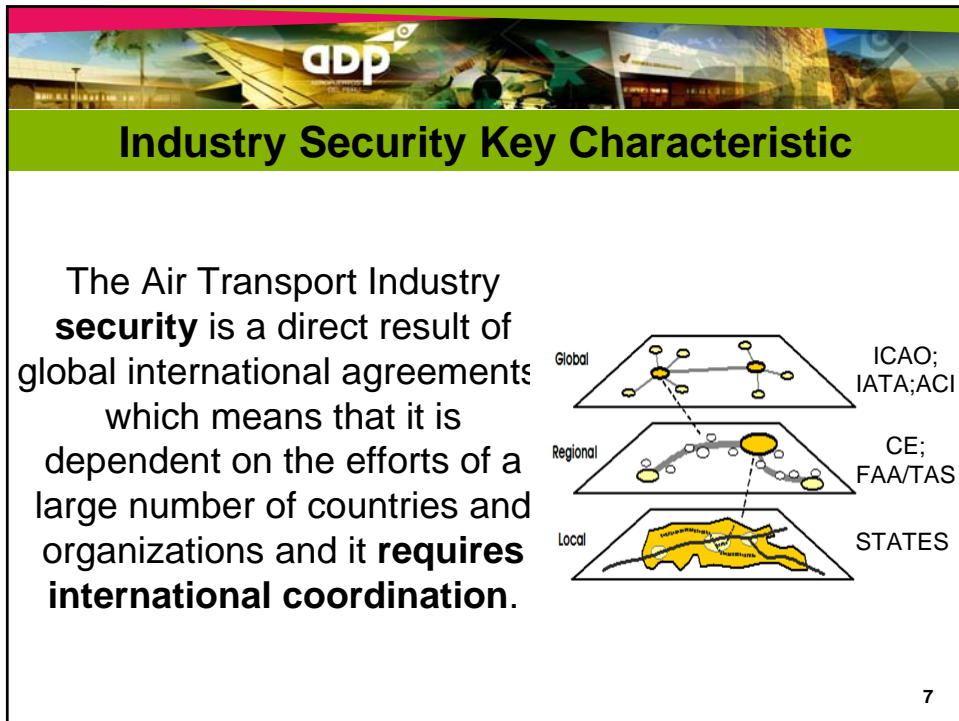
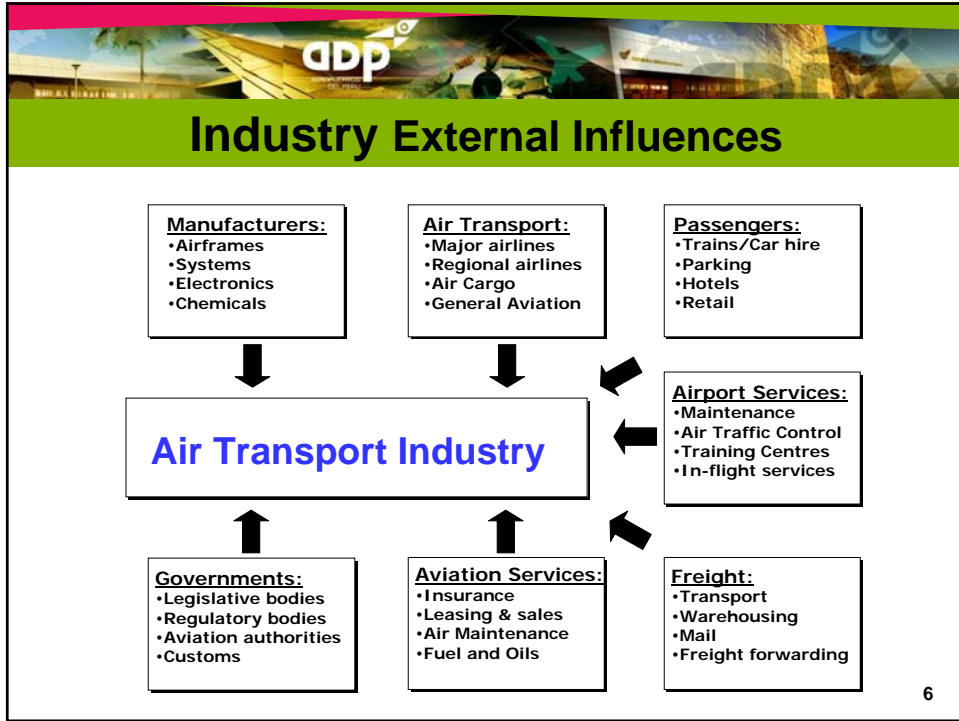
THE AIR TRANSPORT VALUE CHAIN

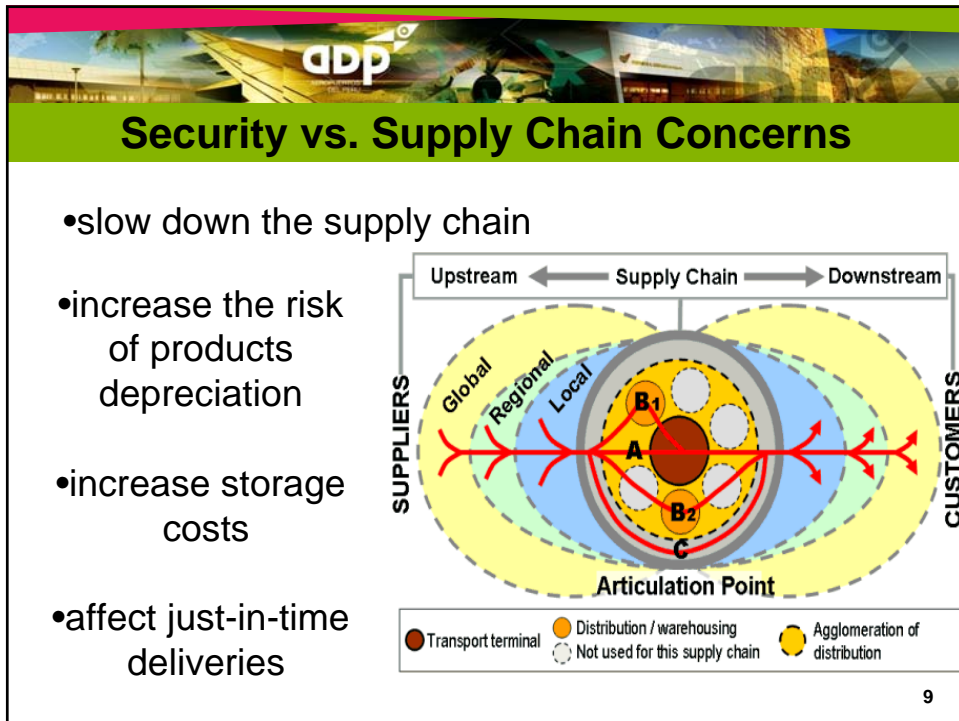
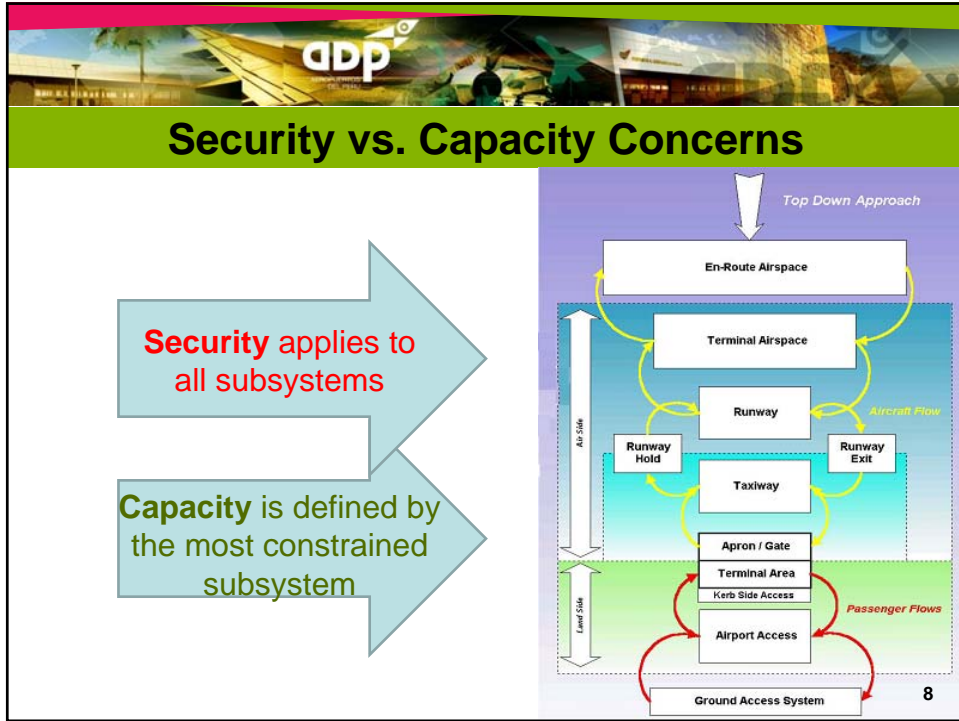


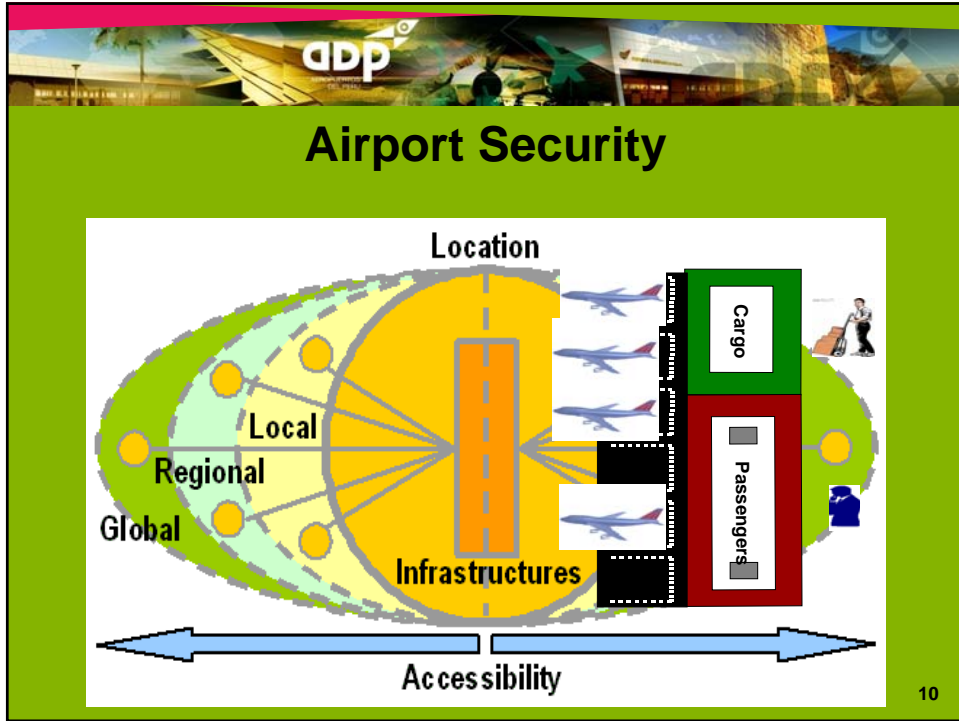
RETURN ON CAPITAL INVESTED



5








Fundamental Concepts

FACILITY
relates to adequate facilities in order to allow arrivals and departures without delay

SAFETY
relates to the prevention of aircraft , equipment and staff accidents and incidents


SECURITY
relates to the prevention of intentional acts intending to affect planes, infrastructures or people



ICAO Main Regulation

- 1948 } SAFETY – ANNEX 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14 e 15
-
- 1954 }
- 1971 ← ENVIRONMENT – ANNEX 16
- 1974 ← SECURITY – ANNEX 17
- 1983 ← SECURITY & SAFETY – ANNEX 18
- 1989 ← SECURITY – 33th REV. ANNEX 14 - AIRPORT SECURITY PLAN
- 2001 ← 11 SEPTEMBER -WORLD TRADE CENTER
- 2002 ← SECURITY – 7th REV. ANNEX 17 ; (CE 2320; FAA/TAS)

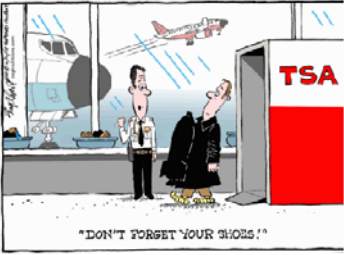
12



Airport Security Models

The **centralized** model means that the responsibility for security activities mainly rests with each state

Airport Security
November 16th, 2007 by CAGLE CARTOONS



The **decentralized** model means that security activities are mainly performed by airports under the supervision of the relevant authority

13



Airport Security Concerns

Airport Thanksgiving
November 20th, 2007 by CAGLE CARTOONS

According to ICAO Annex 17 (Security), each contracting state should arrange the security controls and procedures in order to cause a **minimum of interference or delay** with the activities of civil aviation (facility), provided the effectiveness of these controls and procedures is not compromised


15



Airport Privatizations

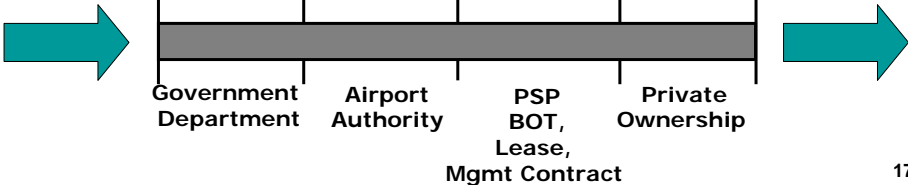


16




Airport Privatization Evolution

- From a Public Utility
- To a User Pay Service
- To a Commercial Enterprise
- To a Fully Privatized Airport Company































Government Department Airport Authority PSP BOT, Lease, Mgmt Contract Private Ownership


17



Airport Private Actors

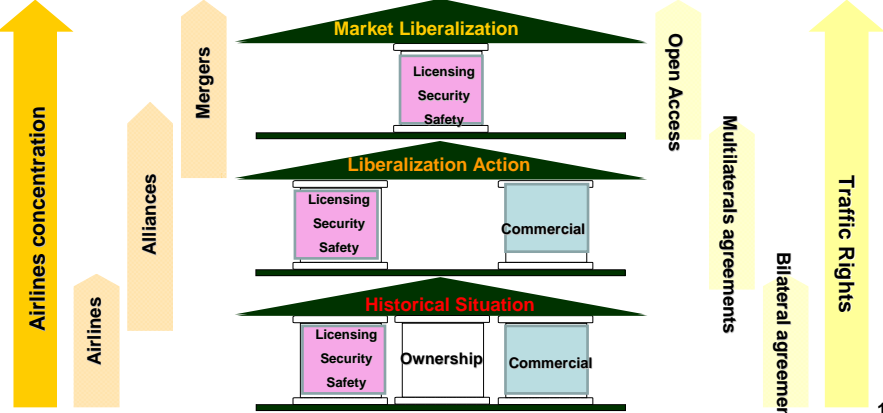
Airport Operators	Investors	Multinationals
<ul style="list-style-type: none"> BAA   Copenhagen Airport  Flughafen Frankfurt  Schiphol  ABNA  TBI  Aéroports de Paris  Aeroporti di Roma  YVR (Vancouver)  Unique Zurich Airport  Singapore Changi  Vienna Airport  Air Rianta  Aeropuertos de Argentina 2000 Aeroport de Nice 	<ul style="list-style-type: none"> Macquarie Bank Alterra Partners  Harpen  ABN AMRO Ventures BV  Serco  Barclays  Caisse des Depots  Deutsche Asset Management  AMP Hastings NatWest Ventures  GE Capital  ABN Arro  Abbey National  Ontario Teacher's Fund AXA  	<ul style="list-style-type: none"> Hochtief  Vinci Group GTM  Grupo ACS  Lend Lease  Egis  Bechtel  IVG Holding  Ogden Bouygues  National Express  Benetton  ABB  Siemens 

18



Regulation Trends

The State control tend to be minimized and submitted to Regional and International guidelines on Licensing, Security and Safety



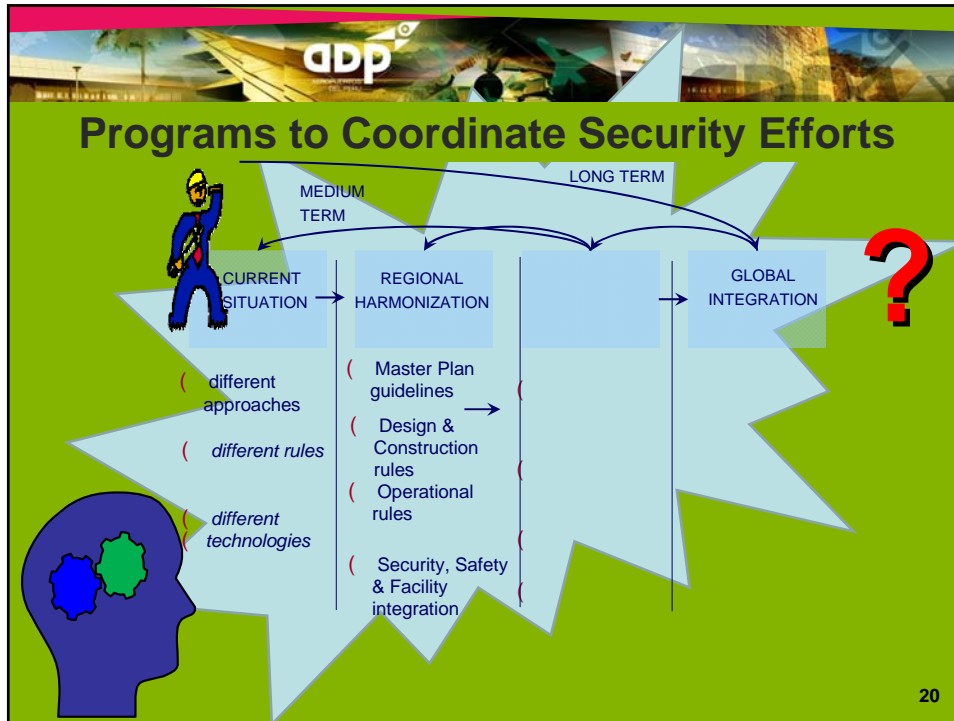
The diagram illustrates the evolution of airport regulation through three stages, represented as a house structure:

- Historical Situation:** Includes Licensing, Security, Safety, Ownership, and Commercial.
- Liberalization Action:** Includes Licensing, Security, Safety, and Commercial.
- Market Liberalization:** Includes Licensing, Security, and Safety.

Key trends and factors influencing these stages are shown as arrows:

- Airlines concentration:** Points upwards from the Historical Situation stage.
- Airlines:** Points upwards from the Historical Situation stage.
- Alliances:** Points upwards from the Historical Situation stage.
- Mergers:** Points upwards from the Historical Situation stage.
- Open Access:** Points upwards from the Liberalization Action stage.
- Multilateral agreements:** Points upwards from the Liberalization Action stage.
- Bilateral agreements:** Points upwards from the Liberalization Action stage.
- Traffic Rights:** Points upwards from the Liberalization Action stage.

19



Airport Operators Concerns

John Lennon Airport forced to pay for security costs

Aug 11 2008 Rob Merrick,

LIVERPOOL John Lennon Airport faces a shock multi-million pound bill for its growing security costs, under government plans to ease the burden on Merseyside Police.

Legislation being drawn up will transfer responsibility for "threat and risk analysis" at regional airports – and for paying the bill – from the local police force to the airport owner.

The cost of policing JLA is kept under wraps for security reasons, but is likely to run into millions, and is on the rise because of the heightened terror threat.

Edinburgh Airport recently set up a police unit, boasting 44 officers, at an annual cost of £2.5m. Security at the tiny City of London airport costs £7m a year.

Last year's failed bomb attack at Glasgow Airport woke security experts to the reality that regional airports – as well as Heathrow and Gatwick – are now potential terror targets.

CONSTANT CHANGE OF RULES

MORE RESPONSIBILITIES TRANSFERRED TO AIRPORTS

GROWING SECURITY COSTS

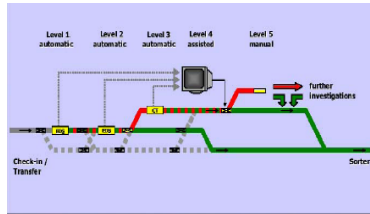
NOT ONLY THE BIG AIRPORTS

21



Airport Community Concerns

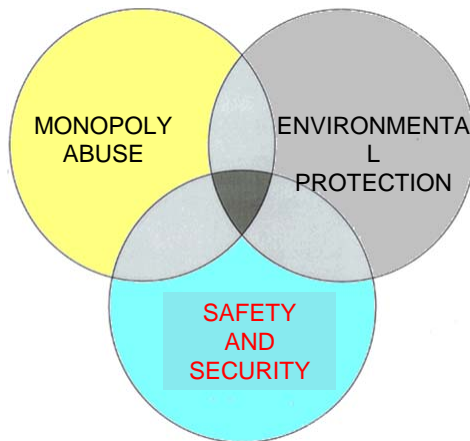
Aviation is a highly competitive industry, driven by intense pressure to lower costs. So, **“No investment”** in security or safety could be a big temptation to private airport operators

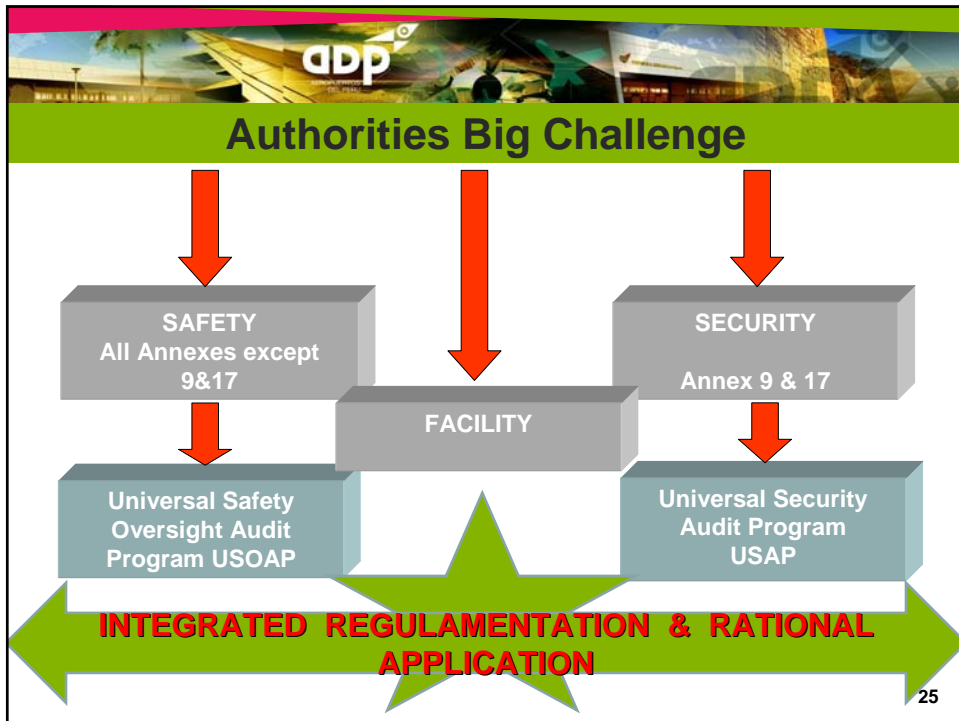
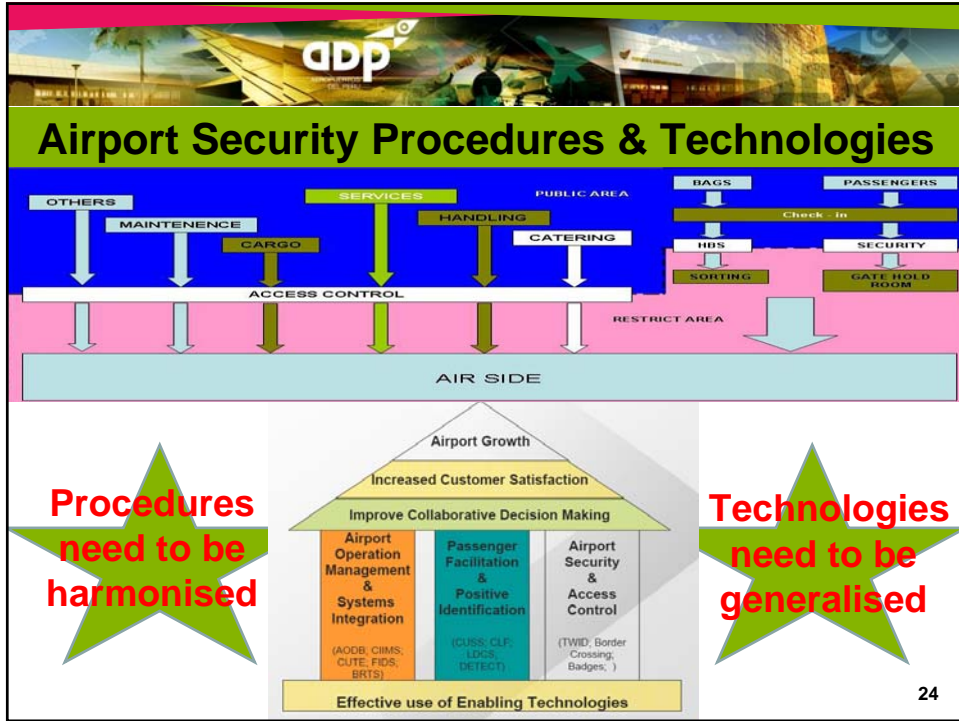


X-ray inspection



Airport Regulators Concerns







Airport Privatizations

Programs to Coordinate Security Efforts

**Thank You.....
any questions?**

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