



Hong Kong International Airport Master Plan 2030

The International Air Transport Association (IATA) fully supports the construction of a third runway at Hong Kong International Airport (HKIA) in line with option 2 of the Hong Kong International Airport Masterplan 2030.

IATA is working closely with Cathay Pacific and other IATA member airlines who are all aligned in supporting the need for a third runway in Hong Kong.

Timely expansion of HKIA is critical for Hong Kong to maintain its beneficial presence on the global stage as an important hub for regional and intercontinental trade and commerce and a major gateway to China. It will also help support the economic importance of the Greater Pearl River Delta (GPRD) region as part of the global economy.

Without a third runway, Hong Kong will lack the infrastructure capacity to continue its vital role in the global air transport system which delivers significant economic benefit to the local Hong Kong economy.

Furthermore, failure to grow the capacity at HKIA could potentially lead to increased noise and emissions from existing facilities as aircraft will be forced to wait for longer periods on the ground before take-off and spend more time in holding patterns before landing.

Traffic Growth

The Hong Kong International Airport forecasts that by 2030

- Passenger unconstrained demand will grow to 97 million representing a 3.2% annual growth rate (2008-2030)

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- Cargo unconstrained demand will grow to 8.9 million tonnes representing an annual growth rate of 4.2% (2008-2030)

Without a third runway, HKIA could only handle 74 million passengers and 6 million tons of cargo in 2030. Hong Kong would be wasting the economic opportunity of 23 million passengers and 2.9 million tonnes of cargo.

The forecast released by the Airport Authority is conservative. For example, between 1990 and 2010, passenger traffic grew at 4.8%. Additionally IATA observes that actual traffic bounced back much more strongly than anticipated in 2010 with the year-end traffic exceeding the level forecast for 2012.

Other Greater Pear River Delta Aiports and airports in the Mainland of China are expected to enjoy passenger growth rates between 7.3% and 7.7%. Goldman Sachs' well known assessment of the BRIC economies points to the Chinese economy quadrupling in size in the next 20 year. Trade flows and air travel will expand by much more, as rising incomes allow people in the catchment area of HKIA and elsewhere to increase the frequency of their air travel. Boeing are currently expecting the fleet operated by airlines in the Asia-Pacific region to expand from just over 4,400 aircraft to almost 13,450 aircraft by 2030.

Environmental Impact

Environmental responsibility is a top priority of the air transport industry, alongside safety and security. This includes new infrastructure projects which must deal effectively with both noise and emissions as they respond to the increased demand for sustainable air transport.

Noise: Overall noise exposure is projected to remain constant even with the construction of a third runway due to three factors:

- The increased use of latest technology aircraft that are at least one-third (10dB) quieter than earlier models.

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- Modern aircraft are equipped to follow new night flight procedures, minimizing night noise over densely populated areas
- Concentrating nighttime landings on the runways farthest from residential areas through preferential runway use at night

Emissions: Aviation continues to make great strides in minimizing CO₂ emissions. According to the UN's Intergovernmental Panel on Climate Change (IPCC), aviation CO₂ emissions account for some 2% of global man-made CO₂ emissions. It is well known that CO₂ acts as a greenhouse gas at global level but it does not affect local air quality. However, other emissions such as nitrogen oxides from cars, ships and also aircraft do have an effect on local air quality. That is why the aviation industry is working closely with ICAO and national authorities to ensure that every new aircraft type produces less nitrogen oxides than its predecessor.

The entire aviation value chain (airlines, airports, air navigation service providers and manufacturers) is united and committed to improving fuel efficiency by 1.5% per year to 2020, capping net emissions from 2020 with carbon-neutral growth, and cutting net emissions in half by 2050 compared to 2005 levels. Alongside the industry targets, governments took a major step forward with a global agreement to manage aviation's international emissions at the International Civil Aviation Organization Assembly last October.

Maintaining the existing two-runway system

The two-runway system is far from being able to meet the need of Hong Kong to maintain its important role as an international hub connecting the world to Asia and Mainland China. The option 1 scenario of the HKIA Master Plan 2030 is to build upon existing airport infrastructure but can only maximize the practical capacity of 420,000 flight movements per year. However, the traffic demand forecast is 602,000 flight movements in 2030.

The traffic demand forecast at 602,000 flight movements in 2030 is not uncommon. The world's top 10 airports already handle more than 500,000 movements per year – with the busiest, Atlanta – handling nearly 1,000,000 movements. One major difference from HKIA should be noted however, all of them have at least three runways.

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Only a third runway will be able to handle the anticipated 2030 demand, as the three-runway system will reach a capacity of 620,000 flight movements per year. This is a responsible expansion that will be able to sustain the growth in the long term.

Hong Kong's hub status

Hong Kong outperforms its population size on the world stage because of its connectivity. HKIA is undisputedly a gateway to Mainland China and Asia.

IATA notes that although competing airports in the Greater Pearl River Delta are expanding, the current long-term development plans will still result in capacity shortages at Guangzhou, Shenzhen, Macau and Zhuhai airports in excess of 100 million passengers in 2030. This is further evidence of the pressing need for the additional capacity in Hong Kong from the third runway and also of the continuing growth in importance of HKIA as the regional airport hub.

Conclusion

Hong Kong's dynamic and successful economy is built on global connectivity. Its continued success is predicated on aviation having the capacity to continue to grow to serve growing demand while maintaining the highest levels of environmental responsibility. It is also clear that the current runway capacity will not be able to meet Hong Kong's needs in 2030.

Failure to provide adequate capacity will put at risk a major contributor to Hong Kong's economy. The Aviation industry employs 250,000 people and supports 8% of Hong Kong's GDP. There are 3,500 regional offices based in Hong Kong employing 140,000 people who are dependent on efficient air links. The Hong Kong Major growing aviation hubs in Korea, Southeast Asia and China are all eager for this business.

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IATA further believes these facts provide a compelling case for government support on funding and that HKIA will consider every possible measure to ensure cost-efficient operations and charges and to mitigate the impact of noise and CO₂ emissions associated with the construction and operation of the 3rd runway at HKIA, thereby creating the right environment for aviation to continue contributing to the growth of the Hong Kong economy – and society at large – in the most sustainable way possible.

The International Air Transport Association (IATA) is the global trade association representing some 230 airlines worldwide. IATA's member airlines carry about 93% of scheduled international air traffic.

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