



International Air Transport Association

Submission to The Legislative Council Panel on the EIA public consultation of the Three Runway System Project in the Hong Kong International Airport

The International Air Transport Association (IATA) is the trade association of airlines. Our 240 members account for 84% of total air traffic.

IATA supports the construction of a third runway at Hong Kong International Airport (HKIA). We are pleased to know that the Hong Kong Airport Authority has recently completed the Environmental Impact Assessment (EIA) study and successfully obtained the consent of the Director of Environmental Protection.

IATA firmly believes that a third runway is critical to the future of the Hong Kong hub. Without a third runway, Hong Kong will lack the air transport infrastructure capacity needed to facilitate anticipated traffic growth and the associated economic development that aviation brings to the Hong Kong economy. Our own studies with Oxford Economics show that aviation and aviation-related tourism in Hong Kong supports 8.2% of GDP and 7.3% of Hong Kong jobs. That is about HK\$133 billion of GDP and 253,000 jobs. Remaining competitive in aviation is critical to Hong Kong's economic prosperity.

Aviation is the life blood of the global economy, including Hong Kong. It supports jobs for 58 million people worldwide. And airlines deliver over a third of the goods traded internationally by value—worth some \$6.8 trillion. The global connectivity built up over the last century is a critical component of modern economies all over the world. As a catalyst for economic and social development, aviation and the businesses that it supports have spread prosperity and lifted countless people from poverty.

Environmental Impact

IATA welcomes the completion of the Environmental Impact Assessment study. Aviation takes its environmental responsibility seriously. Aviation represents some 2% of global manmade carbon emissions. Our license to grow is contingent on our ability to do so sustainably.

The industry has committed to a united approach to reducing emissions that includes three carbon emissions goals:

- Improving fuel efficiency an average of 1.5% annually to 2020
- Capping net emissions through carbon-neutral growth from 2020
- Cutting net emission in half by 2050, compared with 2005



Airlines, airport, air navigation service providers, manufacturers have agreed to a four pillar strategy of:

- Investment in new technologies
- More efficient operations
- Better infrastructure
- And positive economic measures—now more commonly known as market-based-measures or MBMs.

Noise : With the third runway system, overall noise exposure is projected to remain constant due to three factors :

- The increased use of latest technology aircraft that are at least one third (10dB) quieter than earlier models.
- Modern aircraft are equipped to follow new 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 (NO_x) 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 NO_x than its predecessor. Concrete policy initiatives are under development. Limits are set by ICAO on NO_x, HC and particulate (smoke) emissions. Similar limits will soon be adopted for CO₂ emissions as well. The NO_x emission standards are gradually tightened. Since the NO_x standard was adopted in 1981, it has been made 50% more stringent. The latest standard, CAEP/8, became effective on December 31st, 2013.

Traffic Growth

With two runways, HKIA has the potential to handle about 74 million passengers and 6 million tonnes of cargo annually. In 2013 HKIA passenger and cargo reached 60.7 million and 4.2 million tonnes respectively. The Airport Authority of Hong Kong expects the two-runway system to reach its saturation in 2018. We expect that the airport may reach its saturation point even before but the earliest that we could expect a third runway to be operational is 2023. There is indeed an urgency to build the third runway system in order to upkeep and sustain Hong Kong's status and competitiveness as an aviation hub. Furthermore, by 2030 we estimate that the airport will need to handle nearly 100 million people and 9 million tonnes of cargo. It is clear that the existing airport infrastructure cannot support Hong Kong's future growth. Any unmet demand will sacrifice jobs and economic growth. And it will compromise HK's standing as Asia's best connected city—a status that attracts many to do business here.

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Hong Kong's hub status

There are lots of competitors for the growing aviation business and the economic opportunities that come with it. While Hong Kong is planning for a third runway system, we are also seeing developments in other neighboring airports. For example, Singapore will have its third runway by 2020, Seoul is planning to add a fifth runway and a third runway is being developed in Guangzhou. The delay of the third runway will divert both passenger and cargo traffic to other rival airports and put at risk a major contributor to Hong Kong's economy.

Conclusion

Sustainability is of course critical to the long-term success of the HKIA and is a key concern for the third runway construction. The EIA is a well-established process based on facts and measurable parameters. It will ensure that the environmental impacts of a third runway are thoroughly addressed.

IATA reiterates our support for the third runway system in Hong Kong. IATA is confident that Hong Kong Airport Authority will consider every possible measure to mitigate the impact of noise and CO₂ emissions associated with the construction and operation of the third runway system at HKIA.

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