

**Legislative Council Panel on Economic Development**

**Update on the Development of the  
Three-Runway System at  
Hong Kong International Airport**

**Airport Authority Hong Kong  
26 April 2021**

# 3RS Construction commenced on 1 August 2016

**New runway**  
3,800m

**Reclamation**



Around **650** hectares of land using non-dredge methods, including deep cement mixing

**Comprehensive road network and transportation facilities**



**T2 Concourse**

About **63** parking stands



**New Automated People Mover System**

Train service every **2.5** minutes on average



**New Baggage Handling System**

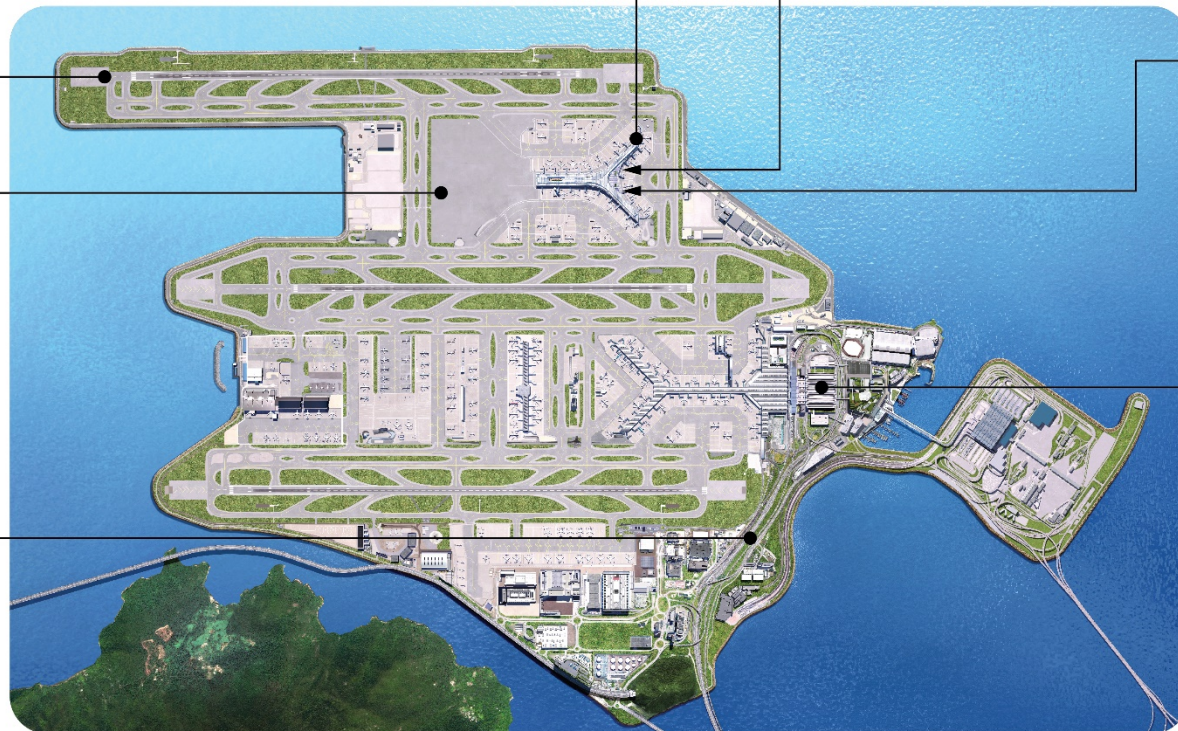
Hourly handling capacity **9,600** bags



**Expansion of Terminal 2**



Providing arrivals, departures and full-fledged passengers services



# Reclamation Progress

Laying of Accropode



Vertical Seawall



Work	% Completion (as at end Mar 2021)
Deep Cement Mixing Marine	100%
Land-based	75%
Seawall (up to +2.5mPD)	97%
Reclamation Filling T Area	100%
Non-T Area	89%

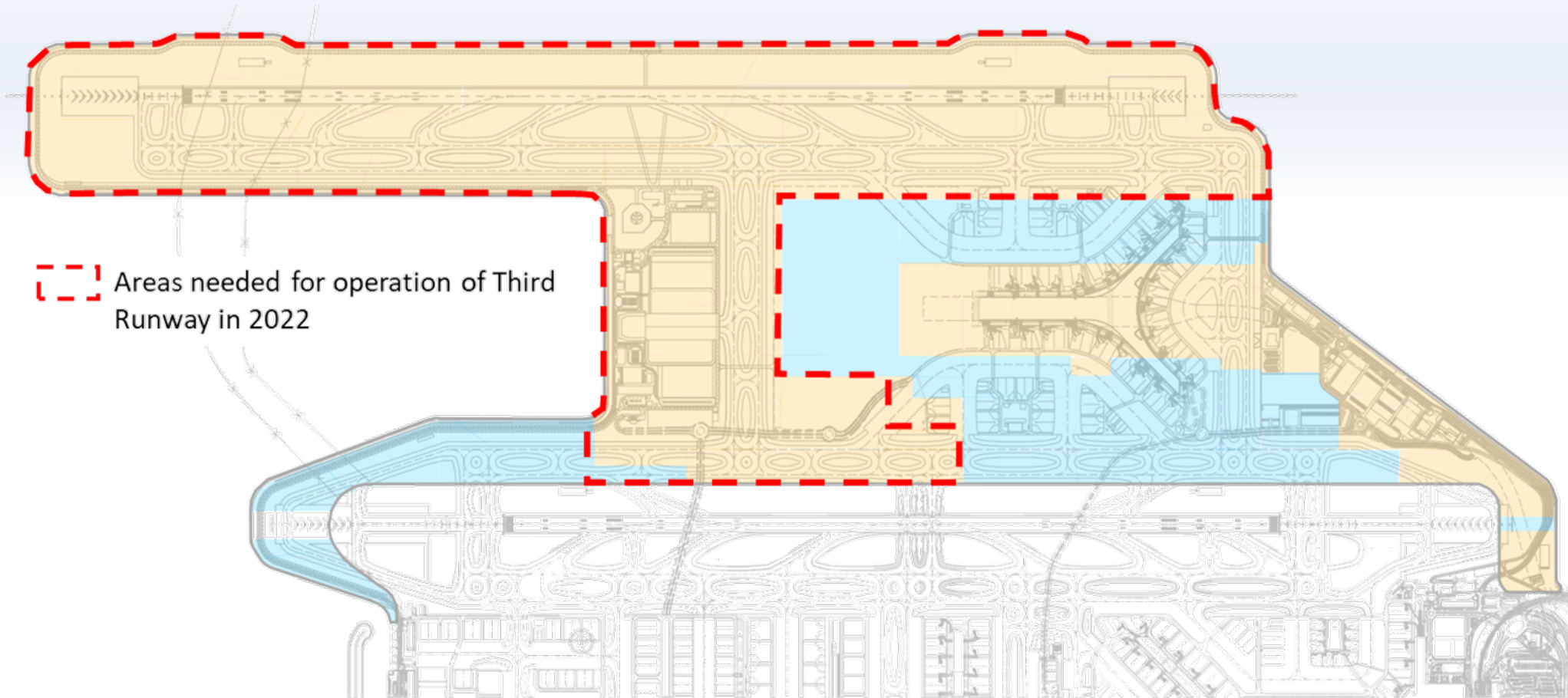
Land-based DCM




Ground Improvement works



# 3RS Reclamation Phasing Plan (March 2021)



 Areas needed for operation of Third Runway in 2022

## Target Completion Time of Reclamation



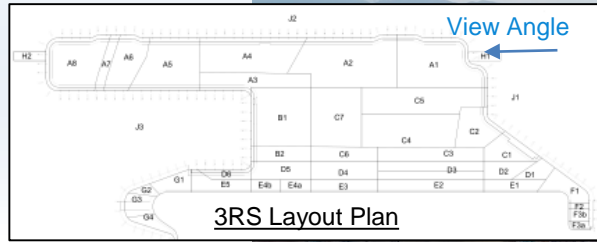
Q2 2021 to Q3 2022

## Progress Status

Completed

In progress

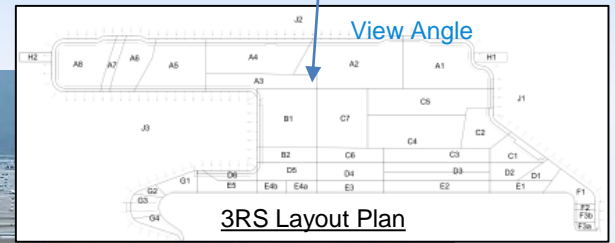
# Progress on the Third Runway



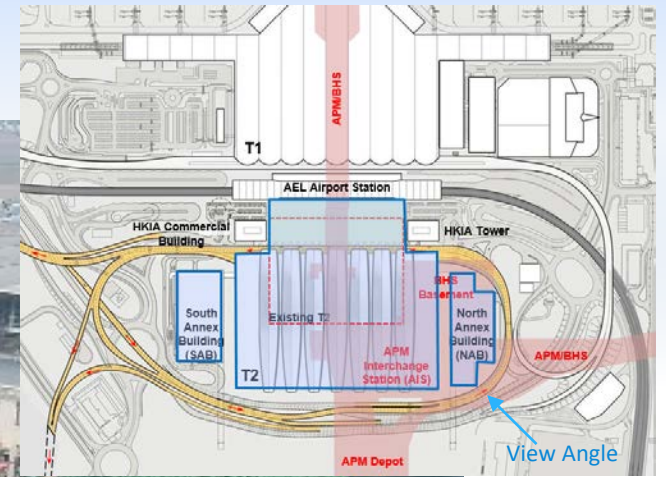
# T2C piling works continue



# Progress on Key Buildings in West Support Area



# T2 Expansion works continue





# APM/BHS tunnel works continue



# Commissioning of the Third Runway in 2022

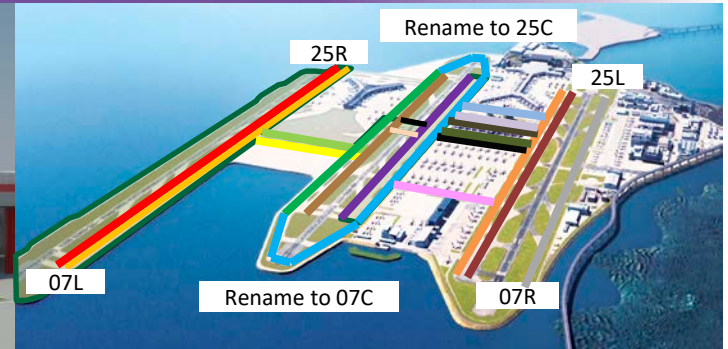
## Operational Readiness of the Third Runway



**New Integrated Airport Centre**



**New West Fire Station**



**Renaming of Centre Runway**

**Complete Third Runway**

**Complete AGL Installation on Third Runway**

**Conduct Flight Checks**

**Interim-2RS Changeover**



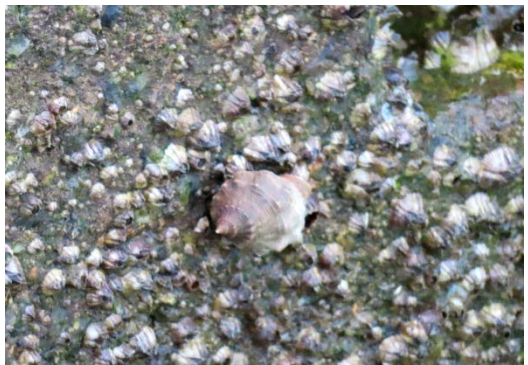
# Marine Ecology & Fisheries Enhancement

## Eco-enhancement seawall design:

Continue with the installation of eco-blocks

First post-installation monitoring conducted in Q4 2020

Recorded relatively high % of sessile organisms, like barnacles & mussels



## Artificial reef deployment pilot test:

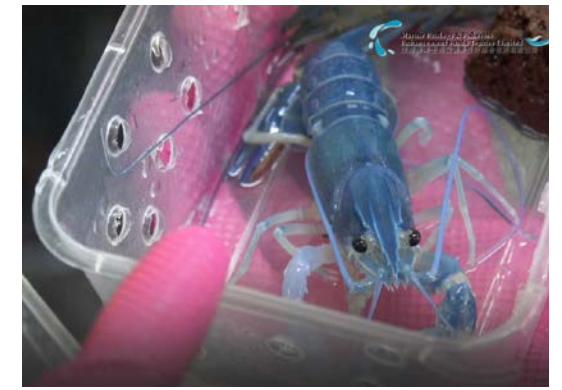
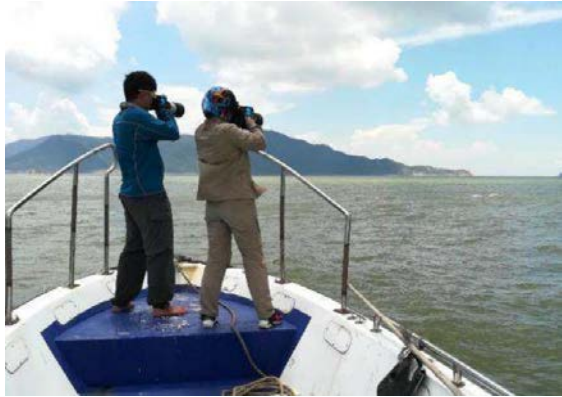
Pilot test targets to commence in first half of 2021



# 3RS Environmental Funds

## Marine Ecology Enhancement Fund and Fisheries Enhancement Fund

- Total Capital: HK\$400M by AAHK in late 2016
- Projects Supported: 31 projects with over HK\$44M granted since 2017



# Reclamation Progress Video (April 2021)



# Financial Arrangement Plan



# Updates on AAHK's 3RS Medium Term Funding Plan

- Traffic performance from April 2020 to Feb 2021

Passenger	year-on-year ▼ 98.7%
Cargo	year-on-year ▼ 2.6%
Aircraft movements	year-on-year ▼ 67.9%

- Aviation industry general expects passenger traffic to gradually resume to pre-pandemic level in 3 to 4 years
- However, considerable uncertainties remains over pace of global traffic recovery



# External Financings in FY2020/21

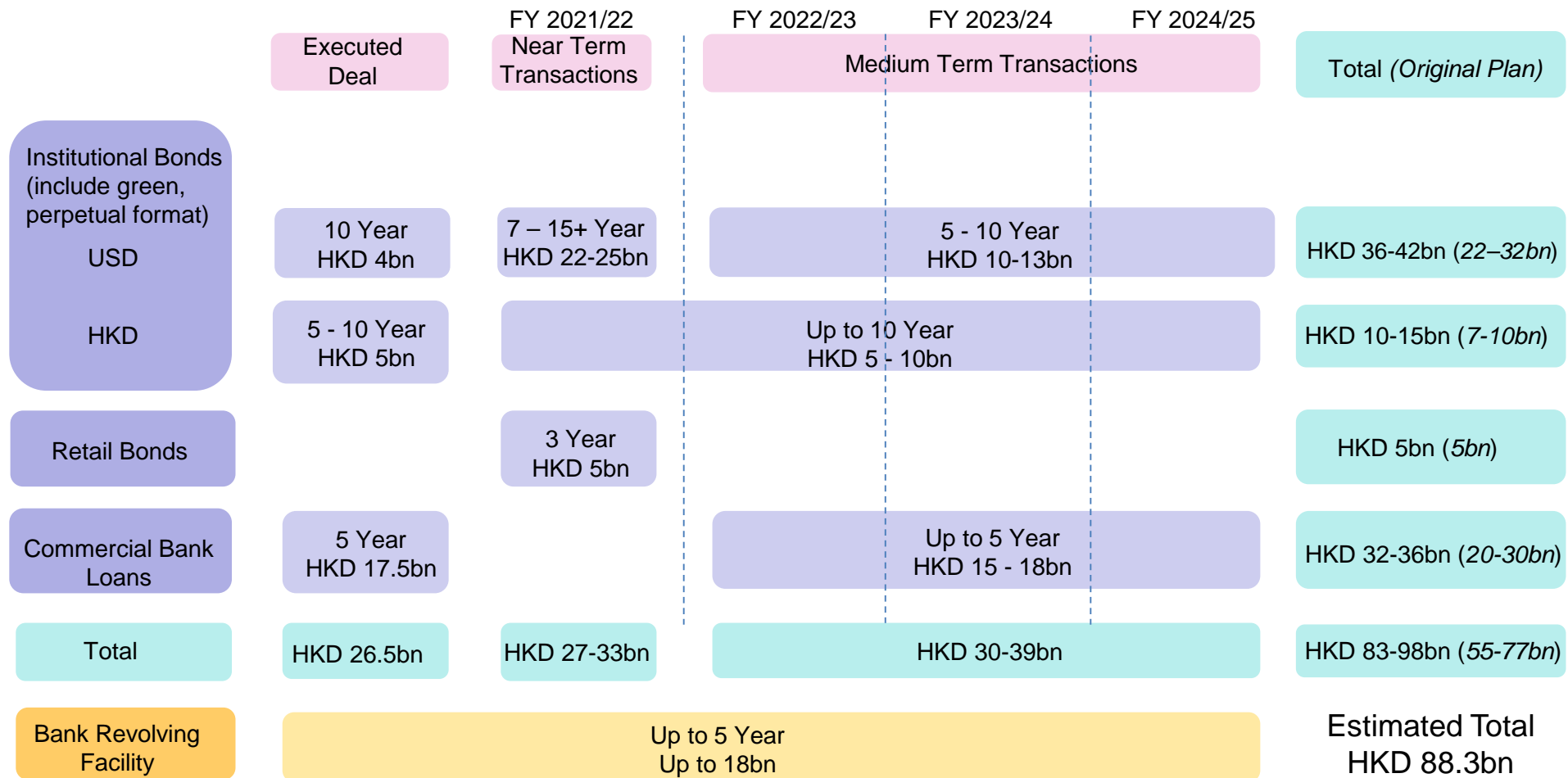
- HKD35 billion 5-year syndicated bank facilities
- USD1.5 billion dual-tranche perpetual capital securities (accounted as equity)
- USD1.5 billion dual-tranche institutional USD bonds
- HKD8.2 billion HKD institutional bonds through private placements

*Secured a total of HKD48.9 billion  
(and HKD17.5 billion as committed undrawn facilities)  
in FY2020/21.*





# Indicative Implementation Timeline of Updated 3RS Financing Plan (as at November 2020)



# Standard & Poor’s maintains “AA+” rating for AAHK

S&P Global  
Ratings

## RatingsDirect®


Airport Authority Hong Kong

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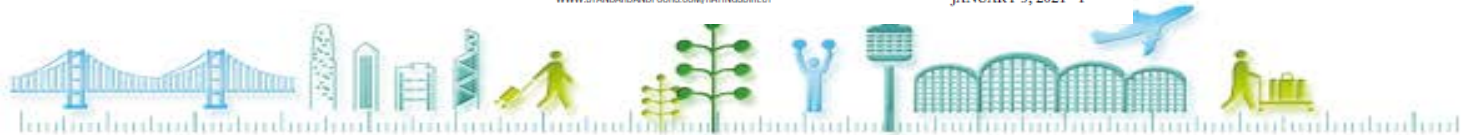
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JANUARY 5, 2021 1

HKAA TL CAPEX UNSEC	Company Tree Ratings
Airport Authority	
1) Bloomberg Default Risk   DRSK >>	
2) Standard & Poor's	STABLE 
3) Outlook	STABLE
4) LT Foreign Issuer Credit	AA+
5) LT Local Issuer Credit	AA+

Source : Bloomberg

- *In Jan 2021, Standard & Poor’s affirmed AAHK’s issuer rating as “AA+” and outlook stable*



# Financings beyond FY2021/22

- Maintain strong credit profile to raise capital at reasonable cost.
- AAHK does not intend to require any form of financial guarantees from the Government in funding the 3RS project.
- Review the 3RS funding plan regularly and fine tune as and when necessary.



Thank You

