Airport Opportunities in Saudi Arabia, Oman and Bahrain
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Saudi Market:

The Kingdom of Saudi Arabia occupies over 70% of the Arabian Peninsula, covering an area of about 2.25 million square kilometres, with a population of 28 million. Recent population trends have revealed a growing urbanisation, with growth rates in the urban areas averaging 4.3 per cent against an overall population growth rate of 2.7 percent per annum. According to the ministry of planning, the Saudi population is expected to reach 39 million in 2020 and 47 million in 2030.

The size of the country, coupled with the distribution of the population, means that air travel is vital to the Economy.

There are 26 domestic airports in Saudi Arabia and four international airports: King Fahd Airport in Dammam, King Abdul Aziz Airport in Jeddah, King Khalid Airport in Riyadh, and Prince Mohammad Bin Abdul Aziz Airport in Medina. The General Authority of Civil Aviation or GACA (www.gaca.gov.sa) has disclosed plans to expand and build around 28 airports in the coming twenty years. Plans are underway by GACA to spend between $10bn and $15bn on building, developing and upgrading airports by 2020, in cooperation with private investors.

Current Projects in Saudi Arabia

King Abdulaziz Airport in Jeddah: The Saudi Binladin Group won a $ 7.21 billion contract to build a new terminal and infrastructure at Jeddah international airport. The project, to be completed over 36 months, will expand the capacity of the King Abdul Aziz International Airport to 30 million passengers per year from the current traffic of 17 million passengers. Jeddah airport is designed to accommodate the world’s largest aircraft, including A380s and increase the airport’s annual capacity to 80 million passengers a year by 2035.

Airport People Mover: Canada’s Bombardier Transportation has signed a $ 96 million contract with Saudi Bin Laden Group to design, build, operate and maintain a Bombardier Innovia APM 300 system to ferry passengers between terminals at the Jeddah airport.

Madinah Airport: GACA plans to revamp the Madinah airport to increase its passenger handling capacity to 14 million people a year. The airport currently handles about 3.5 million passengers a year.

The expansion involves the construction of a new passenger terminal, the renovation of the existing runway, the possible construction of a second runway and will be split in two phases. The project could cost a total of $ 2.4bn to develop. It will be the first airport project to be developed on a public-private partnership (PPP) basis.
GACA has already invited the eight qualified consortia to bid for the $1.5bn first phase, which involves the development of airside and landside facilities at the airport under a long-term concession.

One of these consortia (Airplex) is made of Canada’s Airport Development Corporation, US–based Houston Airport System (ADC&HAS), Buro Happold, El-Seif Engineering Contracting Company of Riyadh and the National Bank of Dubai (NDB).

The International Finance Corporation (IFC), part of the Washington-based World Bank, is acting as the lead adviser to GACA.

**Najran airport expansion project**: Design and construction of 20 buildings, including a new terminal along with upgrading of the existing 3-kilometre runway, airfield lighting system and other airside infrastructure works.

**Abha Airport Project**: Netherlands Airport Consultants has completed the masterplan for the expansion which envisages 5 million passengers per annum. It is expected that detailed design will be completed this year and construction will start in 2012.

**Qurayyat**: Qurayyat airport is strategically located on the Saudi Jordanian border. SaudConsult is handling the detailed design of this upgrade. Tenders for construction of the new design will be issued shortly after completion of detailed design. Project will be completed end of 2012.

**Arar Airport**: Talal Adham Consultants are handling the detailed design, which should be completed soon. Tenders will then be issued for the construction.

**New Airport Projects in Saudi Arabia**

**Riyadh Airport**: GACA has approved the expansion plan for King Khaled International Airport in Riyadh. The project's first phase is aimed at increasing the airport's annual capacity from 14 to 25 million passengers. GACA is planning to assign a master developer that will have a long-term ground lease to manage the development and operation of the new terminal in addition to new hangar facilities. As part of the procurement process, GACA will later assign two or more fixed-based operators to provide private aircraft and passenger-handling facilities at the terminal.

**Hail Airport**: GACA and Al Mal Investment Company (Al Mal), the investment arm of the M.A. Kharafi Group of Kuwait, signed a Memorandum of Understanding (MoU) to build the Hail International Airport in the Prince Abdulaziz Bin Musaed Economic City (PABMEC) in Hail.

The Hail new airport plan consists of expanding the runway to 4-km, improving the taxiway, drainage system and terminals. The concept of the $150m. plan is still under
design. However, this is not due to be completed until 2025 and will primarily be a cargo airport, linking in with the development of the Hail economic city, which will focus on logistics.

**Taif Airport:** Plans are underway to build a new airport in Taif. The new regional airport will be located 30 km northeast of the resort city and is anticipated to help boost tourism in the area and ease pressure on King Abdulaziz International Airport in Jeddah. Zuhair Fayez Partnerships have been awarded the contract to produce the Masterplan and detailed design. These designs should be completed by the end of 2011.

**Jizan Airport:** Plans are underway by GACA to build King Abdullah Airport near Jizan Economic City. The new high-tech airport will have a passenger terminal to accommodate three million passengers annually and will be tendered for developers in 2011 after the design is completed by the Veritas Design Group of Malaysia.

The airport facility would include a control tower, hangar, air cargo zones, fire extinguishing and rescue buildings including building for maintenance and service facility. Jizan Airport should be functional by 2015.

**Makkah Airport:** GACA has received the green light to build a new international airport on the outskirts of the holy city of Makkah.

**King Abdullah Economic City International Airport:** Plans are underway to build an international airport in Rabigh as part of the King Abdullah Economic City. The new airport is expected to serve both the economic city and nearby areas.

**Qassim & Al-Jouf airports:** GACA has recently announced plans to develop two new airports in Qassim and Al-Jouf.

**Airports Upgrading**

GACA is overhauling several domestic airports. Almabani General Contractor was awarded an $ 80 million contract to upgrade the following airports: Al-Wajih, Arar, Al-Gurayat, Al-Qasim, Hail, Najran, and Taif. These upgrades will enable these airports to cope with the fast developments taking place in the Kingdom and enhance their capabilities to serve as a major hub in their respective regions.

**Saudi Airport Cities**

Saudi Arabia’s three main international airports in Jeddah, Riyadh, and Dammam will be turned into ‘airport cities’. The process is underway to build next to these airports huge commercial offices, malls, hotels, conference halls, and service agencies. Each airport will be a separate city where people can live, shop, study, and attend international conferences, in addition to enjoying many other services.
Oman Market:

Oman, officially called the Sultanate of Oman, is an Arab state in southwest Asia on the southeast coast of the Arabian Peninsula. The Sultanate covers a total land area of approximately 300,000 square kilometers. It is bordered by the United Arab Emirates (UAE) to the northwest, Saudi Arabia to the west, and Yemen to the southwest.

The total population has grown from 2.340 million in the census of 2003 to 3.3 million in the 2010 census. About 50% of the population lives in Muscat and the Batinah coastal plain northwest of the capital; about 200,000 live in the Dhofar (southern) region, and about 30,000 live in the remote Musandam Peninsula on the Strait of Hormuz.

There are 12 airports in Oman, 4 domestic, 3 military, and preparations are underway to expand Muscat international airport and upgrade 4 additional airports to handle international flights.

Current Projects in Oman

Salalah Airport Project: Engineering, procurement and construction (EPC) contract for expansion of the existing Salalah International Airport involving construction of a new terminal to be relocated north of the runway, covering a floor area of 55,000 square meters, 8 passenger boarding air bridges, a car park to accommodate (1,900) vehicles, including a sea cargo terminal and upgrading of the runway and taxiway system.

Muscat International Airport Project: Engineering, procurement and construction (EPC) contract to build a new terminal at Muscat International Airport with capacity to handle 12 million passengers a year, including a runway, taxiway system, aprons, roads, utility buildings and other civil works.

In addition to above, Design and construction of 100-metre tall air traffic control tower comprising 25 floors, together with a number of ancillary buildings, including an air traffic and meteorology complex; a crash, fire and rescue facility, a data centre and training facilities to support the passenger terminal at Muscat International Airport.

Ras Alhadd International Airport Project: Final touches are being made to the designs of the third phase of Ras al Hadd Airport which includes the construction of the terminal with a total area of 8,000 square metres and other necessary structures. The implementation of this phase is expected to begin by next year.

Sohar Airport Project: Construction of an airport terminal at Sohar with capacity of 500,000 passengers a year, a 50,000-tonne-per-year air cargo terminal, including runway and associated works, a fire station, fuel tanks, lighting and drainage system.
New airport Projects in Oman

Duqm Airport Project: Design and construction of a new airport in Duqm town with capacity to handle 500,000 passengers a year.

Adam Town Airport Project: Design and construction of a new airport at Adam town with capacity to handle 250,000 passengers per year.

Current Project in Bahrain

Bahrain Airport Company (BAC), 100% owned by Bahrain Mumtalakat Holding Company, is carrying out a $4.7bn expansion plan for Bahrain international airport in Manama. The expansion plans include building a second terminal adjacent to the existing terminal. This will boost capacity to 13.5 million passengers a year from the current 9 million passengers.

A second phase of work involves building Terminal 1A alongside the existing building and then demolishing and rebuilding the existing terminal. This will be known as Terminal 1B. The expansion will involve building new retail facilities, four or five new contact gates, nine remote gates and 40 more check-in counters. The expansion is expected to be completed by 2015.

US-based Hill International won a four-year contract to provide project management services for the project and France’s Aeroports de Paris Ingenierie (Adpi) won the contract to prepare the masterplan for the 30-year expansion of Manama airport.

Beirut-based Dar al-Handasah has recently won the design and the supervision contract for the expansion of the existing terminal at Bahrain International airport. The design part of the project is expected to cost $11.6 million.

Business Opportunities

- Airport planning, design and construction
- Airport engineering, procurement and construction (EPC)
- Airport project and construction management
- Airport privatization on a BOT basis
- Airport developers, investors and financial advisors
- Airport people mover
- Airport operation and management
- Airport crash fire rescue
- Airport environmental/social assessment
- Supply of technical systems including communications, air traffic control, scheduling, security, lighting, ground handling, baggage systems, fuelling and related airport products & services.