Current Trends

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Capacity Expansion

❑ **Very few new primary airports in North America and Western Europe; several in Asia (India, China, Middle East)**

❑ **New runways at major existing airports when opportunities arise (very few in Europe and US, many in Asia)**

❑ **Global emphasis on increasing capacity through improvements in Air Traffic Management systems (NextGen, SESAR, etc.); but will result in only limited changes in *runway* capacity at the busiest airports North America and Western Europe [+10% – 20%(??) over 20 years]**

❑ **Growing role for Air Traffic Flow Management Centers to co-ordinate traffic flows in major world regions**

Demand Management

❑ **Innovative slot allocation schemes with emphasis on more efficient use of slots (e.g., incentives for use of large aircraft, "specialized" airports with respect to traffic)**

and/or

❑ **Slot allocation schemes that include economic criteria and approaches:**

– **Congestion pricing**

– **Slot auctions**

– **("Secondary) slot trading**

Airport Privatization/Corporatization

❑ **Growing private and foreign participation in ownership; 250+ airports worldwide, including many of the busiest, are majority- or minority-owned by private interests or other airports**

❑ **As important, private-sector management practices are becoming the norm to comply with requirement of economic self-sufficiency and expectation of profitability**

❑ **Trend toward "outsourcing" of airport activities, lean airport organizations ("US model")**

❑ *Accompanied by improved understanding of need for regulatory safeguards to protect public interest and prevent monopolistic practices*
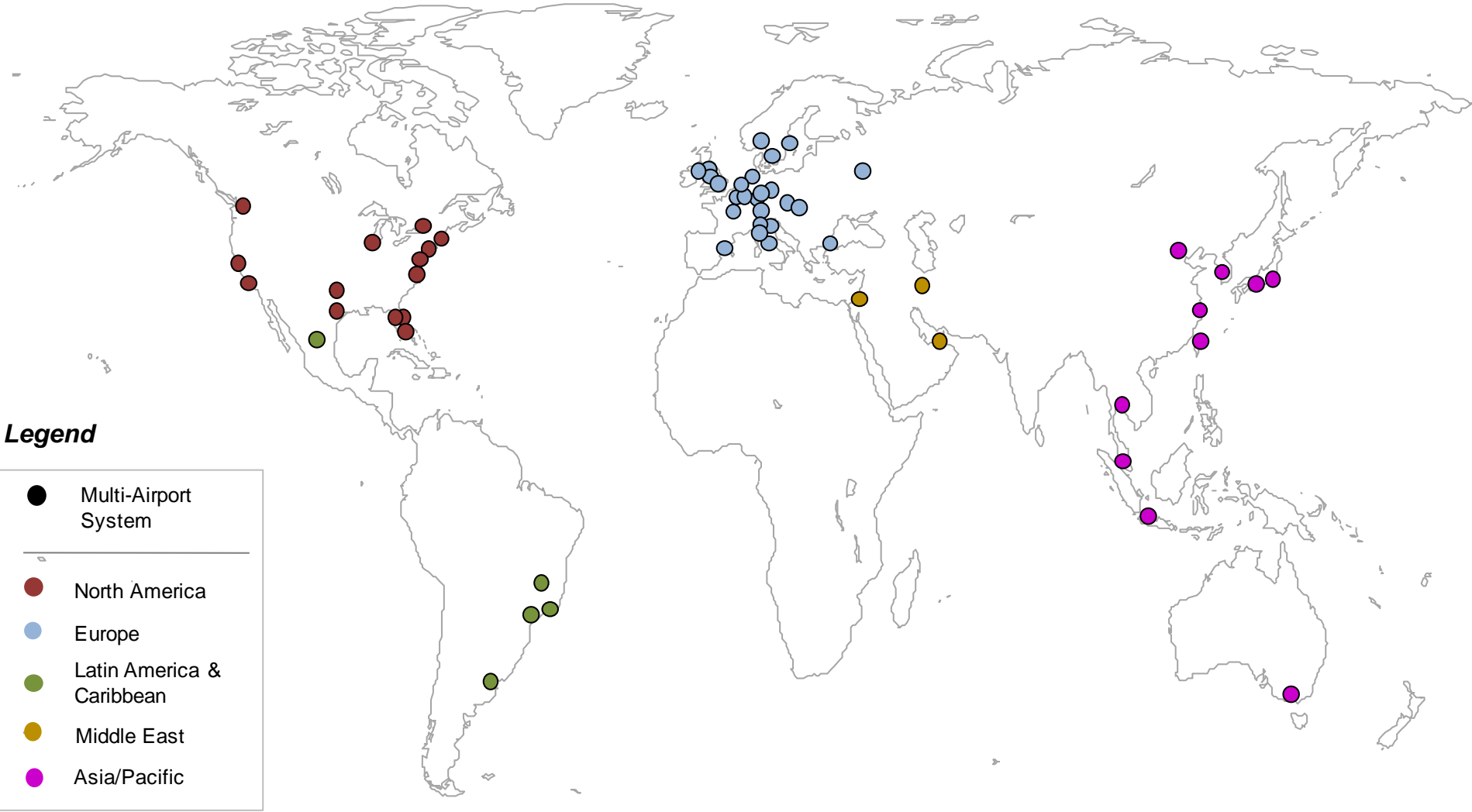
The Influence of Low-Cost Carriers

❑ **Low-cost (or "budget") carriers are a product of airline deregulation**

❑ **Growing rapidly, especially over last decade**

– **Now a global phenomenon**

– **More than 20% of global traffic and still rising**

– **Catalytic effect on airline industry**

❑ **Requirements of LCCs put additional pressures on airport operators and create difficult dilemmas**

– **Spartan, low-cost facilities**

– **O-D traffic, few or no connecting passengers**

– **Demanding heavy discounts on airport fees**

– **Very fast aircraft turn-around times**

– **Limited "loyalty" to airports and markets**

Multi-Airport Systems

❑ **Growing reliance on multi-airport systems around the globe, through the utilization of existing (and some new) secondary airports near major hubs of air transport activity**

❑ **Occasionally decreasing traffic share of primary airports in multi-airport systems**

Already in full swing!

Multi-Airport Systems (2007)

Legend

- ● Multi-Airport System
- ● North America
- ● Europe
- ● Latin America & Caribbean
- ● Middle East
- ● Asia/Pacific

Source: Bonnefoy (2008)

Bypassing Large Hubs?

❑ **Increasing number of point-to-point connections between "first- and second-tier" cities/airports (and even between pairs of "second-tiers") on both long-haul and short-haul routes**

❑ **Supporting developments:**

– **Rapid growth of low-cost carriers**

– **Expansion and construction of airports near second-tier cities**

– **Increased utilization of secondary airports within multi-airport systems**

– **Open skies agreements**

– **Boeing 787, Airbus A350,… vs. Airbus 380**

Emerging Carriers and Hubs

❑ **Emirates, Turkish, Etihad, Qatar**

❑ **Annual airport passengers in millions:**

	2007	2014	% Δ	% Δ per yr
Dubai (DXB)	35	71	103	10.5
Istanbul (IST)	23	57	148	14
Doha (DOH)	9	21*	133	18
Abu Dhabi (AUH)	7	20	186	16

* 2012 traffic

❑ **Advantages: geographical position, aggressive carrier expansion, cost structure**

❑ **Fast growing share of traffic from Europe and America to/from Asia and Africa; Dubai now 2nd most most popular destination from LHR (after New York)!**

New Airport-Related Technologies

❑ Security processing and immigration processing have become the main bottlenecks on landside

❑ Technology MAY relieve these bottlenecks in the future

❑ Technology may also simplify or greatly accelerate flight check-in, baggage check-in, airline-passenger interactions, etc.

❑ Automated people movers will permit vastly expanded terminal buildings with large capacities

❑ Growing automation of baggage handling systems

❑ It is far from certain that all of the above will actually happen

Questions? Comments?