

**INTERNATIONAL CIVIL AVIATION ORGANIZATION**  
North American, Central American And Caribbean Regional Office

**ICAO AIRPORT PRIVATIZATION SEMINAR FOR THE NAM/CAR/SAM REGIONS**  
(Guatemala, 13 – 16 December 1999)

**REPORT**

**PART I – GENERAL**

**1.1 Introduction**

The first ICAO Airport Privatisation Seminar for the NAM/CAR/SAM regions was held in Guatemala during the period from 13 to 16 December. The seminar was hosted by the DGAC of Guatemala and organized by the ICAO NACC Regional Office, supported by both the Airport and Route Facilities Management section of the Air Transport Bureau and the Aerodromes and Ground Aids section of the Air Navigation Bureau.

The venue for the seminar was the Camino Real Hotel in Guatemala City.

The opening ceremony presidium included the following:

Mr Jorge Fidel Franco Suchini – Minister of Communications, Infrastructure and Housing

Mr Renato Claudio Costa Perreira – ICAO Secretary General

Mr Manuel Salvador Polanco Ramirez – Advisor to the DGAC Guatemala

Mr Raymond Ybarra – ICAO Regional Director

The closing ceremony presidium included the following:

Mr Manuel Salvador Polanco Ramirez – Advisor to the DGAC Guatemala

Mr Luis Alfonso Fonseca – ICAO Regional Officer Air Transport

Mr Michiel Vreedenburgh – ICAO Regional Officer Aerodromes and Ground Aids

**1.2 Objectives of the Seminar**

The objectives of the seminar were as follows:

- Promote a broader knowledge on the ICAO position with regard to private sector participation in the ownership, management and operation of airports and reiterate the unaltered paramount obligations of ICAO member States in accordance with the Convention on International Civil Aviation.

- Foster a forum for the exchange of knowledge and experience on airport privatisation between States, ICAO and international organizations.

### **1.3 Participation**

A total of 58 delegates from nine States, three international organizations, two regional organizations, one international airport operator and two consulting firms participated in the seminar. A complete list of participants is included in Appendix A of this report.

### **1.4 Programme**

The seminar was held over a 4 day period and a programme of the events is included in Appendix B of this report.

### **1.5 Material**

A total of 13 papers were presented at the seminar by representatives from ICAO HQ (AGA and ARFM Sections), ICAO Regional Offices in Mexico and Lima (AGA and AT), Colombia, ACI, IATA, CLAC, an airport operator and 2 specialist consultants. The titles of the papers presented and the conclusions developed at the seminar are included in Part II of this report. Digital file copies of papers and presentations are available for viewing, printing and downloading on the web page for the ICAO Regional Office for North America, Central America and the Caribbean at following Internet address – <http://www.icao.int/nacc/>.

## **PART II – REPORT ON PAPERS PRESENTED AND DISCUSSIONS**

### **2.1 List of documents presented to the Seminar**

The following papers were presented at the seminar:

1. Privatisation in the Provision of Airports and Air Navigation Services  
ICAO, Consultant
2. Privatisation of Airports – Role of the Regulatory Authorities – A Safety Perspective  
ICAO, Chief Aerodromes and Ground Aids
3. New Trends in Airport Ownership and Relations with State Authorities  
Airports Council International, Director General
4. Control and Monitoring Measures States should apply in a Privatised Airports Environment  
ICAO, NACC Regional Officer Air Transport
5. Airport Operational Efficiency  
ICAO, NACC Regional Officer Aerodromes and Ground Aids
6. Privatisation Processes in the Region  
ICAO, SAM Regional Officer Air Transport and LACAC, Secretary
7. Privatisation of Airports – The Economic Effect on Airlines – the Position of IATA and AITAL  
IATA, Manager User Charges
8. Airport Commercialisation as an Alternative to Privatisation  
Sypher Mueller, Partner
9. Risk and Due Diligence in Airport Privatisation  
Halcrow AirPlan, Director
10. Mexico Case Study  
Copenhagen Airports, Vice-President
11. Airport Privatisation Process in Colombia  
Aeronautica Civil Colombia, Concessions Consultant
12. Canadian Airport Devolution – Lessons Learned  
Sypher Mueller, Partner
13. Restructuring in the Air Transport Sector  
Halcrow AirPlan, Director

A draft list of definitions of terminology related to private sector participation in the ownership, management and operation of airports, which was prepared by ICAO for the purpose of future inclusion in any related document, was circulated amongst delegates for comments. This list of definitions is include in Appendix C of this report.

## **2.2 Summary of ICAO Position on Airport Privatisation**

The following points were reiterated throughout the seminar regarding ICAO's position with regard to airport privatisation:

1. In accordance with the Convention on International Civil Aviation, States cannot delegate their obligations and responsibilities to ensure the safety, security, efficiency and economics of airport services to a private entity. National aeronautical legislation and regulation should adequately reflect this principle.
2. ICAO is neither for nor against airport privatisation. ICAO does recommend the establishment of autonomous authorities for the management and operation of airports, with operational and financial independence to undertake these functions, where this is in the best interest of airport service providers and users. Autonomous authorities are independent entities which can be of either public or private ownership.
3. The Principles contained in the following ICAO documents should be consulted and adopted, where appropriate, for the management of airports, whether public or private:
  - Annexes to the Convention on International Civil Aviation
  - Statements by the Council to Contracting States on Charges for Airports and Air Navigation Services
  - Airport Economics Manual

## **2.3 Conclusions**

The following conclusions were reached by States represented at the Seminar:

1. The objective of States should be the commercialisation of the management and operation of airports, where this will result in benefits to the States.
2. States should consider commercialisation as an alternative to, or as interim step towards, airport privatisation where this process can generate sufficient revenue for operations and capital funding.

3. Airport commercialisation and privatisation must not be implemented at the expense of safety and security. States must at all times be conscious of their roles, obligations and responsibilities in accordance with the Convention on International Civil Aviation, including ensuring the safety and security of airport and aircraft operations.
4. The processes of privatisation or concession of airports should take into account the following:
  - Determination of the strengths and weaknesses of the aeronautical authority to establish specific objectives and requirements, and eventually the best option, for the management of airports, always maintaining the control as the aeronautical authority
  - The institutional strengthening of the aeronautical authority, especially its capability to control and audit the airport management and operation concession, prior to planning and implementing any process
  - Obtain the required technical, financial and legal advice to assist in the selection of the best model to suit the particular conditions
  - The aeronautical authority should lead the entire process, seeking the active participation of the appropriate stakeholders to ensure conformance with and support towards the advancement of the process implementation
5. ICAO should develop a document which contains the most important technical, financial and legal aspects to be taken into account by the aeronautical authorities when these processes of airport privatisation and concession are implemented.
6. The particular circumstances of airports in small States, especially islands, including economic and social aspects, must be considered in evaluating privatisation options.

## **2.4 Additional Comments**

The following additional comments were also made during the discussions session:

- The privatisation of airports and air navigation services should be considered separately due to the significant differences in the nature of infrastructure and services provided.
- The implementation of airport privatisation processes should be preceded, as appropriate, by the establishment of appropriate airport authorities and the airport commercialisation.

- States' aeronautical authorities, if not leading the process, should at least play a significant role in the airport privatisation process from the initial planning through to the implementation stage.
- States should ensure that adequate aeronautical legislation and specific regulations are adopted prior to implementing airport privatisation and concession programmes.
- Future similar ICAO events on the matter should consider a title different to "Airport Privatisation" to reflect better the wide range of subjects covered in the proceedings.

**APPENDIX A****LIST OF PARTICIPANTS****ARUBA**

Simon R. Arends  
Managing Director  
Aeropuerto Internacional Aruba  
Aruba Airport Authority N.V.  
Wacaya 2/N  
Aeropuerto Internacional Reina Beatrix  
Tel: 1 297 836 392  
Fax: 1297 834 229  
email: srarends@setarnet.aw

**BARBADOS**

Pat Callender  
Airport Manager  
International Transport Division  
Airport Manager's Office  
Grantley Adams International Airport  
Barbados  
Tel: 1246 428 8339  
Fax: 1246 420 7069  
email: adamsair@sunbeach.net

**COLOMBIA**

Clara Esperanza Cáceres Wills  
Consultor Concesiones Aeroportuarias  
Aeronáutica Civil de Colombia, PNUD  
Aeropuerto El Dorado de Santa Fé de Bogotá  
Oficina 508  
Colombia  
Tel: 571 413 9119  
Fax: 571 414 7151  
email: pnud@mailier.aerocivil.gov.co

**GUATEMALA**

Manola Aguirre de López  
Regulaciones Aeroportuarias  
Dirección General de Aeronáutica Civil  
Aeropuerto La Aurora, 4o. Nivel, Zona 13  
Guatemala  
Tel: 502 332 4121  
Fax: 502 332 2841

**GUATEMALA (CONT.)**

Leovigildo Bernal Romero  
Jefe Telecomunicaciones y Ayudas de Seguridad  
Aérea  
Dirección General de Aeronáutica Civil  
Aeropuerto La Aurora Z13  
Tel: 502 332 3395  
Fax: 502 332 0588

Byron Carranza  
Depto. De Presupuesto  
Dirección General de Aeronáutica Civil  
Aeropuerto La Aurora, 4o. Nivel, Zona 13  
Guatemala  
Tel: 502 332 6087

Jorge Eduardo Flores Contreras  
Gerente de Seguridad  
Dirección General de Aeronáutica Civil  
Terminal Área  
Aeropuerto La Aurora  
1er. Nivel  
Tel: 502 331 4121  
Fax: 502 331 4248

Enrique Godoy  
Jefe Depto. Transporte Aéreo  
Dirección General de Aeronáutica Civil  
Aeropuerto La Aurora  
Guatemala  
Zona 13  
Tel: 502 362 0217  
Fax: 502 362 0217

Mario Roberto Grajeda García  
Gerente Navegación Aérea y Operaciones  
Dirección General de Aeronáutica Civil  
Aeropuerto La Aurora  
Zona 13  
Tel: 502 3315281  
Fax: 502 332 6084  
email: grajedamario@hotmail.com

**GUATEMALA (CONT.)**

Manuel A. Guerrero  
Gerente Aeropuerto  
Dirección General de Aeronáutica Civil  
Aeropuerto La Aurora, 4o. Nivel, Zona 13  
Guatemala  
Tel: 502 332 2841  
Fax: 502 332 2841

Imelda López de Sandoval  
Secretaria General S.T.A.C.  
Dirección General de Aeronáutica Civil  
Gerencia de Navegación Aérea y Operaciones  
Guatemala  
Tel: 502 332 6084  
Fax: 502 332 6084/331 4840

Jorge Angel Manrique Morales  
Asesor Financiero y Administrativo  
Dirección General de Aeronáutica Civil  
Aeropuerto La Aurora, Zona 13  
Guatemala  
Tel: 502 332 0162  
Fax: 502 331 4840

Julio Estuardo Mazariegos Nuñez  
Jefe Sección Tránsito Aéreo  
Dirección General de Aeronáutica Civil  
Aeropuerto La Aurora, Zona 13  
Guatemala  
Tel: 502 332 6084/331 5281  
Fax: 502 332 6084  
email: grajedamario@hotmail.com

Carlos Francisco Melgar Marín  
Comandante Bomberos  
Dirección General de Aeronáutica Civil  
Aeropuerto La Aurora, Zona 13  
Guatemala  
Tel: 502 332 1394  
Fax: 502 331 4840

Blanca Lilian Méndez  
Jefe Depto. de Asuntos Internacionales  
Dirección General de Aeronáutica Civil  
Aeropuerto La Aurora, Zona 13  
Guatemala  
Tel: 502 332 0162/362 0216  
Fax: 502 331 4840

**GUATEMALA (CONT.)**

Olga Magaly Méndez Méndez  
Jefa Sección Licencias  
Dirección General de Aeronáutica Civil  
Aeropuerto La Aurora, Zona 13  
Guatemala  
Tel: 502 332 1586

Francisco Mérida  
Supervisor Seguridad Aeronáutica  
Dirección General de Aeronáutica Civil  
Aeropuerto La Aurora, Zona 13  
Guatemala  
Tel: 502 331 4842  
Fax: 502 331 4842

Manuel Salvador Polanco Ramírez  
Consultor Aeronáutica Civil  
Dirección General de Aeronáutica Civil  
20 Calle "A" 18-24 Zona 10  
Guatemala  
Tel: 502 332 0162  
Fax: 502 331 4840

Max Shardo Pérez  
Depto. De Planeación y Estadística  
Dirección General de Aeronáutica Civil  
Aeropuerto La Aurora, 4o. Nivel, Zona 13  
Guatemala  
Tel: 502 332 6087  
Fax: 502 331 6284

Ennio Solombrino  
ICAO CNP/MSA GUA  
Dirección General de Aeronáutica Civil  
Aeropuerto La Aurora, Zona 13, 3er. Nivel  
Guatemala  
Tel: 502 362 0215  
Fax: 502 331 4840

Arturo Tramphe  
Depto. de Presupuesto  
Dirección General de Aeronáutica Civil  
Aeropuerto La Aurora, 4o. Nivel, Zona 13  
Guatemala  
Tel: 502 332 6087



**GUATEMALA (CONT.)**

Aurora Carlota Fuentes Puga  
Administradora Aeropuerto "Tikal"  
Dirección General de Aeronáutica Civil  
Aeropuerto La Aurora  
Zona 13  
Tel: 502 926 1289  
Fax: 502 926 1289

Rolando Benitez  
Comisión Ejecutora Ministerial de  
Modernización de los Aeropuertos  
Internacionales de Guatemala  
8 Ave y 15 calle zona 13  
Guatemala  
Tel: 502 361 0827  
Fax: 502 361 6066  
email: rbenitez@c.net.gt

Sonia Villamil  
Comisión Ejecutora Ministerial de  
Modernización de los Aeropuertos  
Internacionales de Guatemala  
8 Ave y 15 calle zona 13  
Guatemala  
Tel: 502 361 0827  
Fax: 502 362 6066  
email: dataroom@intelnet.net.gt

Pablo Shneider  
Comisión Ejecutora Ministerial de  
Modernización de los Aeropuertos  
Internacionales de Guatemala  
8 Ave y 15 calle zona 13  
Guatemala  
Tel: 502 477 1053

Carlos Fernando Pellecer Arellano  
Abogado  
12calle 1-25 zona 10, Oficina 1203  
Torre Norte, Edificio Geminis  
Oficina 1203  
Guatemala  
Tel: 502 335 3377  
Fax: 502 335 2952  
email: pellecer@quik.guate.com

**GUATEMALA (CONT.)**

José Arturo Pellecer Arellano  
Abogado  
12 calle 1-25 zona 10, Oficina 1203  
Torre Norte, Edificio Geminis  
Oficina 1203  
Guatemala  
Tel: 502 335 3377  
Fax: 502 335 2952  
email: apellecer@guate.net

Jorge Francisco Retolaza  
Abogado Consultor  
Dirección General de Aeronáutica Civil  
7a. Av. 7-07 Zona 4 Oficina 309  
Guatemala  
Tel: 502 334 2002  
Fax: 502 334 2003  
email: cuprosa@infovia.com.gt

Rodolfo Federico Azpuru  
Coordinador de Proyectos  
Municipalidad de Guatemala  
21 Calle 6-77 Zona 1  
Palacio Municipal  
Cuerpo Cívico 4to. Nivel  
Guatemala  
Tel: 502 251 5797  
Fax: 502 251 1391  
email: metropolis@intelnet.net.gt

Jorge Rivera  
Gerente de Proyectos  
T.T.I.  
6a. Calle 1-36 Zona 10  
Edificio Volgari, 9o. Nivel  
Guatemala  
Tel: 502 332 3208  
Fax: 502 331 3836  
email: [informa@guate.net](mailto:informa@guate.net)

Antonio Guinea  
Gerente General  
Challenge Air Cargo, Inc.  
14c. 4-29 z.9  
Guatemala  
Tel: 502 332 7414  
Fax: 502 361 6691  
email: gtecac@guate.net

**GUATEMALA (CONT.)**

Ury Roitman  
 Presidente  
 TIKAL Jets Airlines  
 Av. Hincapié y 18 Calle  
 Int. Aeropuerto La Aurora  
 Hangar No. 8, Zona 13  
 Guatemala, C.A.  
 Tel: 502 332 5070, 334 5568/5631  
 Fax: 502 361 3343  
 email: tikalair@guate.net

Ludving Méndez  
 Jefe Planificación  
 TIKAL Jets Airlines  
 Av. Hincapié y 18 Calle  
 Int. Aeropuerto La Aurora  
 Hangar No. 8, Zona 13  
 Guatemala, C.A.  
 Tel: 502 332 5071  
 Fax: 502 361 3345  
 email: tikalair@guate.net

**HONDURAS**

Luis Rolando Leiva Teruel  
 Director General  
 Dirección General de Aeronáutica Civil  
 Aeropuerto Toncontín  
 Tegucigalpa, Honduras  
 Tel: 504 233 7613  
 Fax: 504 233 3683  
 email: dgachon@creasoft.com

Carlos Flores  
 Gerente General  
 Aeropuerto de San Pedro Sula  
 San Pedro Sula, Honduras  
 Tel: 504 668 3260/3267  
 Fax: 504 668 3191  
 email: jaasps@hondutel.hn

**JAMAICA**

Jacqueline Fairclough  
 Director, Economic Regulations  
 Civil Aviation Authority  
 4 Winchester Road  
 Kingston, Jamaica  
 Tel: 1 876 960 3948  
 Fax: 1 876 920 0194  
 email: econregs@cwj.com

**NETHERLANDS ANTILLES/  
ANTILLAS NEERLANDESAS**

Dito Abbad  
 Director  
 Plan D2  
 Institute for Planning, Development and Design  
 Nieuwe Pareraweg 10  
 Willemstad  
 Curaçao  
 Netherlands Antilles  
 Tel: 1 599 9 461 2828  
 Fax: 1 599 9 461 8282  
 email: pd2cur@ibm.net

**PANAMA**

Luis Rafael Rossi Capino  
 Director Nacional de Aeropuertos  
 Dirección de Aeronáutica Civil  
 Aeropuerto Marcos A. Gelabert  
 Panamá, República de Panamá  
 Tel: 507 315 0258  
 Fax: 507 315 0252

**PARAGUAY**

Felipe Eduardo Peralta Duarte  
 Miembro del Consejo de Administración  
 Dirección Nacional de Aeronáutica Civil  
 Ave. Mariscal López y Vice Presidente Sanchez  
 Asunción, Paraguay  
 Tel: 595 21 21 0196/22 8721  
 Fax: 595 21 21 0196

Víctor Velázquez  
 Director de Administración y Finanzas  
 Dirección Nacional de Aeronáutica Civil  
 Ave. Mariscal López y Vice Presidente Sanchez  
 Asunción, Paraguay  
 Tel: 595 21 20 4206  
 Fax: 595 21 20 4206

**ACI**

Jonathan Howe  
 Director General  
 Geneva Airport  
 Geneva, Switzerland  
 Tel: 41 22 798 4141  
 Fax: 4122 788 0909  
 email: jdarroudi@airports.org

**IATA**

Jaime Escobar  
Gerente Cargos a los Usuarios  
5200 Blue Lagoon Drive, Suite 690  
Miami, Fl. 33126  
U.S.A.  
Tel: 1 305 262 2209  
Fax: 1 305 262 2654  
email: escobarj@iata.org

**CLAC/LACAC**

Marco Ospina Y.  
Secretario General  
see/ver ICAO/OACI

**COCESNA GUATEMALA**

Rubén Ávila Guerra  
Supervisor Técnico  
COCESNA  
Aeropuerto La Aurora, Zona 13  
Guatemala, Guatemala  
Tel: 502 331 6534  
Fax: 502 334 5318

**COPENHAGEN AIRPORTS**

Kjeld Binger  
Vice President  
Copenhagen Airports A/S  
Lufthavnsboulevarden 6  
Box 74  
DK-2770 Kastrup, Denmark  
Tel: 45 3231 2500/3231  
Fax: 45 3231 3167  
email: kjbi@dir.cph.dk

**ONU/MINUGUA**

Hugo M. Olmos  
Jefe Unidad Operaciones Aéreas  
Oficial Regional de Seguridad de Vuelo  
MINUGUA  
Boulevard Próceres 18-67, Zona 10  
Edificio Torre Granito, 3er. Nivel  
Guatemala, Guatemala  
Tel: 502 323 3400  
Fax: 502 323 3418  
email: holmos@un.guate.net

**ONU/MINUGUA (Cont)**

Juan Carlos Linares  
Asistente de Operaciones Aéreas  
MINUGUA  
Boulevard Próceres 18-67, Zona 10  
Edificio Torre Granito, 3er. Nivel  
Guatemala, Guatemala  
Tel: 502 323 3403  
Fax: 502 323 3418  
email: jlinares@un.guate.net

Michel Levy  
MINUGUA  
Boulevard Próceres 18-67, Zona 10  
Edificio Torre Granito, 3er. Nivel  
Guatemala, Guatemala  
Tel: 502 323 3333  
Fax: 502 323 3377

**PRIVATE CONSULTANTS**

Michael Anders  
Partner  
Sypher: Mueller International  
220 Laurier Ave. West, Suite 500  
Ottawa, Ontario K1P 5Z9  
Canada  
Tel: 613 236 4318  
Fax: 613 236 4850  
email: manders@sypherintl.com

Victor Craig  
Director Air Transport  
Halcrow AirPlan  
50-4-3 Wisma Uoa, 50 Jalan Dungun,  
Damansara Hts, Kuala Lumpur, Malaysia  
Tel: 60 3 252 5402  
Fax: 60 3 254 4406  
email: victor@airplan.com

**ICAO/OACI**

Raymond Ybarra  
Director Regional de la Oficina para  
Norteamérica, Centroamérica y el Caribe  
Presidente Masaryk 29 - Tercer piso  
México, D.F., 11570  
Tel. 52 5250 3211  
Fax 52 5203 2757  
E-mail: icao\_nacc@un.org.mx

**ICAO/OACI (CONT.)**

Arun K.R. Rao  
Chief, Aerodromes, Air Routes and Ground  
Aids  
ICAO  
999 University Street  
Montreal, Quebec H3C 5H7  
Canada  
Tel: 1 514 954 6717  
Fax: 1 514 954 6759  
E-mail: arao@icao.int

Marco Ospina  
Especialista Regional en Transporte Aéreo /  
Secretario General de la CLAC  
Edificio CORPAC, Zona Comercial  
Aeropuerto Internacional Jorge Chávez  
Lima Callao, Perú  
Tel. 511 575 3664  
Fax 511 575 1743  
E-mail: mail@mail.lima.icao.int

Luis Alfonso Fonseca  
Especialista Regional en Transporte Aéreo  
Apartado Postal 5-377  
C.P. 06500, México, D.F.  
MÉXICO  
Tel. 52 5250 3211  
Fax 52 5203 2757  
E-mail: icao\_nacc@un.org.mx

Michiel Vreedenburgh  
Especialista Regional en Aeródromos y Ayudas  
Terrestres  
Apartado Postal 5-377  
C.P. 06500, México, D.F.  
MÉXICO  
Tel. 52 5250 3211  
Fax 52 5203 2757  
E-mail: icao\_nacc@un.org.mx

Tulsi Kesharwani  
Consultant  
ICAO  
999 University Street  
Montreal, Quebec H3C 5H7  
Canada  
Tel: 1 514 390 7003  
Fax: 1 514 954 6077  
E-mail: tkesharwani@icao.int

**APPENDIX B**  
**EVENTS PROGRAMME**

**Day 1 – Monday 13 December**

08:00 - 08:30 Registration of Participants

09:00 - 09:30 Opening Ceremony

09:30 - 10:00 Coffee Break

10:00 - 12:00 Mr. Tulsi Kesharwani, Consultant, ICAO  
Privatization in the Provision of Airports and Air Navigation Services

12:00 - 12:30 Coffee Break

12:30 - 13:30 Mr. Arun Rao, Chief, Aerodromes and Ground Aids Section, ICAO  
Airport Privatization - Role of the Regulatory Authorities – A Safety Perspective

13:30 - 14:30 Mr. Jonathan Howe, Director General, Airports Council International  
New Trends in Airport Ownership and Relations with State Authorities

**Day 2 – Tuesday 14 December**

09:00 - 09:30 Mr. Luis Alfonso Fonseca, Regional Officer, Air Transport, ICAO  
Control and Monitoring Measures States should apply in a Privatized Airports  
Environment

09:30 - 10:00 Mr. Michiel Vreedenburgh, Regional Officer, Aerodromes and Ground Aids, ICAO  
Airport Operational Efficiency

10:00 - 10:30 Coffee Break

10:30 - 11:30 Mr. Marco Ospina Yopez, Regional Officer, Air Transport, ICAO/Secretary of  
CLAC  
Privatization Processes in the Region

11:30 - 12:30 Mr. Jaime Escobar, Manager User Charges, International Air Transport  
Association  
Airport Privatization – The Economic Effect on Airlines

12:30 - 13:00 Coffee Break

Excursion to Antigua organized by DCA Guatemala

**Day 3 – Wednesday 15 December**

- 09:00 - 10:00 Mr Michael Anders, Partner, Sypher Mueller International  
Airport Commercialization As An Alternative to Privatization
- 10:00 - 11:00 Mr Victor Craig, Director, Halcrow AirPlan  
Risks and Due Diligence in Airport Privatization
- 11:00 - 11:30 Coffee Break
- 11:30 - 12:30 Mr. Kjeld Binger, Vice President, Copenhagen Airports  
Mexico Case Study
- 12:30 - 13:30 Dra. Clara Esperanza Caceres Wills, Consultor Concesiones, Colombia  
The Airport Privatization Process in Colombia
- 13:30 - 14:00 Coffee Break
- 14:00 - 15:00 Mr. Michael Anders, Partner, Sypher Mueller International  
Lessons learned from the Canadian Airport “Privatization” Process

**Day 4 – Thursday 16 December**

- 09:00 - 10:00 Mr Victor Craig, Director, Halcrow AirPlan  
Restructuring in the Air Transport Sector
- 10:00 - 10:30 Coffee Break
- 10:30 - 11:30 Discussions and Conclusions on Airport Privatization
- 11:30 - 12:00 Coffee Break
- 12:00 - 12:30 Closing Ceremony

## APPENDIX C

### DRAFT DEFINITIONS OF DIFFERENT TERMS USED IN THE CONTEXT OF PRIVATIZATION IN THE PROVISION OF AIRPORTS AND AIR NAVIGATION SERVICES

#### PREPARED BY ICAO CONSULTANT FOR COMMENTS AND SUGGESTIONS

**Privatization.** Direct involvement of private sector in the ownership or management of certain facilities and services, through a management contract, a lease, participation in equity, outright sale or a significant participation in the ownership or management of a major part of the facilities and services.

**Private participation/Private involvement.** Minority participation or involvement in the ownership or management of certain facilities and services or significant participation or involvement in a major part of the facilities and services.

**Corporatization.** Creation of a legal entity outside government to manage certain facilities and services, either through a specific statute, legal instrument, charter or under an existing statute.

**Commercialization.** An approach to management of facilities and services in which commercial principles are applied or emphasis is given on development of commercial activities.

**Business principles.** An approach to management of facilities and services in which commercial considerations have a priority.

**Joint sector participation.** An ownership and management structure in which the private and the government sectors both participate.

**Joint venture.** An enterprise with more than one major partner.

**Wraparound Addition.** Expansion and improvement of an existing government facility and management by a private entity.

**Lease.** The right to occupy certain defined premises or possess some equipment for a fixed period, which may be used for business purposes.

**Long-term lease.** A lease of a facility for a period of 20 years or more.

**Medium-term or short-term lease.** A lease of a facility for a period of less than 20 years.

**Build, Operate and Transfer.** An ownership and management system by which a private entity obtains certain facility on lease to build and operate and at the end of the lease returns it to the owner.

**Build, Own, Operate and Transfer.** This is similar to Build, Operate and Transfer system except that the private entity takes over ownership of the facility during construction.

**Build, Transfer and Operate.** An ownership and management system by which a private entity designs, finances, and builds certain facility and retains its ownership during the construction

period. After completion of construction the ownership is transferred back to original owner and thereafter the private entity leases the facility.

**Lease, Develop and Operate.** A system similar to Build, Operate and Transfer but with a relatively longer-term lease.

**Build, Own and Operate.** A system of ownership and management by which a private entity builds the premises or facility, owns and operates it on a perpetual basis.

**Buy, Build and Operate.** A system similar to Build, Own and Operate except that some facility may be existing which the private operator buys before he starts building.

**Management Contract.** A system of management by which a private entity takes over the management of a facility for a fixed period on the basis of predetermined payment terms.

**Franchising.** A system of ownership and management in which a private entity is delegated the responsibility of ownership, financing and operation of certain facilities.

**Equity.** An interest of an ownership nature, as distinguished from an interest of creditor nature.

**Sale of equity.** Sale of shares of a company.

**Major stake in equity.** Over 50 percent share in equity.

**Minor stake in equity.** Lower than 50 percent share in equity.

**Share flotation.** Offer of shares for sale in stock market.

**Divestiture.** Transfer of ownership of a facility from government to private sector which can be in stages.

**Outright trade sale.** Sale of a facility without any restriction on its use, except by the regulatory authority.

**Freehold sale.** This has the same meaning as outright trade sale.



**APPENDIX D**  
**PROCEEDINGS PAPERS AND PRESENTATIONS**