

Concession of the International Airport of Chinchero – Cusco (AICC)



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ABOGADOS
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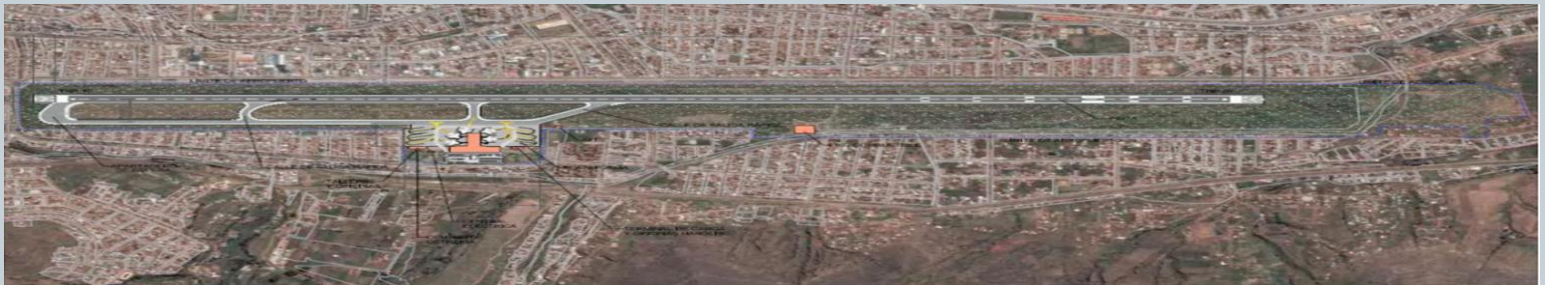
The problem



The International Airport “*Alejandro Velasco Astete*” (AVA) is the second airport with largest flow in Peru with around 2.3 MM of passengers in 2013.

However:

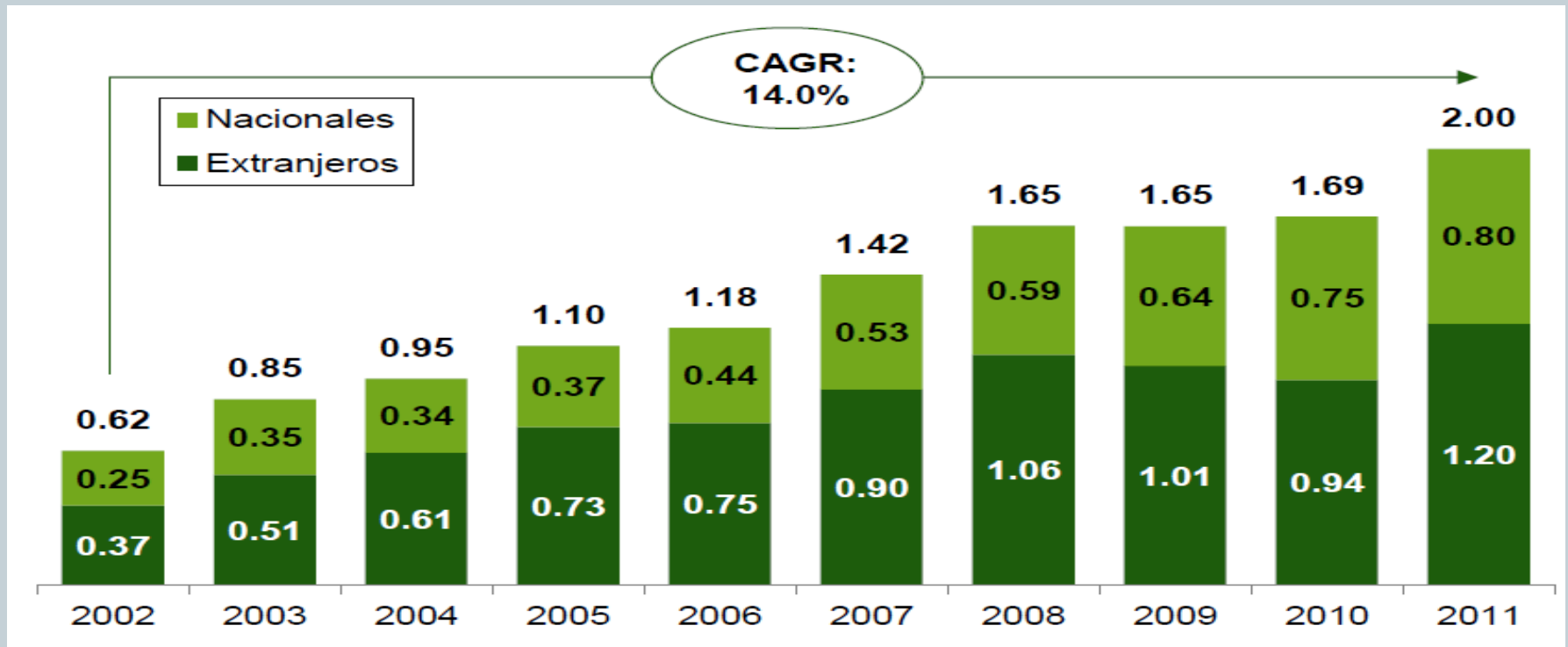
- AVA has topographical and meteorological features which limits their technical capacity.
- Only operates under Visual Flight Rules (VFR).
- The perimeter of the AVA is surrounded by commercial and residential buildings and, therefore, residents constantly complain about noise.



Current status

Tourist arrivals to Cusco (in MM).

Source: Ministry of Tourism



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Solution: New International Airport Chincheru – Cusco (AICC)



- **Location:** Cusco region, province of Urubamba, district of Chincheru and Huayllbamba.
- **Description:** Concession to design, finance, build, operate and maintenance (DFBOT).
- **Investment** US\$ 658 MM approximately.
- **Term of the concession:** 40 years.
- **Finance:** Cofinanced by the Peruvian Government through guaranteed payments for earthmoving works (PPO) and construction of the new airport infrastructure (PAO).
- **Award date:** April 25, 2014.

AICC Located



AICC is located in the district of Chinchero, 29km by road from Cusco city.



- Cusco department:**
- Surface: 71,986.5 km²
 - Population: 1.2 MM

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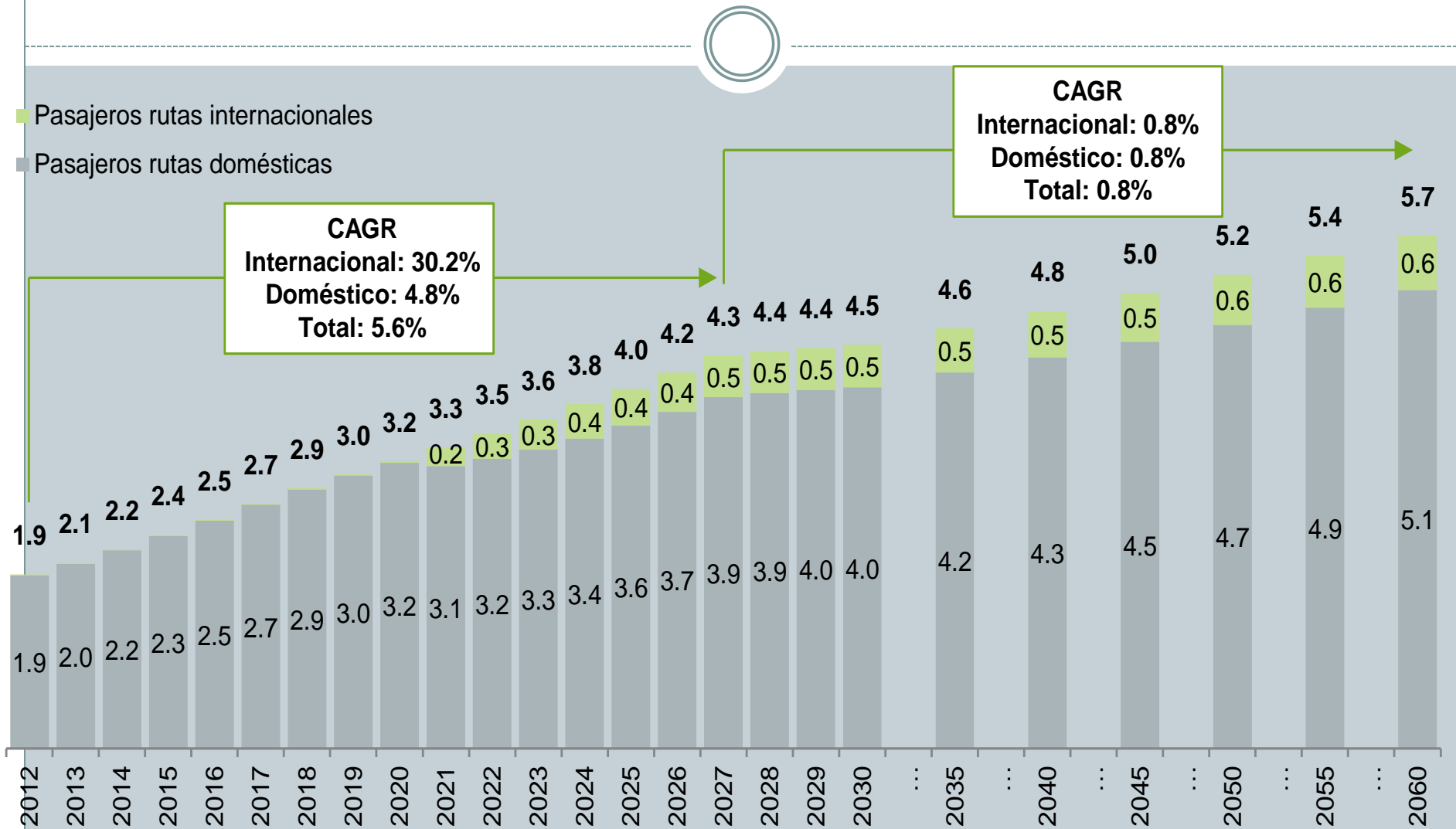
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Forecast passenger traffic



Project benefits

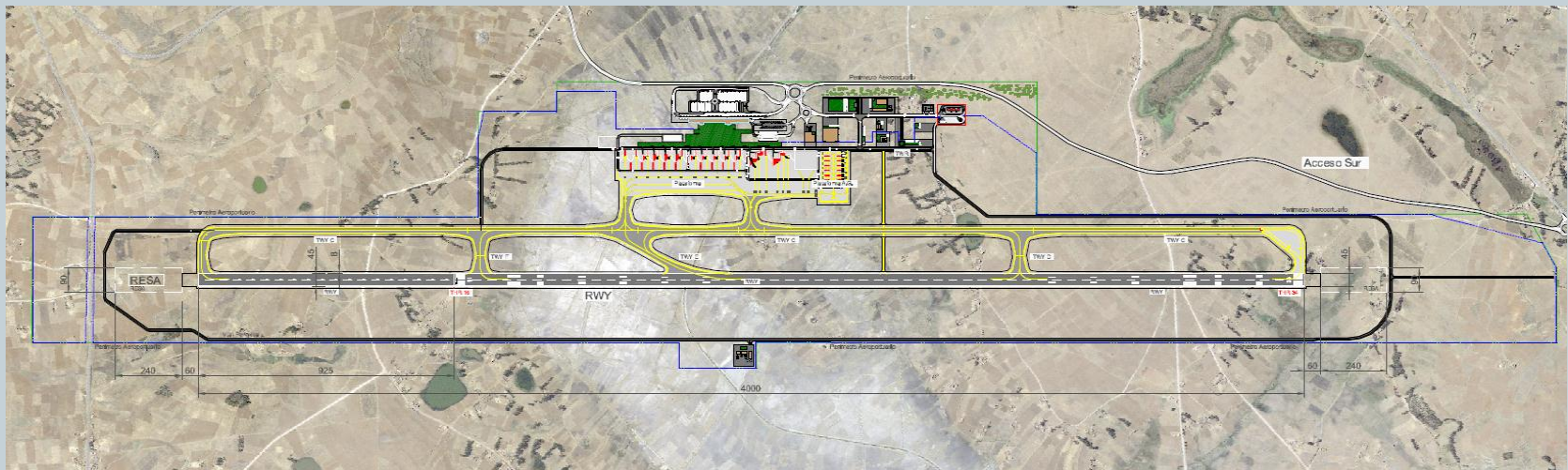
- **Stimulate the economy of Cusco**, through tourism and services or products sales.
- **Improving the population quality of life.**
- **Create jobs**, special for the Chinchero and Huayllabamba population both in the construction and the operation phases of the AICC.
- **Landscape conservation** through a modern architectural design but environmental friendly.
- **Use of local materials** (i.e vegetation, water and stone) in the design of the terminal.



Technical features



- Passenger terminal of 40,000 m² (friendly design taking into consideration the landscape of the area)
- IATA B services level
- Runway 16-34 ILS CAT 1 of 4,000m x 45m (Reference code OACI 4-E)
- Parallel runway of 4,000m
- Platform with up to 13 positions for commercial aircraft and aprox. 140,000 m²

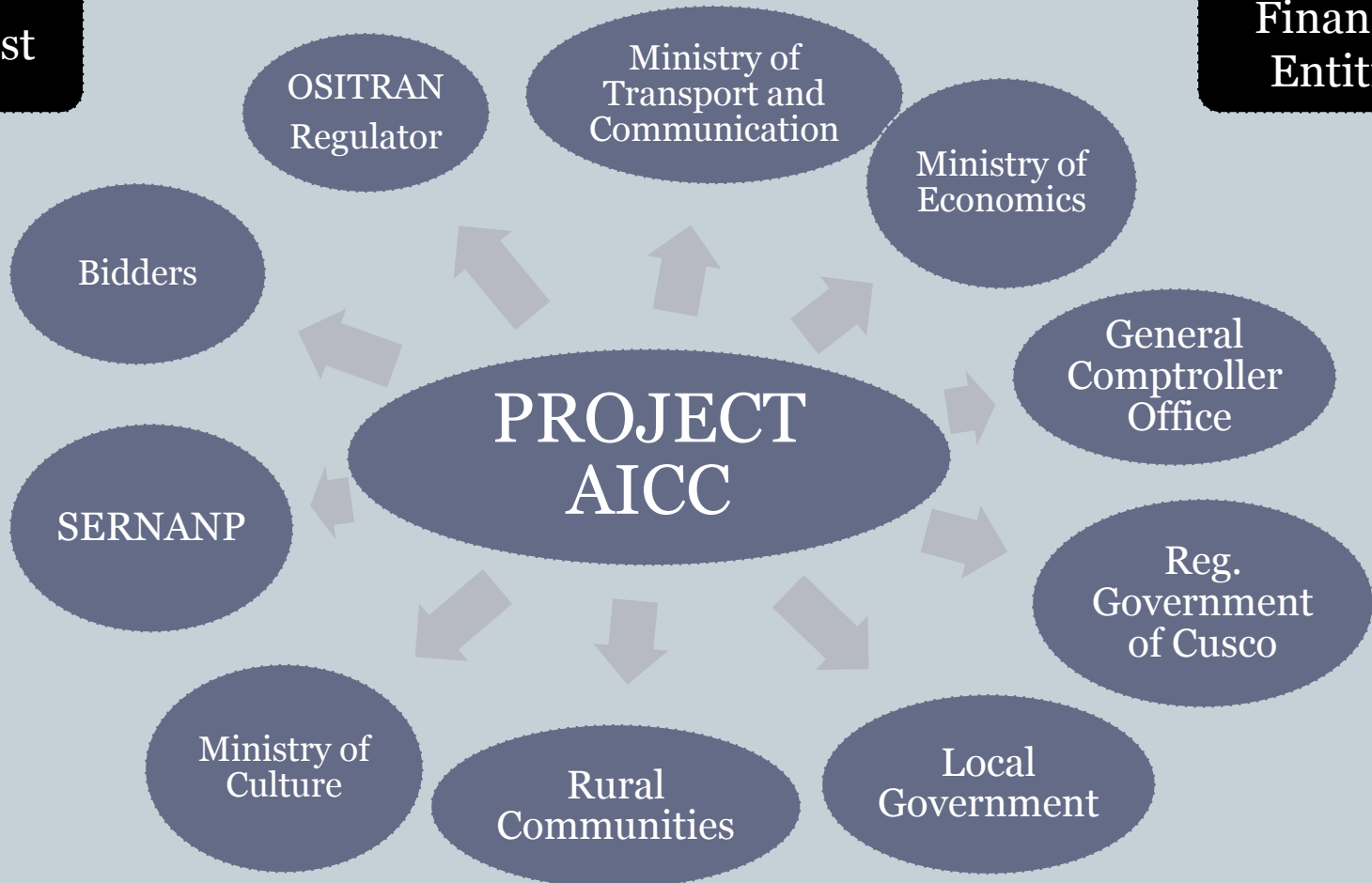


Stakeholders



Journalist

Financial Entities



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Requirements for prequalification of bidders



Technical and operational requirements

Airport operation

- Operation during the last three years of one or more airports with a minimum flow of 4.0 Mpax per year.
- Operation of an international airport with a minimum flow of 3.9 Mpax per year.

Construction

- Construction of infrastructure for a minimum of US\$ 200 MM during the last 10 years.
- Construction of airport infrastructure for a minimum of US\$ 100MM during the last 10 years.

Financial requirements

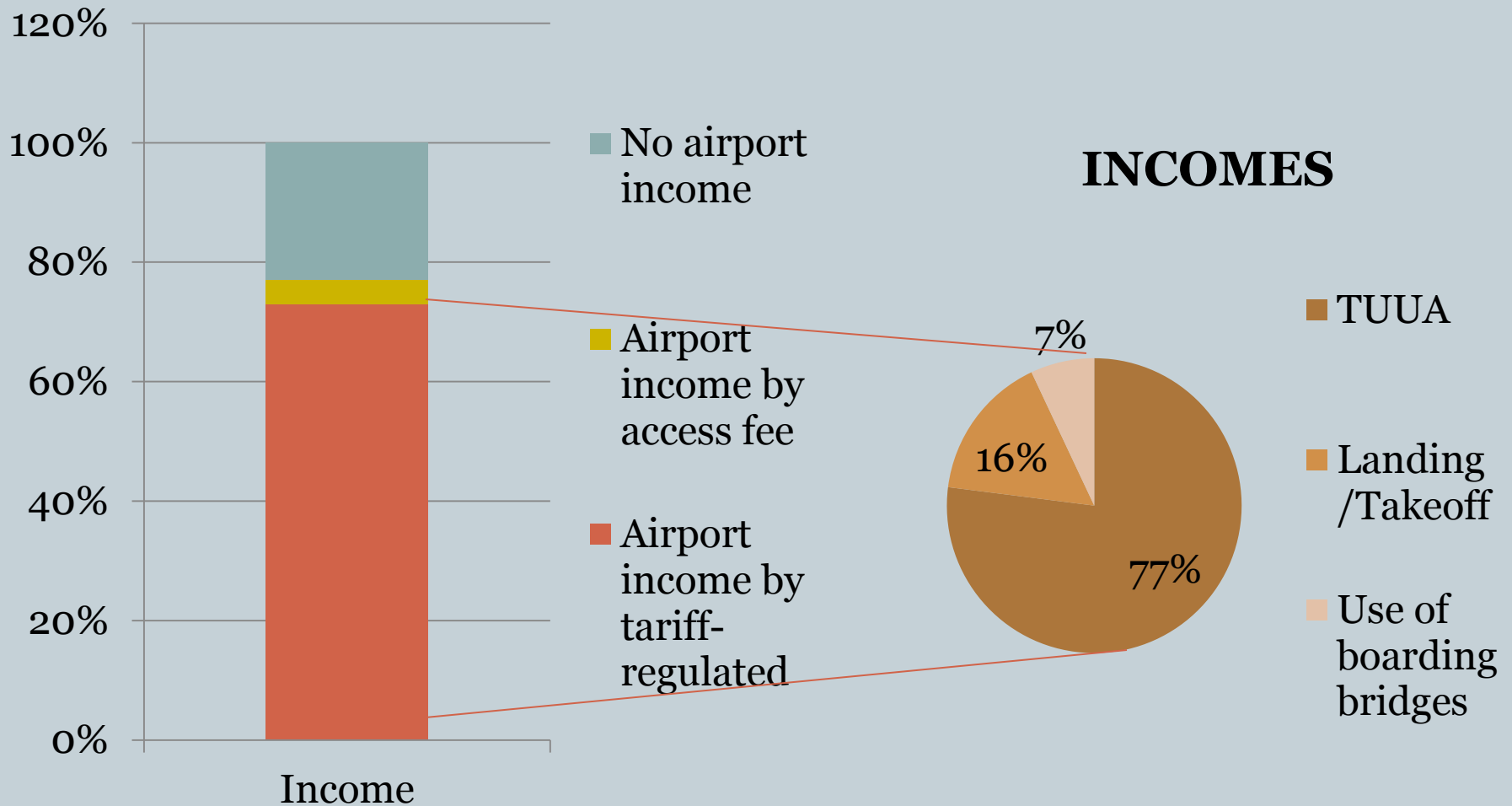
- Minimum net assets of US\$ 140 MM.
- Minimum annual turnover of US\$ 48 MM.

List of prequalified bidders

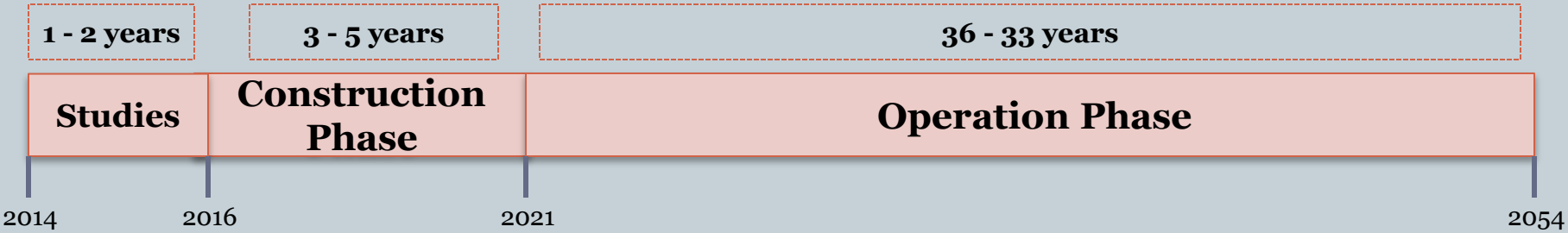


- Kuntur Wasi Consortium (Andino Investment Holding and Corporación América)
- Airport Chinchero Consortium (Graña y Montero, VINCI AIRPORT and Vinci Concessions)
- Korea Airport Corporation
- Ferrovial Airports
- OHL – Zurich Consortium
- ODINSA

Estimated composition of incomes



Concession scheme



- Approval of the Aeronautical Authority -DGAC
- Engineering Plan - EDI approval by Ministry of Transport and Communication - MTC (includes Environment Studies approval by Environment alAuthority - DGASA).
- Financial Closing.
- Permits and licenses.
- Archeological monitoring plan approved by the Ministry of Culture.

Requirements for starting the construction

Concessionary Risk

Financial

Concession scheme

