



**WELCOME TO
WALA 2015** | Athens,
Sept 9th-11th, 2015

**PRIVATIZATION: CONCESSIONS AND AIRPORT OPERATORS IN
LATINAMERICA AND THE CARIBBEAN**

By, Olga Lucía Ramírez Duarte
Colombian Airport Law Association
September 10th, 2015

Big changes always bring along a big shake.

It is not the end of the world, it is the beginning
of a new one



Palonegro airport terminal (SKBG – Colombia)

BEFORE



AFTER



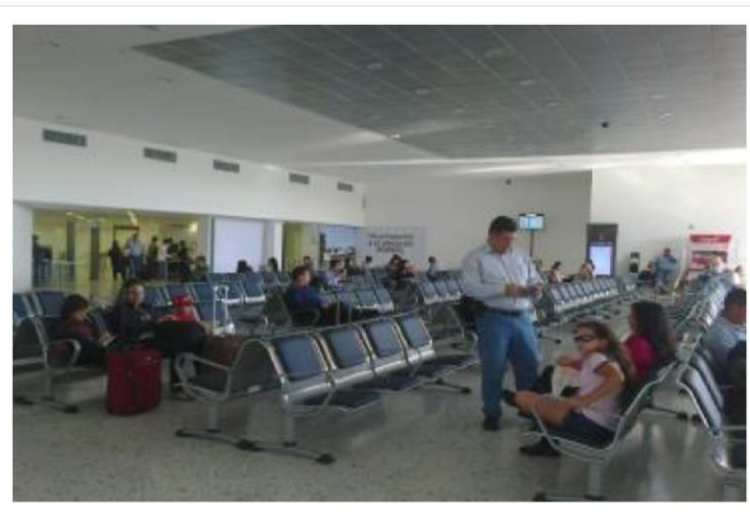
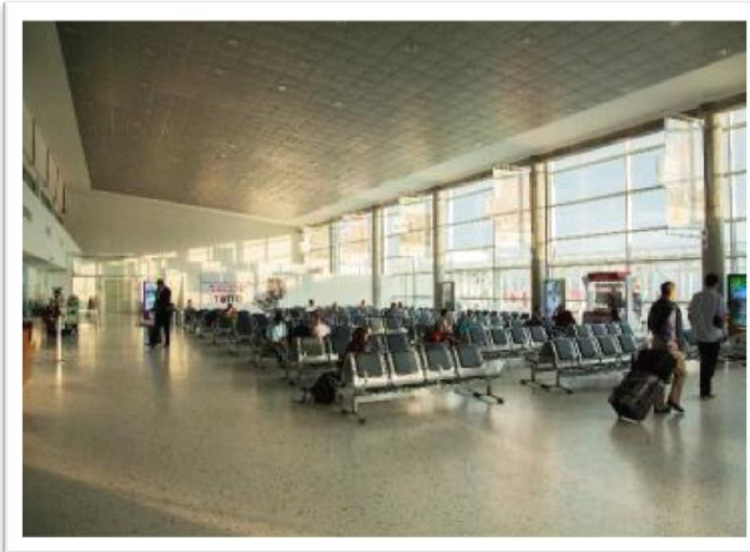
Terminal: From 7.209 square metres to 16.133 SM
Parking: From 3.680 SM to 5.520

Palonegro airport terminal (SKBG – Colombia)

BEFORE



AFTER



Palonegro airport terminal (SKBG – Colombia)

BEFORE



AFTER

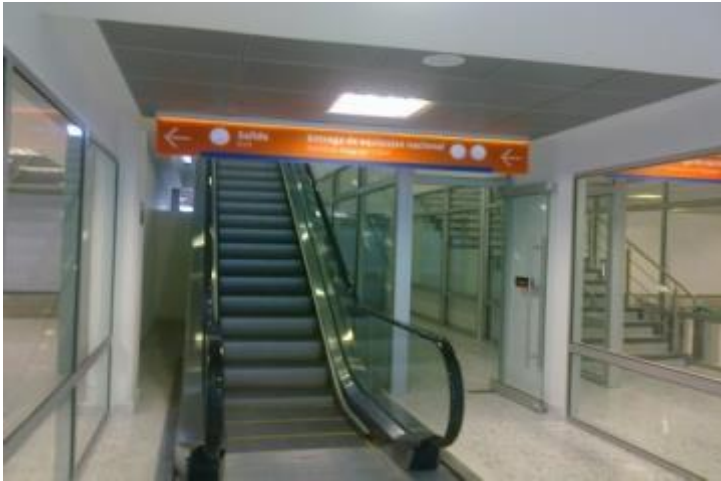


Palonegro airport terminal (SKBG – Colombia)

HALL



STAIRS



BOARDING BRIDGES



JORGE CHAVEZ AIRPORT (Lima – Perú)

BEFORE



AFTER



EL DORADO INTERNATIONAL AIRPORT



TODAY! 😊



DUTTY FREE



AIRPORT LAWYERS

Before



After



GENERAL BACKGROUND ABOUT CONCESSIONS

- ▶ Origins (1990s): inefficiency in Public Procurement.
- ▶ Concept:
 - It is the granting of exploitation rights for a certain period, goods and services by a public authority or company to another, usually private
 - Importance of harmony and balance between public and private interests

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ABOUT INFRASTRUCTURE IN LATIN AMERICA...

The Economic Commission for Latin America and the Caribbean (ECLAC) has drawn the attention of regional authorities to the impact of insufficient infrastructure (in terms of quantity or quality) on the future development of Latin America and the Caribbean (LAC). This deficit, called the infrastructure gap, requires urgent measures to raise investment levels while strengthening and adapting the regulatory, organizational and institutional environment related to infrastructure services in order to favour inclusive, sustainable development.

<http://www.cepal.org/transporte/noticias/bolfall/6/42926/FAL-293-WEB-ENG-2.pdf>

WORLD ECONOMIC FORUM – Global Competitiveness Report 2014–2015

However, regional productivity continues to be low and trailing other emerging or advanced economies. A lack of sufficient investments in growth-enhancing areas, such as infrastructure, skills development, and innovation, coupled with insufficient and delayed reforms needed to improve business conditions and the allocation of resources, result in a certain inability of the local economies of the region to move toward

CONCESSIONS IN COLOMBIA

- ▶ Not specially regulated until 1993. – was one type of the works contracts
- ▶ Today: “4th generation concessions”
- ▶ GOVERNMENT BODIES
- ▶ “Instituto Nacional de Concesiones – INCO” (National Concessions Institute) 2003
- ▶ “Agencia Nacional de Infraestructura” (Infrastructure National Agency) 2011
- ▶ ***Aviation Authority role??

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AIRPORTS IN COLOMBIA

CONCESSION	AIRPORT	CITY
Concesión Aeroportuaria Centro - Norte - AIRPLAN S.A.	Antonio Roldan Betancourt	Carepa
	El Caraño	Quibdó
	José María Córdova	Rionegro
	Las Brujas	Corozal
	Los Garzones	Montería
	Olaya Herrera	Medellín
AeroCali S.A.	Alfonso Bonilla Aragón	Cali
Opain S.A.	El Dorado	Bogotá D.C.
Sociedad Aeroportuaria de la Costa S.A. – SACSA S.A.	Rafael Núñez	Cartagena de Indias
Concesión Aeropuertos San Andrés y Providencia S.A. - CASYP S.A.	Gustavo Rojas Pinilla	San Andrés
	El Embrujo	Providencia
Aeropuertos de Oriente S.A.S.	Palonegro	Bucaramanga
	Camilo Daza	Cúcuta
	Simón Bolívar	Santa Marta
	Yarigüires	Barrancabermeja
	Almirante Padilla	Riohacha
	Alfonso López Pumarejo	Valledupar

LATINAMERICA & THE CARIBBEAN (Before 1995)



Operated by
the
Government

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LATINAMERICA & THE CARIBBEAN (After 1995)



Operated by
3rd Parties

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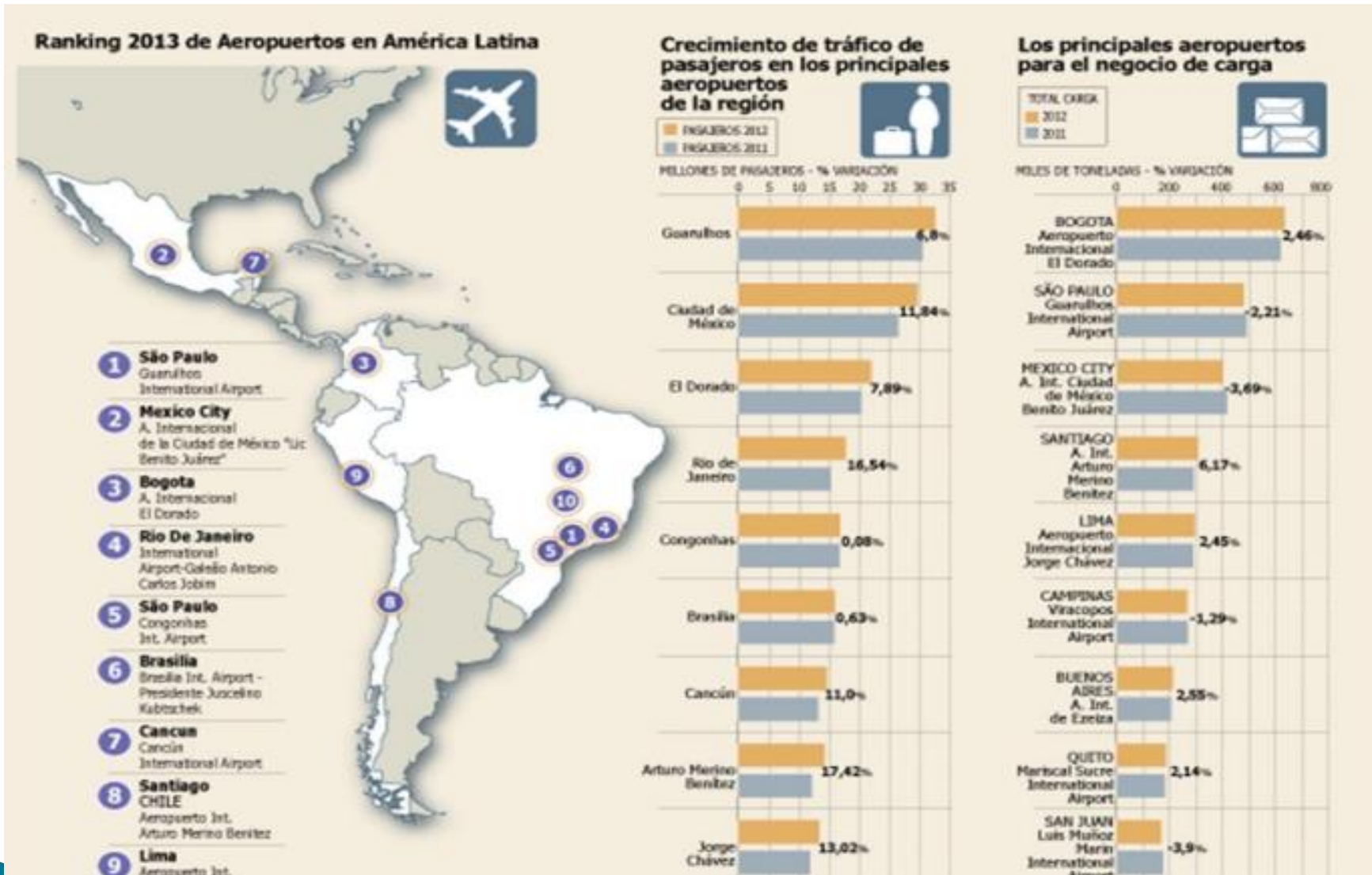
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LATIN AMERICA AIRPORTS RANKING



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“NEW ERA” WITH PRIVATIZATION

- Important mechanism to attract private investment
- They have improved and modernized service at airports
- They have integrated areas of difficult access
- They have generated small companies to communities around airports

BENEFITS AROUND CONCESSIONS

- Promote the participation of private investment in the financing and development of airport infrastructure.
- Ensure preservation of infrastructure in the long term, international standards, independent of political cycles.
- Expand the supply of infrastructure, so as to promote the development of economic activities.
- Achieving levels of service for which users are willing to pay.
- Improved quality of airport services steadily, contributing to the development of foreign trade, tourism and regional integration.

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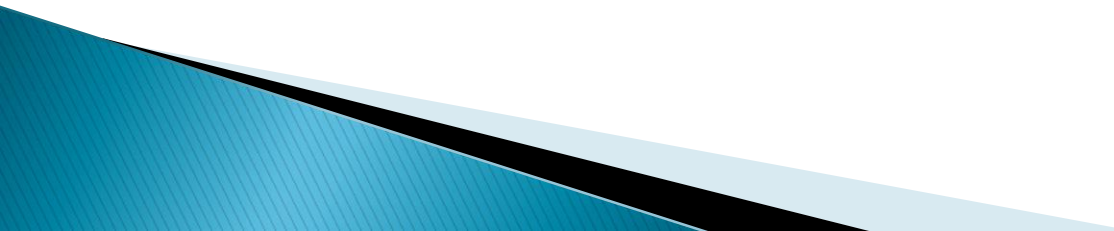
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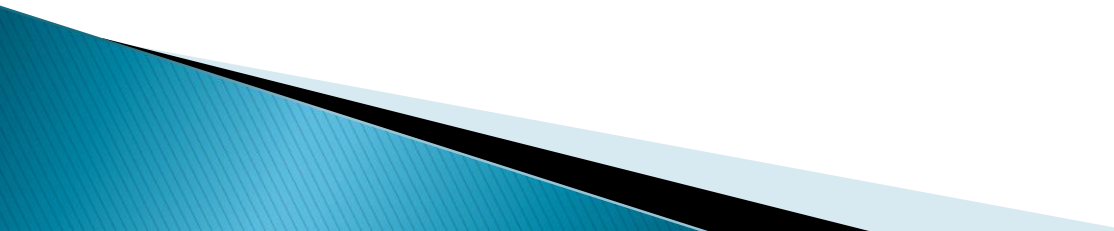
ABOUT THE OPERATORS IN LATINAMERICA & THE CARIBBEAN



CONCLUSIONS

- ▶ We are living a “new reality” with privatization and concessions.
 - ▶ Improvement and more development.
 - ▶ Airport law as special field.
 - ▶ Necessity of clear rules and regulation for airport management.
 - ▶ It is a need to identify and start discussing some issues regarding the airports operation: its agents, the airport service, the final user, rights, obligations, competition rules, etc.
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MAIN PROBLEMS IDENTIFIED

1. Lack of regulation
 2. Some issues with institutions: clear roles??
 3. Restrictions for local companies.
 4. Contracts not corresponding to the reality
 5. No flexibility in long term agreements
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"Eventually, everything
connects."

THANK YOU