

# Curacao International Airport: New Terminal, New Hopes

Curacao, the largest island of the Netherlands Antilles, is about to open its new airport terminal. After analyzing the offer made by the Alterra Group it was decided in 2003 the local government decided to sell its stake in the airport to the Alterra Group. The Alterra Group specializes in offering and further developing infrastructure services to newly privatized airports. For this purpose the Alterra Group set up the Curacao Airport Partners Company or CAP to manage the airport in a deal that sees the airport being managed by the CAP for the next coming 30 years. To stimulate tourism and attract more air lift to Curacao, a new terminal is being built. First this article will discuss the analysis done to get a better picture of the aviation in Curacao in general. Secondly the article will describe what the new terminal will look like. Finally I will draw my conclusion in this article. The charts used in this article have been obtained from the CAP.

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## Market Analysis

Parallel to building the new airport terminal a research and marketing campaign have been initiated to analyse and further develop the passenger flows to and from Curacao. Besides working on new contracts, airport pro-

cedures, process flows, IT requirements and environmental standards this analysis was done to get a better understanding of the markets and route developments. This article will focus on the route development and identifies the markets.

North America and South America. The U.S. market however will play an important role as this is the biggest market. Besides the direct markets, indirect markets (traffics through other hubs) also have potential for Curacao as seen in the next table.

demand. This also shows the importance of the close co-operation that is necessary between the airport management and the Curacao Tourism Bureau (CTB). More hotels and bungalows are being built and are also planned. Related to this are discussions with

Dest Region	O&D Markets By Region From CUR (2004 v 2002)						
	Indirect	Nonstop	Total 2004	% Total 2004	Total 2002	% Total 2002	2004 v 2002 (Total)
Europe	29,268	228,568	257,836	34%	255,119	36%	1%
Caribbean	28,795	166,169	194,964	25%	191,182	27%	2%
North America	72,367	54,638	127,005	17%	107,110	15%	19%
South America	21,087	71,665	92,752	12%	102,092	14%	-9.1%
Netherlands Antilles	16	84,760	84,776	11%	49,990	7%	70%
Asia	4,589	0	4,589	1%	4,353	1%	5%
Central America	2,456	0	2,456	0%	2,126	0%	16%
Middle East	1,502	0	1,502	0%	1,435	0%	5%
Africa	324	0	324	0%	1,748	0%	-81.4%
Oceania	191	0	191	0%	208	0%	-8.1%
<b>Total</b>	<b>160,595</b>	<b>605,799</b>	<b>766,394</b>	<b>100%</b>	<b>715,363</b>	<b>100%</b>	<b>7%</b>

Table 1: O&D Markets by Region from CUR

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When looking at above table overall traffic to Curacao increased by some 7% over the past two years (2004 vs 2002), Europe remains the single largest market for Curacao with the Caribbean in second place ahead of

The table shows that the number of passengers per flight for the indirect markets increases with a lower frequency. Curacao needs to become more popular with tourists from especially the United States, South America and Europe. In these markets the airport management is determining potential new routes for the airport. The direct markets as well as the indirect markets are linked to further develop the tourism as well as to provide air links for the local market

potential (charter) airlines and tour operators to stimulate the tourism to Curacao. Tour operators from the United Kingdom, Spain, the Netherlands, Italy and Germany will have an important role in further developing the European tourism to Curacao. Besides these

markets, the Canadian market is a seasonal market which sees Canadian charter airlines operate seasonal flights to Curacao during the winter season.

The goal regarding the United States is to achieve a growth of around 7% per year for the next three years. The objective is 55,478 passengers/visitors by 2008. This equates to approximately 355 round trips additional A320/A319 aircraft movements by 2008, or just over 8 flights a week

Curacao Indirect Market Sizes		Frequencies Per Week - Daily Pax Per Flight									
2004		Stimulation Factor	Stimulated Demand	7 Flts	6 Flts	5 Flts	4 Flts	3 Flts	2 Flts	1 Flt	
<b>Dest</b>	<b>Indirect</b>										
KIN	11,278	60%	18,044	25	29	35	43	58	87	174	
JFK	7,856	75%	13,748	19	22	26	33	44	66	132	
POS	7,222	75%	12,638	17	20	24	30	41	61	122	
EWR	4,841	85%	8,957	12	14	17	22	29	43	86	
BOS	4,229	85%	7,823	11	13	15	19	25	38	75	
ORD	4,202	85%	7,773	11	12	15	19	25	37	75	
AMS	3,715	90%	7,058	10	11	14	17	23	34	68	
LAX	3,667	90%	6,967	10	11	13	17	22	33	67	
PHL	3,507	90%	6,664	9	11	13	16	21	32	64	
MAR	3,424	90%	6,505	9	10	13	16	21	31	63	
ATL	3,132	90%	5,951	8	10	11	14	19	29	57	
LGA	2,957	90%	5,618	8	9	11	14	18	27	54	
LHR	2,724	90%	5,175	7	8	10	12	17	25	50	
BWI	2,701	90%	5,132	7	8	10	12	16	25	49	
TPA	2,515	110%	5,281	7	8	10	13	17	25	51	
YYZ	2,405	110%	5,051	7	8	10	12	16	24	49	
MCO	2,293	110%	4,814	7	8	9	12	15	23	46	
CLO	2,199	110%	4,618	6	7	9	11	15	22	44	
MDE	1,893	140%	4,544	6	7	9	11	15	22	44	
BRU	1,780	140%	4,271	6	7	8	10	14	21	41	

Table 2: Curacao Indirect Market Sizes

based on a 60% load factor. Regarding South America the objective is to have 45,343 passengers/visitors by 2008. This equates to approximately 290 round trips additional A320/A319 aircraft movements by 2008, or just 6 flights a week based on a 60% load factor. The largest markets are Venezuela, Colombia, Brazil, Argentina and Chile. Ecuador is also a popular destination among local residents of Curacao. With the worldwide aviation now slowly showing signs of recovery and getting on its feet again and the worldwide economies growing, these markets may have more to offer to Curacao in the coming years.

### New Airport Terminal

The renovation of the current terminal costs three million Antillean Guilders (about 1.9 million U.S. Dollars) while the new terminal total project cost is approximately 80 million Antillean Guilders (60 million U.S. Dollars). The airport now generates its income from landing and parking fees, airport taxes and income from advertisements, concessions and rental of the building itself.

The new check-in hall will have 34 check-in counters and will have an open entry just like the current terminal. To secure a better utilization, the check-in counters are randomly allocated to the airlines. Checked-in luggage will go through a four-level screening as demanded by current safety requirements.



Passengers will go to the first floor via (automated) stairways or elevators. The customs and immigration officials will see a great deal of improvement as there is much more floor space. The departure hall will have large windows so passengers can enjoy the nice Caribbean Sea in the background and arriving and departing aircraft.

On landside the terminal will have jewellery shops, a sports bar, an electronics store, a gift/souvenir shop and leather shop, a cheese store and several places to eat. Passengers for international flights will board using three jetways. To make things more pleasant to passengers, the passengers will be guided through the building with an advanced temperature controlled system which goes from colder to warmer so passengers will not be 'overwhelmed' by the hot Caribbean temperature when they leave the terminal.

The airport currently handles 1.2 million passengers on average. The airport management expects that new airlines will bring in more passengers in the first year of operation of the new terminal. The new terminal will be capable

of handling 1.6 million passengers annually and expansion plans are set for the second phase so the airport will eventually be able to handle 2.5 million passengers annually.

After the demise of the national airline of Curacao a few years ago, there was a big gap left behind in the aviation

industry of Curacao. The airline's assets on the airport were left behind and are now slowly finding new owners. New local airlines are again looking at invest in the airport facilities. The advantage of the airport in Curacao is that the airport already has the maintenance hangar available to any airline if they want to start operating the 737/A320 sized operations from Curacao. These aircraft can easily be maintained in Curacao as the hangar and offices are already there.

### Conclusion

Palm trees and a nice landscaping are just the first steps in further developing the airport and the tourism to Curacao. The majority of air traffic to Curacao will be generated by the tourism. While Europe still is the largest market and most popular market for Curacao, other markets both direct and indirect will need more attention. The airport management and the tourism bureau of Curacao still have a lot of work to do. Unlike most other Caribbean islands, Curacao relies more on airlift as the island is situated outside the routes most cruise ships follow. This makes the air connections to and from Curacao even more important. Even so there are a few interesting points. There is more potential with the increase in the number of hotel projects being studied and executed. The recovery of the aviation industry and the fact that the airport also has its assets that might be attractive to airlines who want to start operations from Curacao can all help the airport to further develop and expand itself.