

2015 **FACT FINDING** SOUTHERN AFRICA

200 MD11
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A330-300
A340-300

B747-400
B767-400

A340-600
B777-300

FACT FINDING SOUTHERN AFRICA

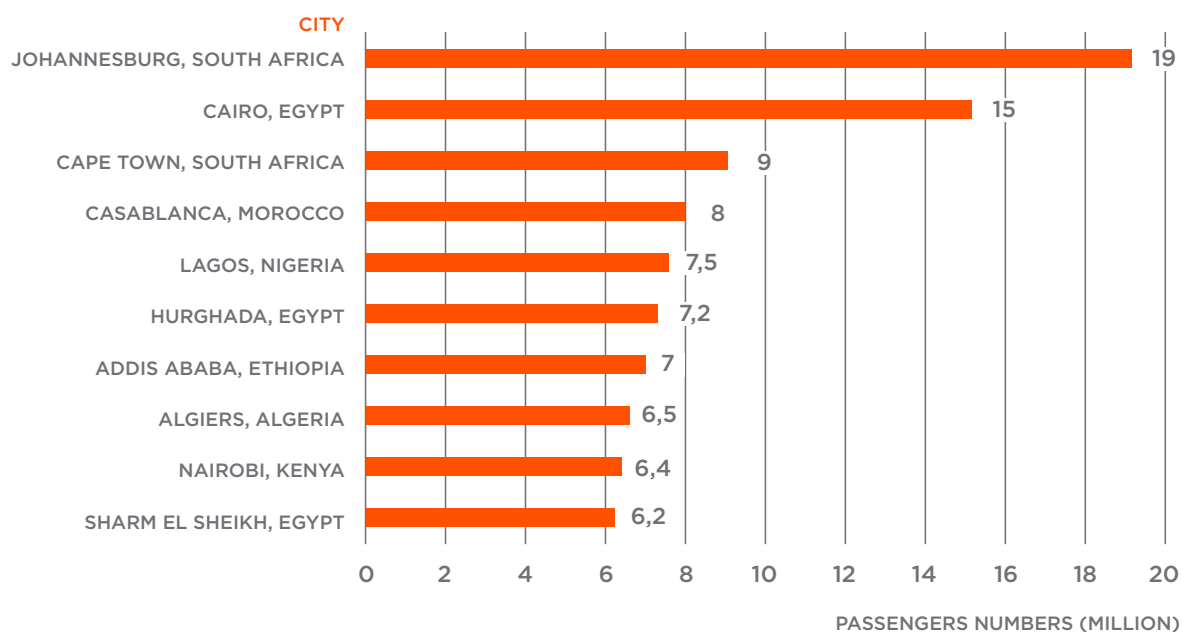
SUMMARY

GENERAL

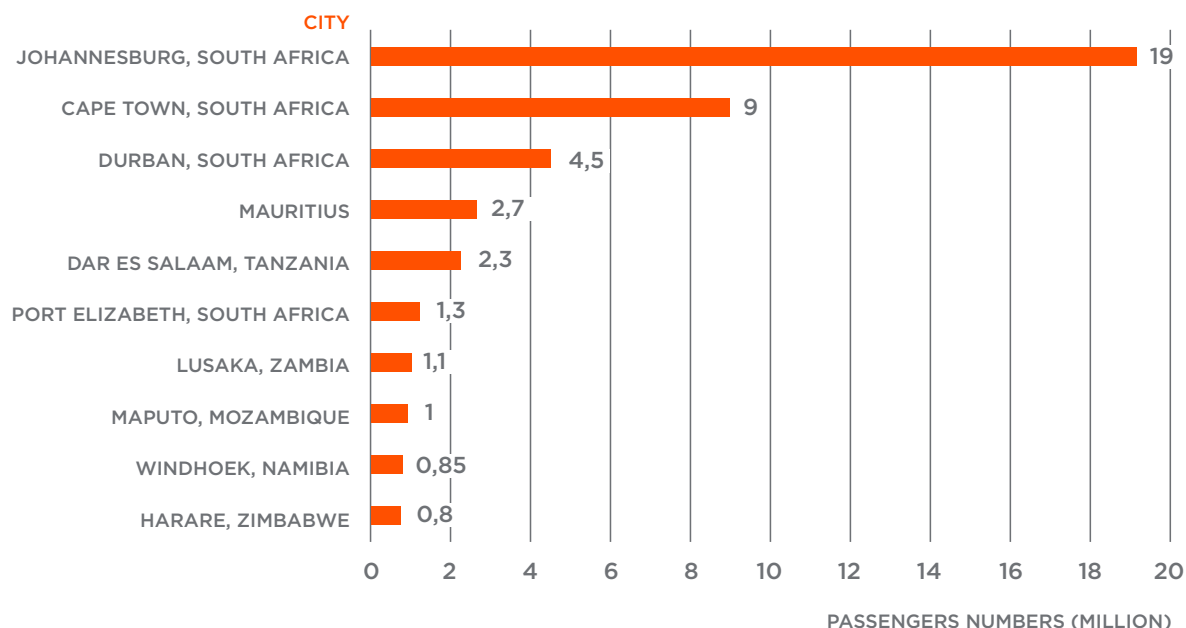
Africa is home to seven of the world's top 10 growing economies in 2015. According to UN estimates, the region's GDP is expected to grow 30 percent in the next five years. And in the next 35 years, the continent will account for more than half of the world's population growth. It is obvious that the potential in Africa is substantial. However, African economies are still to unlock their potential. The aviation sector in Africa faces restrictive air traffic regimes preventing the continent from using major economic benefits. Aviation is vital for the progress in Africa. It provides 6,9 million jobs and US\$ 80 million in GDP with huge potential to increase. Many African governments have therefore, made infrastructure developments in general and airport related investments in particular as one of their priorities to facilitate future growth for their respective country and continent as a whole. Investment is underway across a number of African airports, as the region works to provide the necessary infrastructure to support the continent's growth ambitions.

South Africa is home to most of the airports handling 1+ million passengers in Southern Africa. According to international data 4 out of 8 of those airports are within South African Territory.

TOP 10 AIRPORTS [2014] - AFRICA



TOP 10 AIRPORTS [2014] - SOUTHERN AFRICA



Source: Airports Council International

MOZAMBIQUE

Mozambique has almost 30 million inhabitants and its economy has grown fast in the past few years reaching almost 8 percent in 2014. The country is still relatively poor, has historic communist ties but has untapped gas, coal and food reserves and a huge tourism potential. Its infrastructure is underdeveloped, new projects are being developed to improve its connectivity both local, regional as internationally. A new Greenfield airport opened at the end of 2015 in North Mozambique – Nacala. It was initiated to connect its hinterland including Zimbabwe and Zambia and to optimize access to its natural resources.

Main stakeholders in Mozambique's aviation industry:

Aeroportos de Mozambique (ADM):

Operates 20 airports in Mozambique incl. the international airports at Maputo and Nacala.

LAM:

Lineas Aereas de Mozambique: offers several national and regional flights to destinations in Africa. The airlines operates a small fleet of 8 aircraft and is in search of an equity partner.

Ministry of Transport & Comm.:

In 2013 presented an integrated strategy for the development of a multimodal transport system incl. rail, water and air connectivity.

Special Economic Zones Office:

For the Nacala development the Gazedo IDZ was initiated providing tender documents and information

Project developers:

Odebrecht from Brazil and the Chinese government involved in many airport development and construction project in Mozambique.

Mozambique wants to be connected to the global world and is therefore, improving its connectivity by road, rail, water and air. Maputo is the main airport in the country and reached its 1 million passenger milestone. Several airlines like Kenya Airways, Ethiopian and Emirates recently added Maputo to their network. Also AirFrance is considering to fly directly from Paris to Maputo. After finding major gas reserves in the North of Mozambique in 2011 it was decided to develop a brand new airport – Nacala. This region is also rich in seafood (tuna) and has major tourism potential with its tropical and unspoilt beaches. Airport construction was finalised at the end of 2015 but needs expertise to become an international competitive airport.

The developments in Nacala offers most opportunities in Mozambique for Dutch companies' active in: airport management, MRO training, air cargo and supply chain management (perishables and gas), perishables and cold storage facilities. However, doing business in Mozambique is difficult due to language barriers and cultural differences. We therefore, advise to work in close contact with the Dutch Embassy in Maputo or use a local company with a good network and understands both European as well as the Mozambique way of doing business.

NAMIBIA

In January 2016 it was announced that a 7 billion South African Rand tender, that was cancelled last year, will re-open for national and international companies around the development of the new Hosea Kutako International Airport.

The following Namibian airports are being operated by the Namibia Airports Company (NAC) and are potentially interesting for Dutch and other international companies to look into with regards upcoming business opportunities:

Eros Airport in Windhoek:

Future capital projects, such as building of a bigger fire station, a blast fence at the airport and the extension of apron floodlights are envisaged.

Hosea Kutako International Airport:

As part of the company's strategic plan, future projects are envisaged to develop and/or upgrade infrastructures and facilities in order to increase airport capacity and the variety and quality of service. Hosea Kutako International Airport is set to develop a hotel as part of the main airport attraction. Expansion of the terminal building, in-flight kitchen, cargo facilities, and conference facilities are additional projects envisaged by the company as immediate and future prospects.

Walvis Bay Airport:

NAC intends to expand the terminal building to coincide with the projected growth in passenger numbers. Apart from the expanded runway and taxiway, the ongoing developments include a state of the art world class landing instrument that will enable movements even during overcast weather conditions. This makes Walvis Bay one of only few airports in Southern Africa to boast with such technology on the continent and more useful for an airport at the coast where overcast conditions often prevail. Due to its strategic location, which forms part of Namibia's Economic Processing Zone (EPZ), the airport will be the major export hub of fish and other resources to the rest of Africa and Europe.

One of the strengths of Dutch aviation companies lies in its good reputation of its expertise and experience of doing business in the SADC region. However, the NAC has opted for lower cost and perhaps lower quality services and projects from Chinese companies in the past. The cost factor will play a major role in future tenders of projects. Especially because of the current Euro and Namibian dollar exchange rate. One should also bear in mind the small scale of aviation operations in Namibia. The NAC envisages various major upgrades of its current airports and realizes that airport development is crucial in maintaining growth of its import/export and tourism sectors of the Namibian economy. The NAC is also no longer depending on loans for future projects, but uses operating income to invest back in its business operations. Several threats have been identified in doing business with the NAC. It lacks transparency for a governmental enterprise and it also has been under investigation on several occasions by the Namibian government for tender fraud and irregularities. Communicating with the NAC can also be challenging and very time consuming as it is reluctant in providing outsiders with the necessary and relevant information to spot opportunities for private companies to do business. Dutch Honorary Consul in Windhoek, Mr Servaas van den Bosch, has relevant contacts at the NAC and could fulfill a broker role: honconsulnl@namibianederland.net. If there is a strong wish for direct contact with the NAC, without involvement of intermediary parties, one could start with contacting NAC by asking for Ms Toska Sem, responsible for Commercial Services.

SOUTH AFRICA

South Africa is the second largest economy in Africa after Nigeria. The country has 55 million inhabitants. The economy is growing at a slow pace due to the current low commodity prices and dependence on other emerging markets like China, Russia and Brazil. The country has a well-developed aviation and airports infrastructure due to hosting the World cup soccer 2010 when all major airports were upgraded and increased their capacity. It is home to two of the three largest airports in Africa – Johannesburg and Cape Town. The country created an aviation awareness programme in 2014 to support transformation and to deal with skills shortage and loss. In 2017, 40% of the industry professionals are aged 55 or older. The country needs to make more major investments to keep up with fast growing aviation hubs in Africa like Ethiopia and Kenya.

Main stakeholders in South Africa's aviation industry are:

Airports Company South Africa (ACSA):

Airports owner and operator managing 9 major airports in South Africa including the international airports of Johannesburg, Cape Town and Durban. ACSA signed a cooperation agreement with Munich airport to exchange ideas and improve its overall service levels.

Department of Transportation (DoT):

Aviation department

South African Airways (SAA):

National air carrier of the country with its hub in Johannesburg. Suffering major losses at the moment due to incompetent leadership. SA government guaranteed a number of loans in the past few years. Recently added 5 leased Airbus A330-300 to its fleet. Many foreign airlines (incl. low cost carriers) are seeking entrance into the SA aviation market.

Local government:

Local governments play an important role in airport area development. The airport city and aerotropolis development plans at Ekurhuleni (Johannesburg), Dube Trade port in Durban and Cape Town are regional development initiatives. Air cargo plays an important role in this strategy. The regional promotion and development agencies are often involved in tender processes for airport related projects like the Gauteng Growth and Development Agency (GGDA), the Coega Development Corporation (Eastern Cape) and Wesgro in the Western Cape.

Major investments have been made before the world cup soccer in 2010. In 2015 the National Airports Development Plan (NADP) was presented by the National Civil Aviation Policy (NCAP). It is a vision addressing the gap between current airport network and the future desired state. It will guide and support both overall network planning and the development of individual airports integrated within the broader spatial and transport context and in consultation with key airport stakeholders.

Tenders are published in newspapers and published on websites. A strong personal relationship with the main stakeholders is of importance to develop business. A major factor in tender processes is BBE – broad based black economic empowerment. It has the goal to distribute wealth across an as broad as possible spectrum of previously disadvantaged South Africans (black African, coloured and Indian). BEE levels are measured using 7 pillars each with a relative weighing resulting in a BEE level score ranging from level 1 to level 8. Projects over R 1 million are evaluated 90% on price and 10% on BEE level (1 offers the best rating and 8 the lowest). For projects under R1 million evaluation is based 80% on price and 20% on BEE level. Using a local partner with a good network and BEE rating should be considered when doing business in South Africa.

Opportunities for Dutch airport related investors in SA: technical airport suppliers, MRO training, air cargo and supply chain advisory, urban planning and city marketing consultants.

ZAMBIA

Zambia is a stable country with approximately 16 million inhabitants. The economy is growing with an expected 6+% in 2015/2016, but poverty, at over 60%, remains significant. A major question remains whether the middle class and the hub connections will grow enough to feed Zambia's projected growth in aviation.

Main stakeholders in Zambia's aviation are:

Civil Aviation Authority:

Independent regulatory body started in 2015 in the process to upgrade aviation in Zambia to EASA and ICAO standards.

Ministry of Transport:

In addition to their political responsibility for aviation in Zambia, the Ministry is responsible for the operation and management of 19 small airfields, 10-15 of which are to be upgraded to bitumen standard.

Zambia Airports Corp. Ltd.

Airport operator of Zambia's main airports in Lusaka, Ndola, Livingstone and Mfuwe as well as Air Navigation Service Provider for the entire country.

Airlines

ProFlight Zambia currently is the only airline operating scheduled flights within the country. ProFlight Zambia is a commercial airline. Steps are taken for the re-launch of a new flag carrier, Zambia Airways, and also Africa's low-cost airline Fastjet is in the process of starting Fastjet Zambia.

The Chinese government has a strong involvement in the development of Zambia's infrastructure, such as the development of airports. Through its EXIM Bank, China has financed the development of projects for the main airports of Lusaka, Ndola, Livingstone and Mfuwe. This means main contracting for these projects is awarded to Chinese companies and opportunities are only to be found in specialised areas, or in after care such as maintenance and/or training. ZACL is also looking to contract consultants for the supervision and management of works done for the development of the four airports. Tenders are published in newspapers and on ZACL's

website, but above all a strong relationship with the main stakeholders, Chinese contractors or local subcontractors such as Asphalt Roads Zambia Ltd. is crucial to develop business within Zambia. There is a growing sense for total cost of ownership, but financing remains a challenge and should be taken into consideration (as well as knowledge transfer and maintenance) when bidding for projects. Some programmes of the Dutch government (RVO) could be explored to be able to be able to include financing and training.

There are major investments made to expand the capacity of the airport infrastructure. This follows a Master Plan made in 2009 which was subsidised by the US Government and executed by Jacobs. The large uncertainty is whether the passenger and cargo numbers will indeed grow as projected and thus whether the investments that are made are viable. This should be taken into account when focussing on this market. In any case it is crucial that Zambia develops its non-traditional exports and focusses on, for example, tourism to develop its aviation industry.

OPPORTUNITIES FOR DUTCH COMPANIES

Air traffic in Africa will grow with an estimated 6% annually over the next 20 years. Recognising the scale of air transport and civil aviation in the region's future, SADC's Protocol on Transport, Communication and Meteorology has set out a policy framework for the industry's involvement in Regional Integration and economic development. This means large investments are to be made in infrastructure, operations, safety, line maintenance and cargo facilities. Dutch companies have an excellent capability and track record in these fields and should be able to do business with relevant local parties in terms of consultancy, training and subcontracting smaller systems and equipment, including maintenance and training. The delivery of entire projects is possible, as shown in for example Tanzania, but is increasingly challenging because of the competition from Chinese and French contractors who are able to include financing through government incentives.

The developments in Mozambique (potential) and South Africa (maturity) seem to offer the most realistic opportunities for the Dutch industry. Additionally smaller developments such as in DR Congo (Mbuji-Mayi), Madagascar (Nosy-Bé), Namibia (Hosea Kutako) and Zambia (Ndola) could offer opportunities, but timing and network are crucial in this approach.

A relationship / partnership with local, or at least African, partners and a collective approach with the support of the Dutch Embassies' network are vital to develop business in Southern Africa.

SANEC and NAG are setting up a steering committee to develop a plan for business development in (Southern) Africa. This includes informing the relevant Embassies about the importance of aviation within infrastructural developments and the capabilities the Netherlands have to offer. Joint visits and participation in trade shows is also foreseen.

This report has been based on meetings with relevant authorities, companies and other stakeholders in Mozambique, Namibia, South Africa and Zambia. A list of contacts can be found on page 58. Contact details are available through SANEC and NAG.

“WE NEED LOCAL CONTENT. OUR PEOPLE MUST TELL THEIR OWN STORIES IN THEIR OWN WAY. IT DOES NOT HELP US IN ANY WAY TO CREATE MORE CHANNELS BUT CONTINUE TO WATCH OTHER PEOPLE’S CONTENT. WE NEED TO TELL OUR OWN STORIES AND TAKE OWNERSHIP OF OUR CONTENT.”

**NAMIBIAN MINISTER OF INFORMATION AND COMMUNICATION TECHNOLOGY,
TJEKERO TWEYA
29 JUNE 2015**



SADC

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INTRODUCTION

Africa is home to seven of the world's top 10 growing economies in 2015. According to UN estimates, the region's GDP is expected to grow 30 percent in the next five years. And in the next 35 years, the continent will account for more than half of the world's population growth. It is obvious that the potential in Africa is substantial. However, African economies are still to unlock their potential. The aviation sector in Africa faces restrictive air traffic regimes preventing the continent from using major economic benefits. Aviation is vital for the progress in Africa. It provides 6, 9 million jobs and US\$ 80 million in GDP with huge potential to increase. Many African governments have therefore, made infrastructure developments in general and airport related investments in particular as one of their priorities to facilitate future growth for their respective country and continent as a whole. Investment is underway across a number of African airports, as the region works to provide the necessary infrastructure to support the continent's growth ambitions.

METHODOLOGY

This report gives you a general overview of airport and related developments in Southern Africa with focus on the following countries:

- Mozambique
- Namibia
- South Africa
- Zambia

Resources used for this project are both qualitative as well as quantitative. This research made use of several business publications relevant for this study. Several industry experts in South Africa, Zambia, Namibia and Mozambique were interviewed. Other SADC countries were investigated by desk research only. Main focus of this research was on developments in airport infrastructure in the SADC region. This SANEC and NAG joint fact finding have resulted in an overview of developments in aviation for the SADC region. An overview of contact made during this fact finding can be found under references and useful links.

Doing business in Africa is not for the faint hearted. It requires patience, flexibility and resilience. If this will be taken into consideration than there is substantial potential for Dutch companies active in this sector to do business.

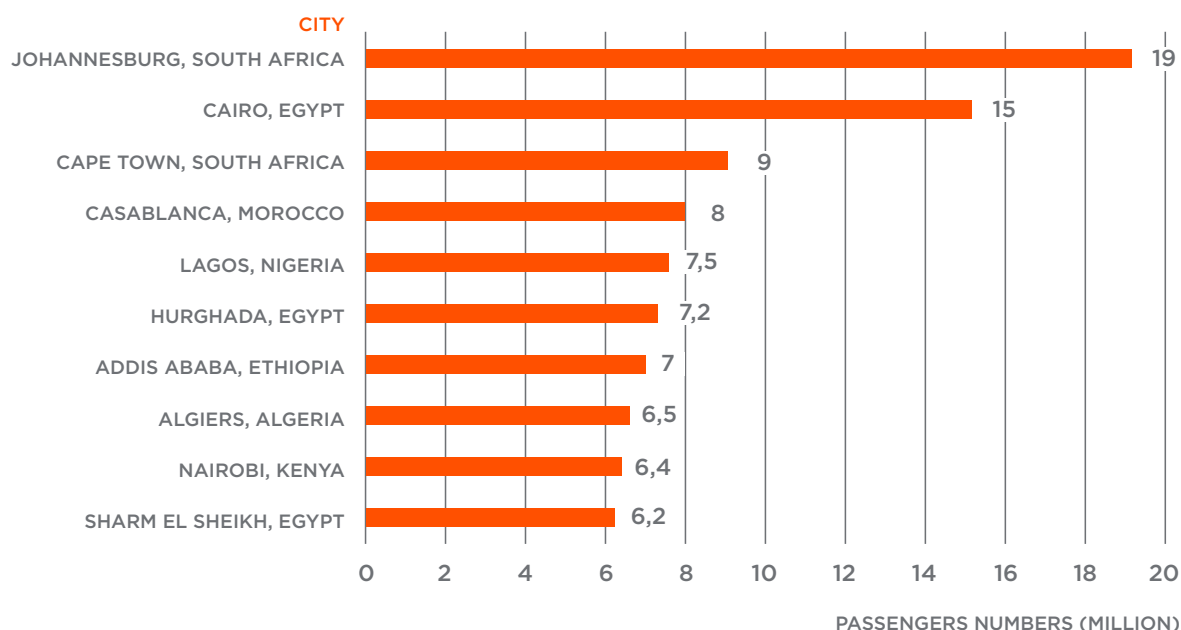
This fact finding was supported by Netherlands Enterprise Agency within the Transition Facility programme.

MARKET OVERVIEW

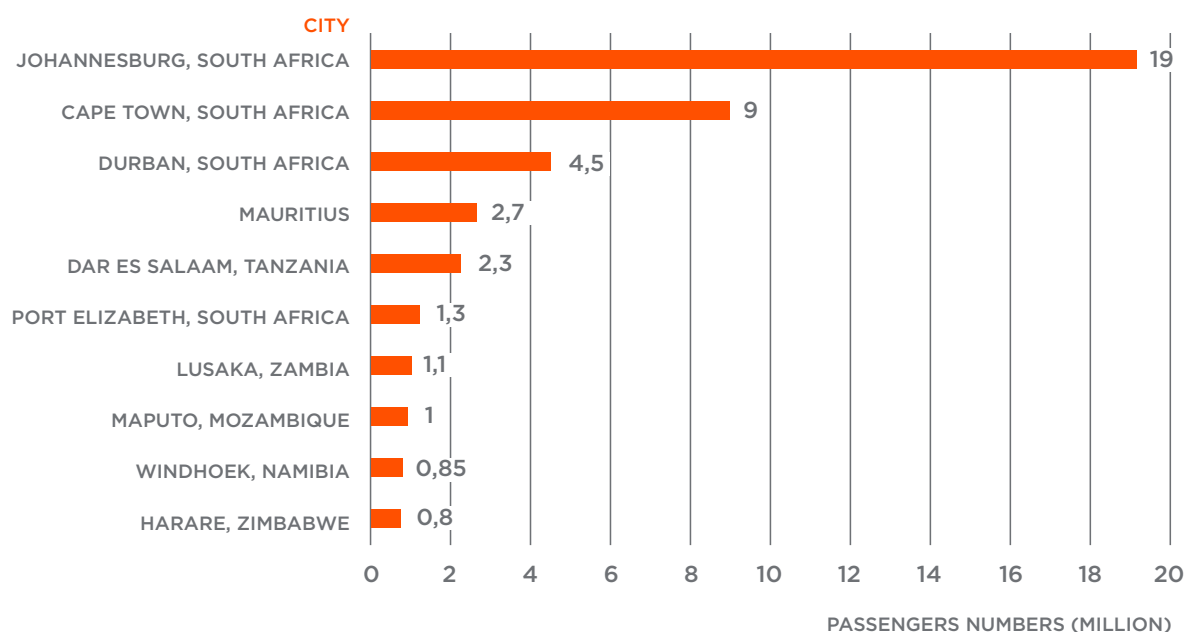
AIRPORTS IN AFRICA

South Africa is home to most of the airports handling 1+ million passengers in Southern Africa. According to international data 4 out of 8 of those airports are within South African Territory. A rule of thumb is that airports handling at least 1 million passengers annually should be able to operate on a commercial basis. Smaller airports are generally not capable of existing without government support. The figures below show that, besides the South African airports, most of the larger airports are located towards the northern side of the continent.

TOP 10 AIRPORTS [2014] - AFRICA



TOP 10 AIRPORTS [2014] - SOUTHERN AFRICA



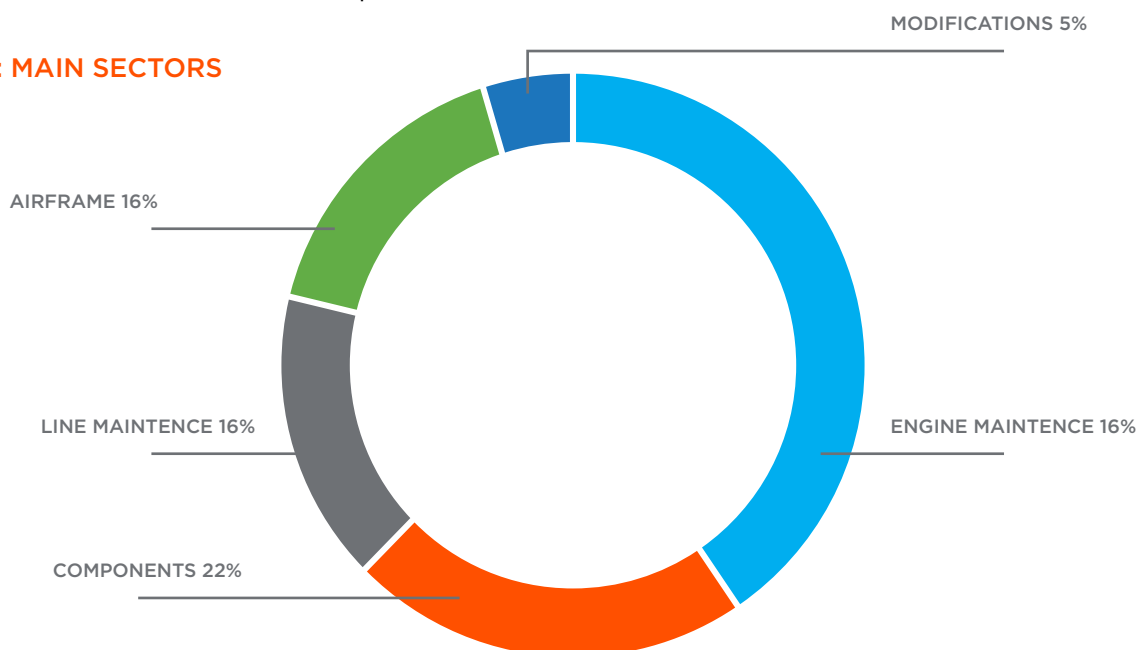
Source: Airports Council International

MRO IN AFRICA

The African Maintenance, Repair and Overhaul (MRO) market is with 289 operators a very fragmented market. The African MRO market is valued at US\$ 2.2 billion, which is 4% of global demand. This is projected to grow to US\$ 4 billion by 2024. Leading African MRO's are expanding their maintenance facilities. The African MRO market is expected to grow by 6.1% per year whilst the average global growth is expected to increase by 3.8% per annum. MRO in Africa is divided in the main sectors as shown in the figure.

Eight airlines account for 50% of the US\$ 2.2 billion MRO spend in Africa. They include Egypt Air (12%), SAA (11%) and Ethiopian (9%). By country South Africa 22%, Egypt 15%, Ethiopia 9% and Nigeria 9% were the main MRO spenders. The leading African MRO centres are SAA Technical, EgyptAir Maintenance and Ethiopian MRO.

MRO: MAIN SECTORS



AIR CARGO IN AFRICA

According to IATA, air cargo in Africa is growing. The African carriers experienced a growth of almost 5% in the first half of 2015 even with underperforming of the largest economies on the continent Nigeria and South Africa. However, regional trade proved to be robust. Apart from Ethiopian, Kenya Airways and South African Airways (SAA) as well as Egypt Air, which have established air cargo subsidiaries and significant belly freight. Kenya Airways, Ethiopian and SAA recently acquired dedicated air cargo aircraft. Ethiopian is the leading air cargo operator in Africa and invested in ground infrastructure and training. Over several years now Astral Aviation from Kenya has remained the leading dedicated air cargo operator in Africa. Other African air cargo airlines are small and weak.

Currently an estimated 80 percent of air cargo moves on foreign carriers and only 20 percent on African. However, Fastjet, a low cost carrier from Tanzania is considering to acquire cargo aircraft as well as ECAir, Bidvest AirCargo, Ponto Azul and Air Botswana.

The key challenges for air cargo in Africa are:

- Poor air cargo facilities
- High cost
- Lack of air cargo knowledge
- Border control delays
- Freight forwarding issues
- Currency fluctuations
- Lack of market intelligence and communication
- Tariffs

OVERVIEW KEY MARKETS

This report will give an insight into the development of airports / aviation in the following Southern African countries:

- Mozambique
- Namibia
- South Africa
- Zambia

MOZAMBIQUE

MRO

LAM has its own technical organization for the maintenance of its aircraft. It's a partnership between LAM (51%) and LAM Aircraft Appearance LDA (49%). It has South African Authorities approval but not from EASA nor FAA. Most of its heavy maintenance is being outsourced to Ethiopian. Also training of technical staff is not being executed in Mozambique but most of the time in Ethiopia or South Africa. The country is in need for type training and MRO training facilities to become more competitive and efficient.

AIR CARGO

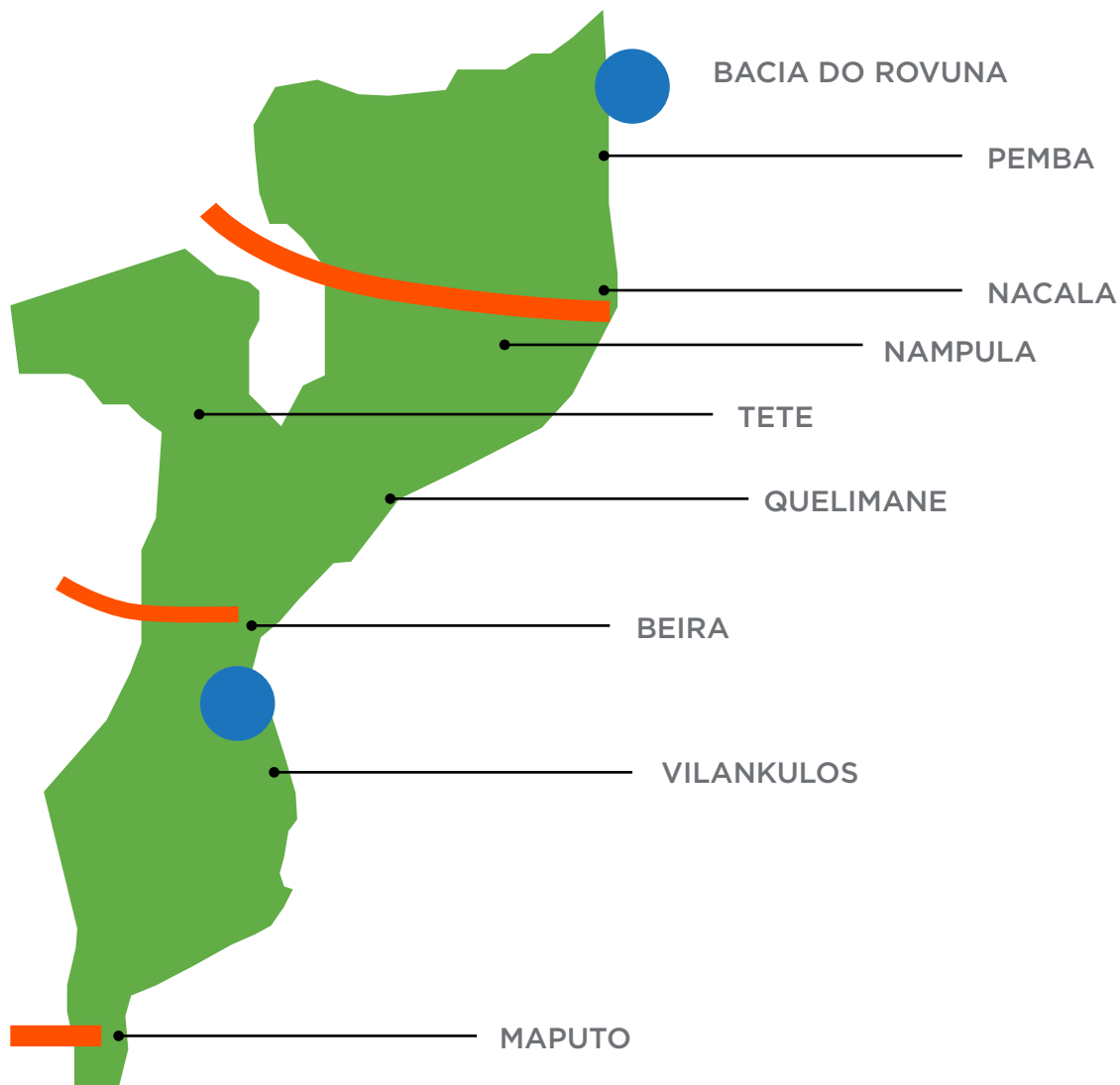
Mozambique is a large African country with air cargo potential, especially at Maputo and Nacala International Airports. LAM has limited air cargo capacity and expertise. However, several partners like French oil and gas logistics firm Bollore have signed a joint venture agreement with LAM to develop LAM's cargo business and create LAM Logistics. Most important air cargo destination is South Africa (spare parts for oil & gas industry). Most of perishables to/from SA shipped by road via the Maputo Corridor.

AIRPORTS

The Aeroportos de Mozambique Company (ADM) manages 20 airports spread over the country. The main airports are Maputo and the new Nacala airport. Maputo International Airport is the hub for its national carrier Linhas Aereas de Mozambique (LAM). Other international airports include: Vilankulos, Beira, Tete, Pemba and Nampula.

LAM has a small fleet of 7 aircraft focusing on domestic and regional routes. The airport has international connections to South Africa, Ethiopia, Kenya, Qatar and Turkey. The airline is not connected to an international alliance and is currently banned to fly to the EU. It is therefore, in need for a strategic partner or an equity shareholder.

MOZAMBIQUE AIRPORTS CORRIDOR DEVELOPMENT AND NATURAL GAS



MAPUTO INTERNATIONAL AIRPORT

Maputo International Airport is the largest airport in Mozambique. The airport has been recently modernized to increase the security and comfort levels. The new international terminal can handle 900.000 passengers. The domestic terminal which was upgraded in 2012 can handle 2 million passengers. The airport is located 3 kilometres northwest of the city centre of Maputo. It has a runway of 3660 metres and one of 1700 metres. Main financial support for this expansion project was granted by European Investment Bank (EIB), the Francesa Agency for Development and the Trust Fund for Africa Infrastructure (ITF).

Passengers 2014: 1 million

Cargo 2014: Maputo airport has a dedicated air cargo terminal of 3500m² and can handle 50.000 tons.



NACALA INTERNATIONAL AIRPORT

This is a brand new airport in the North of Mozambique recently opened earlier in 2015. It is taking over the role of Nampula airport in the north of the country and has intercontinental ambitions. Those could not be achieved in Nampula. The airport has two runways and was constructed by Brazilian company Odebrecht. The previously existing runway that served the air base did not have the necessary capacity to operate large aircraft. A new runway was built in the same location and has a length of 3100m and is 45 metre wide. It can handle aircraft up to a Boeing 747-400. According to ADM it will become the second busiest airport in Mozambique after Maputo. The first airlines to serve the airport are LAM and Mex (both from Mozambique).

The new airport is part of the Nacala Special Economic Zone (ZEEN) which is coordinated by GAZEDA – Gabinete das Zonas Economicas de Desenvolvimento Acelerado - part of the Mozambican government.

The area is rich in gas reserves and hydrocarbons and serves a region with substantial economic growth. The airport is close to Tanzania and Zambia, countries with a current growth rate of 7 percent each year. Malawi and Zimbabwe are also part of its catchment area.

Passengers: Nacala has a current capacity for 500,000 passengers per year and may rise to 1 million.

Cargo: Nacala will develop a cargo terminal to handle 5000 tons of cargo per annum with the possibility of future expansion. Main products from the region for air cargo include: gas industry related parts, seafood (tuna and prawns) and agricultural (vegetables) products. The airport has reserved 50 hectares of land to create a logistics infrastructure with dedicated warehouses. Amsterdam Airport Schiphol has been the inspiration for the project, creating an intermodal transport system.

SEA AIRPORT CITY

Nacala wants to position itself as strategic hub for Southern Africa with its deep water port and new developed airport. The port is the third largest deep water port on the East coast of Africa. In November 2015, AIRPORTS OF MOZAMBIQUE ANNOUNCED the CONSTRUCTION OF NEW 'AIR & PORT CITY' IN NACALA. This development plan includes:

- Aviation Training School
- Logistics
- E-commerce
- Cluster development
- Exhibition and Conference Centre
- Tourism
- Real Estate



Nacala International Airport

TETE

Due to huge coal reserves Tete International Airport has become an important destination for the mining industry.

PEMBA INTERNATIONAL AIRPORT

This airport is experiencing more traffic recently due to exploration of natural resources. Also the tourism sector contributes to this due to its position close to tropical islands in the Indian Ocean.

BEIRA INTERNATIONAL AIRPORT

Is a strategic port city with excellent hinterland connections to Zimbabwe.

VILANCULOS

This airport has been upgraded in 2010 and focusses mainly on tourism passengers.



SWOT ANALYSIS FOR MOZAMBIQUE

STRENGTHS

- Economic potential
- Fast growing population
- Rapid growing economy
- Availability natural resources

WEAKNESS

- Bureaucracy
- Non transparency
- Language barriers
- LAM banned from EU

OPPORTUNITIES

- Growing tourism destination
- Growing business destination
- Air cargo niche growth markets

THREATS

- Established position China in infra development in Mozambique
- Financial position LAM (local airline)
- Political Instability

OPPORTUNITIES FOR DUTCH COMPANIES IN MOZAMBIQUE

- Airport financing (FMO)
 - Airport engineering / consultancy
 - MRO training of students and staff
 - Construction of MRO facilities
 - Construction of training facilities
 - Airport operations consultants
 - Air traffic knowledge
 - Certification engineers
 - Air cargo knowledge
 - Aircraft leasing companies
 - Airport city development expertise
 - Forwarding companies specialized in perishables (fish and shell fish) oil & gas, agro and pharma.
- In Januari 2016 the Mozambican government announced a tender for the construction of an airport in the city of Xai-Xai (Gaza province) to be launched soon.

CONCLUSION & RECOMMENDATIONS

To enter this market perseverance and patience is required. If a Dutch company is able to deal with these challenges than the Mozambique market offers opportunities. Good relationships with the government and ADM are a necessity. Working with local (Dutch) contacts is therefore a necessity.

NAMIBIA

AIRPORTS IN NAMIBIA

There are 149 international civil aviation organization (ICAO) registered airports and airfields in Namibia, of which the major 8 are owned and operated by the Namibian airports company (NAC), a governmental enterprise. The NAC was established through the Namibian Airports Company Act, Act 25 of 1998. This report will focus on the 8 NAC owned airports.

Major stakeholders include the Namibian government who owns the NAC and the directorate for civil aviation which is responsible for aerial navigation air traffic control and clearance into Namibian airspace. Other stakeholders include airline companies and the Namibian board of tourism.

The NAC provides airport infrastructures and amenities, and facilitates airport services for domestic and international airlines, passengers and clients. The NAC ensures safe airport operations in conformity with the International Civil Aviation Organisation (ICAO) standards and recommended practices.

The main objectives of the company are to ensure the following services: the arrival, surface movement, parking and departure of aircraft, the minor servicing of aircraft, including the supply of fuel and lubricants; ground handling of aircraft, passengers, baggage and cargo. The NAC is also responsible for the following services: Provision and maintenance of the terminal buildings, check-in counters, Flight Information Display Boards (FIDS), baggage conveyor belts and sorting systems, airfield navigational and visual aids equipment, public car parking and baggage trolleys. The NAC also plays a crucial role in tender applications by private companies responsible to carry out the upgrades and development of airports.

The NAC has embarked on a major upgrade programme of current airports such as converting former military airbases like Ondangwa to civilian airports and upgrading airport infrastructure. Some projects have already been completed and new ones are being envisaged for the coming years.

MRO is very small scale with Namibian airlines aircraft being maintained by Lufthansa Technik and other regional airlines servicing their own aircraft like in the case of SAA with SAA Technical.



NAC OPERATED AIRPORTS

EROS AIRPORT

Eros Airport is five (5) km from Windhoek's central business district (CBD), and is the busiest airport of NAC in terms of aircraft movements. Its reliable fuel supply makes it a favourite stopover destination for pilots and air travellers. Apart from being the centre of aircraft maintenance, the airport is also Namibia's hub for general and leisure aviation.

Runway information:

Runway Category: 3C

Runway Length: 2 229 m

Runway Width: 30 m

Secondary Runway Length: 1000 m

Secondary Runway Width: 30 m

Fire Fighting Category: 4

Capacity: Eros airport handled a total of 80591 passengers and a total of 20898 aircraft movements in 2013.

OPPORTUNITIES FOR DUTCH ENTERPRISES:

Future capital projects, such as building of a bigger fire station, a blast fence at the airport and the extension of apron floodlights are envisaged.



HOSEA KUTAKO INTERNATIONAL AIRPORT

Hosea Kutako International Airport (HKIA) is situated 45 km east of Windhoek, the capital city of Namibia. Hosea Kutako is Namibia's only international airport, complementing the airport capacity of other hubs within Southern Africa.

Runway information:

Runway Category: 4E

Main Runway Length: 4 532 m

Main Runway Width: 45 m

Secondary Runway Length: 1 525 m

Secondary Runway Width: 30 m

Fire Fighting Category: 9

Capacity: Hosea Kutako airport handled a total of 765657 passengers and a total of 17514 aircraft movements in 2013.

OPPORTUNITIES FOR DUTCH ENTERPRISES:

As part of the company's strategic plan, future projects are envisaged to develop and/or upgrade infrastructures and facilities in order to increase airport capacity and the variety and quality of service. Hosea Kutako International Airport is set to develop a hotel as part of the main airport attraction. Expansion of the terminal building, in-flight kitchen, cargo facilities, and conference facilities are additional projects envisaged by the company as immediate and future prospects.



Hosea Kutako International Airport

KATIMA MULILO AIRPORT

The Katima Mulilo airport is the gateway for the tropical Caprivi region and the town is home to the African BIG FIVE that attracts a lot of tourists. This airport is situated within two hours' drive from the famous Victoria Falls and not more than four hours' drive from the Okavango Delta in Botswana. It has reliable fuel services giving rise to many refuelling stops for air traffic from South Africa en route to Central Africa.

Runway information:

Runway Category: 4

Runway Length: 2 292 m

Runway Width: 30 m

Fire Fighting Category: 3

Capacity: Katima Mulilo airport handled a total of 3265 passengers and a total of 274 aircraft movements in the first four months of 2013.

OPPORTUNITIES FOR DUTCH ENTERPRISES:

A road leading to the airport is one of the future projects to be embarked upon by Namibia Airports Company.



Katima Mulilo Airport

KEETMANSHOOP AIRPORT

The Keetmanshoop airport lies about five (5) km outside the town of Keetmanshoop, some 500 km south of Windhoek. The Keetmanshoop airport houses the Namibia Aviation Training Academy (NATA). Due to its capacity and good conditions, Keetmanshoop airport has the potential to become an aircraft maintenance centre for Namibia.

Runway information:

Runway Category: 4

Runway Length: 2 316 m

Runway Width: 30 m

Secondary Runway Length: 1 193 m

Secondary Runway Width: 30 m

Fire Fighting Category: 0

Capacity: Keetmanshoop airport handled a total of 919 passengers and a total of 185 aircraft movements in the first four months of 2013.

OPPORTUNITIES FOR DUTCH ENTERPRISES:

With its strategic location the airport could serve as a tourism hub for charter operators after the proclamation of mining towns such as Oranjemund and Rosh Pinah. Keetmanshoop also has customs and immigration services and is able to handle cross border traffic into southern Namibia.



Keetmanshoop Airport

LÜDERITZ AIRPORT

Direct flights from HKIA to Lüderitz and Oranjemund are available four times a week.

Runway information:

Runway Category: 3

Runway Length: 1 830 m

Runway Width: 30 m

Secondary Runway Length: 1 193 m

Secondary Runway Width: 30 m

Fire Fighting Category: 4

Capacity: Lüderitz airport handled a total of 2107 passengers and a total of 566 aircraft movements in the first four months of 2013.

OPPORTUNITIES FOR DUTCH ENTERPRISES:

The Airport is getting a major face-lift with the installation of the new technology approach and runway lights that will enable night operations as well as movements during overcast conditions at Lüderitz. Fencing-off as well the back-up water tanks erection for the fire trucks are also underway.



ONDANGWA AIRPORT

The airport is situated in a rapidly developing area and is the ideal refuelling stop for most flights into Angola and other parts of the continent. Ondangwa airport is located in Namibia's north central part with a catchment area inclusive of the regions with the highest population density; Oshana, Oshikoto, Ohangwena, Omusati and parts of the Kunene region as well. It also serves as a faster air link into southern Angola. With the completion of the ongoing rehabilitation and upgrade of the runway at Ondangwa, the airport will be able to process 75,000 passengers per annum, while the cargo capacity will expand to 2400 tonnes by 2017.

Runway information:

Runway Category: 3C

Runway Length: 2 987 m

Runway Width: 30 m

Secondary Runway Length: 1 348 m

Secondary Runway Width: 30 m

Fire Fighting Category: 4

Capacity: Ondangwa airport handled a total of 12569 passengers and a total of 773 aircraft movements in the first four months of 2013.

OPPORTUNITIES FOR DUTCH ENTERPRISES:

Envisaged projects for Ondangwa Airport include a new terminal building, upgrading of electrical installations and capacity. The surfacing of the access road and parking facilities to improve passenger-handling efficiency were completed in 2012. Introduction of car rental, cargo and a warehouse is also in the pipeline and so is the development of a hotel facility at the airport. Container depots are also to be introduced to add value to the railway line interlinks between Ondangwa, Oshikango and Oshakati.



Ondangwa Airport

RUNDU AIRPORT

The airport is five (5) km southwest of the town of Rundu, the capital of the Kavango Region, bordering on southern Angola. The airport has excellent storage facilities for outbound cargo to Angola, particularly construction and retail materials. The runway is in a very good condition and fuel facilities are available for smaller aircrafts. Customs and Immigration officers are on call from the Rundu border post office. The airport benefits largely from chartered flights by tourists and business travellers that are attracted by game parks such as Khaudom, Mahango, Popa Falls and Bushman land.

Runway information:

Runway Category: 3C

Runway Length: 3 354 m

Runway Width: 30 m

Secondary Runway Length: 1 465 m

Secondary Runway Width: 30 m

Fire Fighting Category: 3

Capacity: Rundu airport handled a total of 2494 passengers and a total of 587 aircraft movements in the first four months of 2013.

OPPORTUNITIES FOR DUTCH ENTERPRISES:

Given its vast landscape, this airport boasts excellent storage facilities offering great and unlimited potential for further infrastructural developments. Rundu Airport has ample land for development of warehouses and other storage facilities.



WALVIS BAY AIRPORT

The airport is located some 15km east of the harbour town of Walvis Bay. Due to the on-going upgrading of the airport facilities at the airport, the runway has been reduced in length to 1,675 with the consideration of the safety margins. Nevertheless, the airport can still accommodate the aircrafts up to the performance and weights of B737-200 series. Once fully commissioned, the new expanded dimension of the runway will enable the airport to handle wide-bodied aircrafts within the new future. These changes will elevate the status of the Walvis Bay airport as Namibia's second international airport.

Runway information:

Runway Category: 3C

Runway Length: 1 675 m (2134 m)

Runway Width: 30 m

Fire Fighting Category: 6

Recently completed capital projects at this airport include:

- New fire station
- Ongoing upgrade of the terminal building

Capacity: Walvis Bay airport handled a total of 29393 passengers and a total of 985 aircraft movements in the first four months of 2013.



OPPORTUNITIES FOR DUTCH ENTERPRISES:

In this regard, the NAC intends to expand the terminal building to coincide with the projected growth in passenger numbers. Apart from the expanded runway and taxiway, the on-going developments include a state of the art world class landing instrument that will enable movements even during overcast weather conditions. This makes Walvis Bay one of only few airports in Southern Africa to boast with such technology on the continent and more useful for an airport at the coast where overcast conditions often prevail. Due to its strategic location, which forms part of Namibia's Economic Processing Zone (EPZ), the airport will be the major export hub of fish and other resources to the rest of Africa and Europe.

In January 2016 it was announced that a 7 billion South African Rand tender will re-open for national and international companies around the development of a new national airport in Namibia. More detailed information will be shared by NAG and SANEC when available.

CONCLUSION & RECOMMENDATIONS

One of the strengths of Dutch aviation companies lies in its good reputation of its expertise and experience of doing business in the SADC region like the BAM airport project in Tanzania. However, the NAC has opted for lower cost and perhaps lower quality services and projects from Chinese companies in the past. The cost factor will play a major role in future tenders of projects. Especially because of the current Euro and Namibian dollar exchange rate. One should also bear in mind the small scale of aviation operations in Namibia.

On the plus side, the NAC envisages various major upgrades of its current airports and realises that airport development is crucial in maintaining growth of its import/export and tourism sectors of the Namibian economy. The NAC is also no longer depending on loans for future projects but uses operating income to invest back in its business operations. Several threats have been identified in doing business with the NAC, it lacks transparency for a governmental enterprise and it also has been under investigation on several occasions by the Namibian government for tender fraud and irregularities. Communicating with the NAC can also be challenging and very time consuming as it is reluctant in providing outsiders with the necessary and relevant information to spot opportunities for private companies to do business. Dutch Honorary Consul in Windhoek, Mr Servaas van den Bosch, has relevant contacts at the NAC and could fulfil a broker role: honconsulnl@namibianederland.net.

“THE RECENT INVESTMENT IN NEW ROAD INFRASTRUCTURE, AIRPORT UPGRADES AND THE DEVELOPMENT OF SEVERAL NATIONAL ROAD INFRASTRUCTURE ARE TESTIMONIES TO GOVERNMENT’S SUPPORT FOR THE INDUSTRY AND ATTAINMENT OF THE VISION OF A LOGISTICS HUB FOR NAMIBIA.”

**CHAIRMAN OF THE WALVIS BAY CORRIDOR GROUP, BISEY UIRAB
31 AUGUST 2015**

SOUTH AFRICA

MRO

SAA Technical is the largest MRO operator in Southern Africa, it has 2700 staff and has ambitions to capture more MRO business in Africa. Its revenue from third-party business grew from 15% to 30% between 2012 and 2014. The company is a separate business entity with SAA. It is primarily focused on airframe maintenance work. They are in the process of developing an engine shop. SAA Technical overhauls the B737 and A320 family aircraft and recently obtained a license up to C check level heavy maintenance for B777 aircraft which are not operated by SAA. Customers include Comair Group (BA and Kulula), Air Namibia, Air Zimbabwe, LAM, Air Mauritius, TAAG Angola and Air Austral.

One of the major challenges is related to training and keeping qualified labour. Good engineers are being recruited by the big airlines from the Gulf region. SAA is taking on 200 trainees a year to deal with this and to be able to facilitate future growth.

Source: ICF International

China has recognized the MRO potential in Africa, in October 2015 they announced to open 8 facilities in Sub-Saharan Africa to deal with their expansion strategy including two maintenance and support centres. AVIC International Aero-Development Corporation (IADC) plans to establish an aviation training facility, two marketing offices, two maintenance and support centres and three spare parts warehouses across Kenya, Republic of the Congo, South Africa, Tanzania and Zimbabwe. The company aims to support the expansion of China's civil aircraft industry in Africa. At the beginning of December 2015 China announced a R860 billion investment plan for Africa also focusing on airport and infrastructure developments on the continent.

AIR CARGO

Air cargo has achieved steady growth at the SA airports in the past few years. In 2014, 460.000 tons of air cargo was handled. OR Tambo Airport in Johannesburg is with 390.000 tons by far the largest air cargo airport in South Africa and Sub-Saharan Africa. However, the air cargo infrastructure at the main airports (Johannesburg and Cape Town) is old and has reached maximum capacity. It needs to invest in new facilities to keep up with growing competition from other airports and regions in Africa with air cargo ambitions. Durban has a new airport with state of the art air cargo facilities. However, tonnage is still low at this airport.

AIRPORTS

There are 135 licensed airports in South Africa of which 10 are distinguished as international airports. ACSA owns 9 airports, 9 are owned by provincial government. 33 are military and 100 are municipal (local and district) airports.

NATIONAL AIRPORT DEVELOPMENT PLAN (NADP)

In August 2015 the Department of Transport (DoT) launched the National Airport Development Plan (NADP) to address the gap between the current airport network and future desired state. The NADP guides and supports airport development and planning:

- Guiding principle for airport development
(priority is given to upgrade existing airports rather than greenfield)
- Institutional arrangements (roles of different stakeholders)
- Airport categories and definitions
- Toolkit to build business case for airport development which includes:
 - GIS airport inventory system
 - Demand model
 - Viability model
 - Impact assessment model
 - Funding model

ACSA

Airports Company South Africa (ACSA) was formed in 1993 as a public company and although majority owned by the South African Government, is legally and financially autonomous and operates under commercial law. As the largest airport authority in Africa, the company manages a network of nine major airports in South Africa, including the three main international gateways of OR Tambo International in Johannesburg, Cape Town International, and King Shaka International in Durban airports.

Regional airports operated by ACSA in SA are:

- PORT ELIZABETH INTERNATIONAL AIRPORT
- EAST LONDON AIRPORT
- GEORGE AIRPORT
- BRAM FISCHER INTERNATIONAL AIRPORT
- KIMBERLY AIRPORT
- UPINGTON INTERNATIONAL AIRPORT

Total turnover in 2014 was R7.7 billion Rand (Euro 500 million), of which 2/3 aeronautical and 1/3 non-aeronautical income. The aim is to reduce the reliance on aeronautical revenue and this can be achieved through the expansion of other sources such as the retail, real estate and advertising components.

ACSA has international management participations in Chatrapati Shivaji International Airport in Mumbai, India and of Guarulhos International Airport in São Paulo, Brazil.

O.R. TAMBO INTERNATIONAL AIRPORT

OR Tambo international Airport is the biggest and busiest airport, not only in South Africa but also on the African continent. Major new developments took place at the airport, in preparation for the 2010 FIFA World Cup. These developments included the expansion of the international terminal with the new international pier, which includes gates for the Airbus A380.

Passengers: The flagship airport currently facilitates approximately 19 million passengers annually and has capacity for 28 million passengers.

Cargo: In 2014 the airport handled 390.000 tons of cargo. However, various features are constraining further air growth. The cargo facilities are 40 years old and have reached full capacity. Its location restricts further expansion. The provision of future capacity growth is essential to compete with other air cargo hubs in Africa like the airports in Nairobi and Addis Ababa as well as new infrastructure being developed for air cargo in Mozambique and Angola. In the short term facilities will be upgraded and restructured at the present location. This will speed up vehicle movements and thus increase capacity.

For the medium to long term the creation of a new cargo centre in the Midfield area is a logical and essential solution to cater for growth. A feasibility study is required to ensure the commercial viability of this project.

It also supports the aerotropolis initiative in Ekurhuleni. It has the ambition to become a key player in the worldwide air cargo business. It positions South Africa as the gateway for Southern Africa and as turntable between South America and Oceania.



Cargo Area at OR Tambo International Airport

MRO:

SAA Technical operates its main base at this airport. New MRO developments at this airport are to be expected due to the development of Aerotropolis East in cooperation with Denel, the largest aerospace and defence company in South Africa.

COOPERATION WITH OTHER AIRPORTS:

ACSA has an agreement with München Airport which would see the airports leverage each other's respective skills, knowledge and regional experience to improve the performance of their respective airports. The three-phase strategic sister airport agreement unlocks strategic cooperation and information sharing opportunities between the two companies.

MASTERPLAN OR TAMBO INTERNATIONAL AIRPORT:



EKURHULENI AEROTROPOLIS DEVELOPMENT:

The City of Ekurhuleni with the Gauteng government launched in 2011 the Ekurhuleni aerotropolis project. The project is an urban development concept in which the region's lay out, infrastructure and economy has the airport at its core linking it to global markets. A 25 year master plan was developed and presented in November 2015. This project aims to create an additional half million jobs. It will focus on the following pillars:

- Education skills & Training
- Retail Tourism & Culture
- Air cargo logistics & life sciences
- Aerospace & Advanced manufacturing.

Every pillar has dedicated development plans to create economic growth. For the aerospace development plan, the Denel campus in Kempton Park, with direct access to the OR Tambo International Airport, has been identified as an anchor for the future growth, aerotropolis east.

The air cargo logistic development plan is divided in the following sub projects in Plumbago and Pomona:

- E-commerce hub
- Retail fulfilment hub
- Temperature controlled cold chain village
- Value added agro business processing, packaging and R&D hub



OR Tambo International Airport

CAPE TOWN INTERNATIONAL AIRPORT

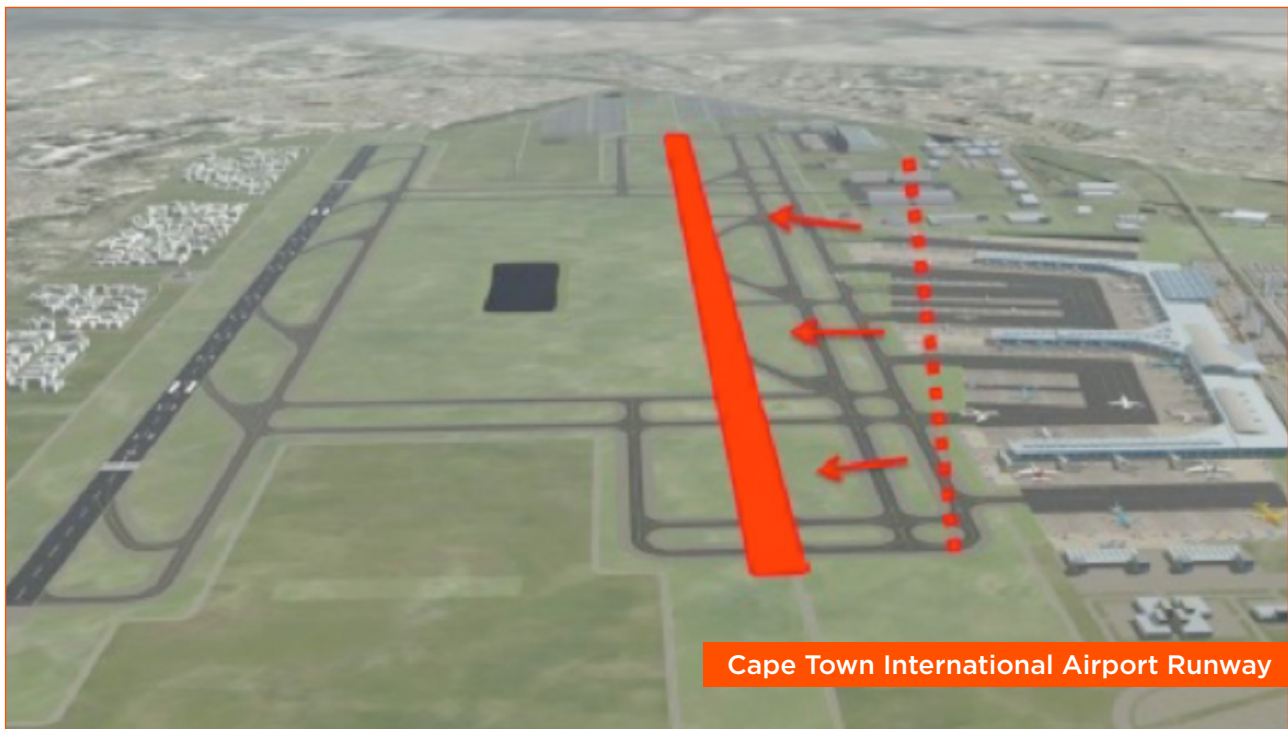
Cape Town International Airport is the second busiest airport in South Africa and third busiest in Africa. The airport is located in Africa's premier tourist and VIP destination and has established a reputation as Africa's premier international award-winning airport consistently performing among the best in the world for service in its category. The airport will have over 9 million passengers in 2015 and is currently the fastest growing international airport in South Africa. Air cargo is mainly focused on perishables trade and is expected to grow to 100 000 tons soon.

Cape Town International Airport has commissioned a long term Master Plan which depicts the ultimate infrastructure and capacity of the airport. The following projects are planned:
Domestic Arrivals Terminal Expansion

Cape Town International Airport will be expanding the domestic arrivals terminal starting in 2015 to improve the following:

- Baggage off Load
- Meeters and Greeters Area
- Convert the concourse area to a dual system
- Reduced walking distances by passenger
- Sufficient bays for trolleys
- Improved passenger flow
- Accessibility of airline offices (LPO)
- Enable future development opportunities above the domestic arrival area
- Enable future commercial development opportunities

Cape Town International Airport is planning to realign its main runway. (R3.2 billion) The realignment of the existing runway is a key driver in unlocking the future development of the airport in line with the Master Plan. It will unlock and ensure Cape Town International Airport has the required infrastructure to receive new large aircraft up to an A380 and that apron and terminal capacity is enabled to grow in line with the runway capacity. The project is expected to commence in 2016 and will be ready by the end of 2018 or early 2019. Within this same period, the airport is planning to deliver a new Domestic Arrivals Terminal together with some upgrades to the International processing focussing on departure lounges and arrivals capacity (in line with processing Code F aircraft).



Cape Town International Airport Runway

KING SHAKA INTERNATIONAL AIRPORT – DURBAN

The King Shaka International Airport is located in La Mercy, KwaZulu-Natal, approximately 35km north of Durban's city centre.

It is a greenfield development replacing the Durban International Airport, which was decommissioned as an Airport. King Shaka International handled its first commercial flights in 2010. The airport, which was designed by Osmond Lange Architects and Planners, cost in the region of R79 billion to build and boasts a passenger terminal building floor area of 103 000m².

King Shaka International Airport is currently handling 4.5-million passengers per annum but has the capacity to handle 7.5-million annual passengers through its terminal.

The 3.7 kilometer runway can accommodate world's largest passenger aircraft, and has provision for future construction of a second runway should the need arise.

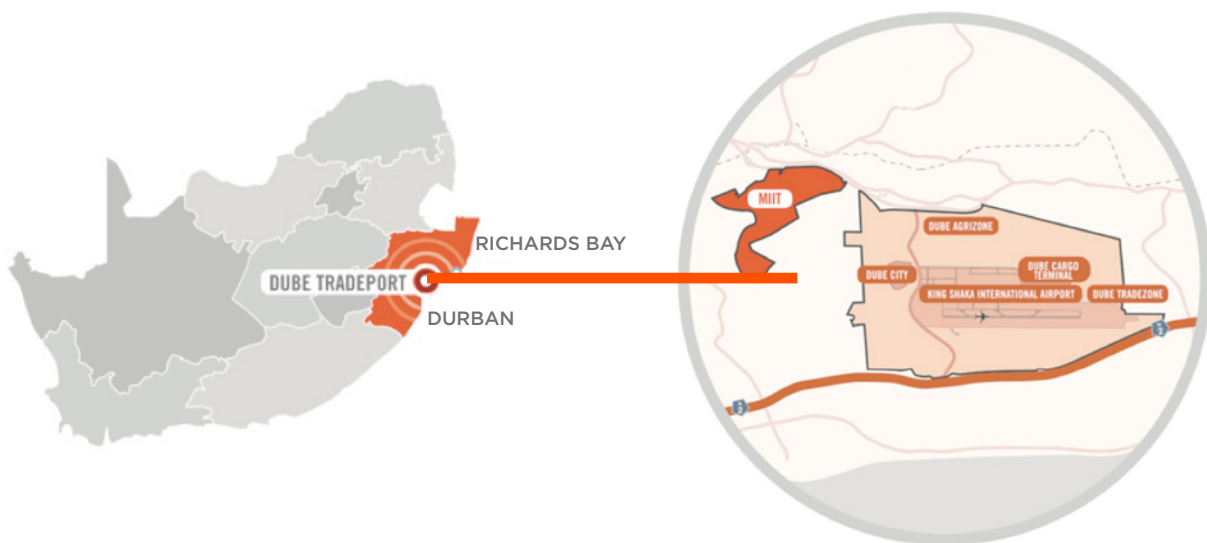
King Shaka International was built as an integrated passenger and freight airport alongside the Dube Trade Port, which incorporates a 36-hectare trade zone featuring a 15 800m² cargo terminal, perishables centre, and warehousing and light manufacturing facilities.

The fully mechanized and automated cargo terminal is the second of its kind in airfreight state-of-the-art Africa and handling facilities. The airport has received many accolades of eg. the Airports Council International and Skytrax.

DUBE TRADE PORT:

Dube TradePort Corporation, a business entity of the KwaZulu-Natal Provincial Government, is charged with the responsibility to develop the province's biggest infrastructural project. It is an officially declared Industrial Development Zone (IDZ). This 2 840 hectare development will be developed around King Shaka International Airport and is positioned 30 minutes from Africa's busiest cargo port, Durban Harbour, and 90 minutes from Richards Bay Harbour. It has several development zones:

- Dube Cargo Terminal: A state-of-the-art cargo facility, purpose-built to be the most secure in Africa. Dube Cargo terminal has a current capacity to handle 100 000 tons of cargo annually and has the ability to grow to 2 million tons by 2060. It has the ambition to become southern Africa's leading air logistics platform.
- Dube TradeZone: 77 hectares, growing to 300 hectares, of specialised, prime and fully-serviced industrial estate within the IDZ. In close proximity to Dube Cargo Terminal, this zone is ideally positioned for new-generation warehousing, manufacturing, assembling, air-related cargo distribution and more.
- Dube City: 12 hectares of premium office, retail and hospitality space.
- Dube AgriZone: Part of the IDZ, this zone provides world-class facilities and technical support for propagating, growing, packing and distributing high-value perishables and horticultural products through an efficient supply chain.
- Dube iConnect: All these zones are supported by Dube iConnect, the precincts dedicated IT and telecommunications provider and KZN's only locally-hosted cloud service, making it the premier offering for regional data recovery.



REGIONAL AIRPORTS IN SOUTH AFRICA

PORT ELIZABETH INTERNATIONAL AIRPORT

Port Elizabeth International Airport is the largest of the Airports Company South Africa's regional airports and fourth largest airport with 1.3 million passengers in 2014. From a strategic economic role Port Elizabeth is South Africa's motor vehicle manufacturing capital, boasting the highest number of vehicle assembly plants in South Africa. Port Elizabeth is home to two of the country's strategic ports, which includes the port of Ngqura, located in the new Industrial Development Zone with expanded port facilities, known as Coega,

Port Elizabeth International Airport has commissioned a long-term Master Plan which depicts the ultimate infrastructure and capacity of the airport. All planning is according to the Master Plan, The Development plan addresses the infrastructure and capacity needs of the airport in 5, 10 and 15 years ensuring a plan of infrastructure aligned to the passenger forecast.

Port Elizabeth International Airport will be upgrading the terminal by creating new capacity through innovative redesign of existing space.



EAST LONDON AIRPORT

East London Airport is the second largest domestic airport within the Regional Airports and is situated 5 kilometres from the city. It processed more than 600,000 passengers and 10,000 air traffic movements (ATMs) in 2014/15. ACSA has invested more than R1 billion in airport upgrades and expansion projects in the last 6 years. Some of the bigger airside projects include a major refurbishment of the runway and taxiway systems

One of the main economic drivers for the region is the Mercedes Benz plant and other associated industries in the supply chain management of car assembly.

The airport is currently operating at 55% of its design capacity and has an Airport Master Plan (AMP) in place to manage future capacity design requirements.

GEORGE AIRPORT

George is situated in the heart of the garden route and is a popular tourism destination. The airport handles just under 600 000 passengers per year.

The runway at George Airport was recently rehabilitated in order to increase the reliability of the infrastructure for the next 7 to 10 years.

As part of the Property Mega Tender to be issued, there will be opportunity for the development of a service station as well as a bed hotel and conference facility.

BRAM FISCHER INTERNATIONAL AIRPORT

Bram Fischer International Airport caters for more than 400 000 passengers and 20 000 air traffic movements per annum and can handle aircraft up to a B747-400. It has an integrated land use development plan just outside of the airport called The Boulevard Precinct.

The site has been established with roads and installation of infrastructure to service the four developments as well as future land uses. In 2013, an application was submitted to the Mangaung Municipality and Free State Provincial Government for additional land uses. These include offices, commercial, service station, retail, hotel, conferencing facility, warehousing. These will have a total bulk of approximately 176 500m². In the long term additional 100 000m² of mixed-use development will be accommodated on The Boulevard Precinct.

KIMBERLEY AIRPORT

Kimberley Airport underwent major renovations in 2010, resulting in the new terminal building having greater capacity. The airport, the site of approximately 15,500 air traffic movements a year, handles approximately 132,000 passengers, 75% of whom are business travellers.

UPINGTON INTERNATIONAL AIRPORT

Upington International Airport is the smallest airport with ACSA. Upington has the longest runway (4900-metre) in Africa and the Southern Hemisphere and the third longest in the world. It has a further 360-metre overrun at each end and is 60 meters wide. It has a new MRO facility for third party users. Because of the hot and dry summer climate of the Northern Cape, Upington has been used by number of European car manufacturers for years as the ideal testing ground for prototypes,

AIRPORTS IN SOUTH AFRICA NOT OPERATED BY ACSA WITH POTENTIAL FOR DUTCH COMPANIES:

There are many local and regional airports in SA not operated by ACSA but by local government or private companies. The ones with most potential business opportunities for Dutch companies are:

- Port Elizabeth (cargo)
- Mahikeng
- Lanseria (Johannesburg)
- Wonderboom - Pretoria Airport

PORT ELIZABETH

The Coega Development Corporation (CDC) announced earlier in 2015 that it will issue a notice for an Environmental Impact Assessment (EIA) study to assess the feasibility of establishing a cargo airport and an aeronautical and aerospace industrial cluster in the Coega Industrial Development Zone (IDZ), located in Nelson Mandela Bay, along the Indian Ocean Coast. Coega Development Corporation is in the process of conducting the final feasibility on the airport development. The project is evolving from a cargo airport to a fully fledged international airport.

Basic development framework plan concluded

- Airport designation completed
- Pre-feasibility completed
- Finals feasibility funding application to government in process
- Development of proposed Public Participation Process parallel to funding application
- Environmental application July 2016
- Estimated construction date August 2017
- Completed airport development September 2019



MAHIKENG

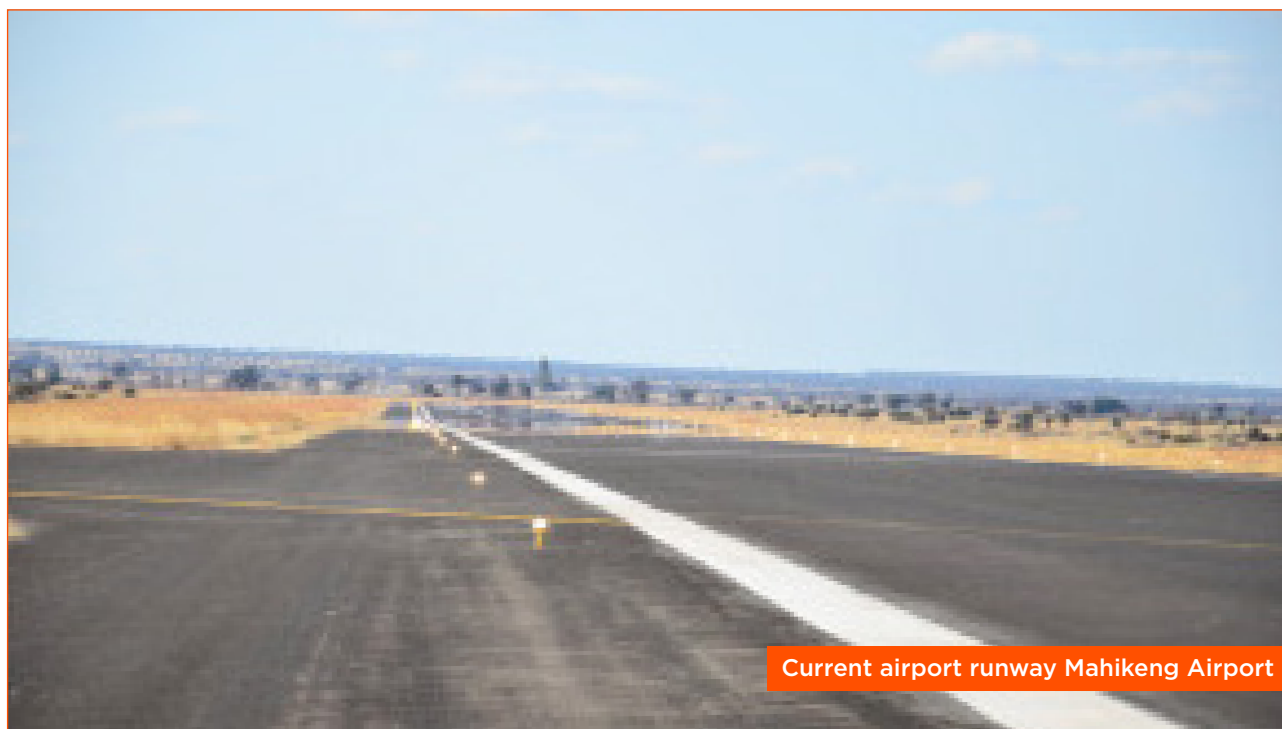
Mahikeng airport is managed by the North West Province Department of Transport and Roads. The airport is a former air force base of the Boputhatswana Defence Force and was previously classified as an international airport.

As of 2014, discussions and construction was in progress in order for the airport to regain its status as an international airport. The airport is used by private aircraft operators as passenger flights stopped in 2009 due to the airport failing to comply with various regulations. Provincial government wants to turn the facility into a competitive cargo hub and plans to draw interest from agricultural and mining sectors as catalysts to this development. In order to commercialise the airport and generate economic activity in and around the Mahikeng SEZ, skills and knowledge around the following areas will be needed:

- Logistics planning
- Supply chain solutions
- Construction of buildings
- Land developers
- Transport planning
- Transport Economics
- Airport design
- Air navigation

The master plan that is currently in progress will reveal what timelines the province will be looking at, as well as the further planning and anticipated tenders and developments that will become part of the SEZ and airport.

Photo: Current airport runway Mahikeng Airport



Current airport runway Mahikeng Airport

LANSERIA – JOHANNESBURG

Lanseria International Airport is the only privately owned international airport in South Africa. It mainly focusses on low cost carriers and business jets and positions itself as Johannesburg's alternative airport. In 2013 the airport opened its new runway of 45 metres wide and 3 kilometres long. Due to its growth a new terminal will be build starting in 2016. It has almost 1 million passengers a year and can handle up to 1.5 million passengers. It has a strong MRO presence focused on business jets including Execujet and Bombardier.



WONDERBOOM – PRETORIA AIRPORT

Wonderboom Airport is situated 15 kilometres north of Pretoria (Tshwane). The airport originates from the 30's and is owned by the City of Tshwane since the year 2000. The airport does not have international airport certification and scope is on business and government travellers as well as general aviation. In 2004 the city launched an airport development plan. In 2007, the airport was upgraded for R165. Mln. (approx. Euro 10 mln). Since 2015, the airport operates commercial flights to Cape Town (offered by Airlink) and it is expected that Durban and Skukuza will be added to the network. The airport is seeking to become a regional competitor for OR Tambo international airport, offering shorter handling and check in times and cheaper operating rates for airlines. 25 to 30% of OR Tambo airport users are in the Wonderboom catchment area.

SWOT ANALYSIS FOR SA

STRENGTHS

- Well established airports company
- Substantial tourism potential
- Government support large airport related infrastructure projects
- Awareness business and politics of importance airports for economy

WEAKNESS

- Minimal expertise of airport related development projects
- Weak flagship carrier (SAA)
- Lack of nationwide coordination in airport regional development (many aerotropolis plans-provincial decision making)

OPPORTUNITIES

- Need for MRO and air cargo expertise
- Need for expertise in airport infrastructure related developments
- Need for airport and airport area marketing expertise
- Reputation of the Netherlands in airport and infra development (Schiphol, airport city and SADC, supply chain expertise)

THREATS

- Need for Broad Based Black Economic Empowerment (BBBEE) partner for Dutch companies in tender procedures
- Complex and time consuming work permit procedures
- Instable currency (Rand)
- Need for local airport related contacts and network to do business
- Limited market potential for many aerotropolis plans.

OPPORTUNITIES FOR DUTCH COMPANIES IN SA

- Air cargo development knowledge and strategy
- Supply chain engineers (multimodal solutions)
- Air cargo project / real estate developers
- Freight forwarding companies in special niche markets
- Independent MRO operators / entrepreneurs
- MRO training
- Consultancy firms / knowledge transfer with regards to airport city concepts
- Airport sustainability know how
- Airport operators
- Airport business park development
- Engineering companies

CONCLUSIONS & RECOMMENDATIONS

South Africa has a well-developed airport infrastructure for its international airport. The main airports are operated by the Airports Company South Africa (ACSA). The two largest airports in South Africa - Johannesburg and Cape Town - have been upgraded to facilitate expected passenger growth and to handle traffic for the World Cup soccer South Africa hosted in 2010. Durban even opened a brand new developed airport just before this event. All these airports and regions acknowledge the importance of having a world class airport and are looking to create further economic spin off by planning aerotropolis, airport city regions and related models. Often Amsterdam Airport Schiphol is seen as benchmark for those concepts making it an interesting case for Dutch consultancy firms active in airport city projects to become active in this market. Also MRO and air cargo is now perceived by both ACSA as well as the provincial governments as facilitator for an aerotropolis model. ACSA recently presented a dedicated air cargo strategy and air cargo team. However, supply chain expertise is required to be able to become a leading air cargo hub for Africa. Since many cargo facilities are old, there is also opportunities for new dedicated air cargo real estate developments. The MRO market is dominated by SAA Technical. Independent MRO operators, training and training facilities are required to make this market more dynamic and competitive.

Non-ACSA airports offer opportunities for Dutch companies as well. These are ranging from revitalizing an old defence base and bring commercial aviation back to its premises in Mahikeng to the development of a brand new dedicated air cargo airport with international ambitions in the Coega development zone near Port Elizabeth in the Eastern Cape.

We recommend to initiate a coordinated approach from the Netherlands aerospace and airport development industry for interested market parties to enter this market.

ZAMBIA

- Zambia's economy remains strong with growth expected to increase above 6% in 2015/16 after a decline in GDP growth from 6.7% in 2013 to 5.7% due mainly to waning copper production. Inflation is expected to fall below 7.0% by 2017.
- Governance and democratic processes continue to gather strength, with the recent presidential by-elections reinforcing Zambia's status as a peaceful and stable country.
- Poverty, at over 60%, remains significant despite strong economic performance along the main transport corridors and reduced poverty in the large urban agglomerations.

Zambia's economy performed relatively well within the region despite the decline in the growth rate. This decline was largely a result of lower production in the mining sector compared to the year before as well as slower growth in manufacturing and public services. Agriculture, on the other hand, put in a strong performance growing at over 6% as a result of a bumper maize harvest. Economic performance is expected to remain strong in the medium term driven by large investments in infrastructure and a growing public administration and defence.

Diversifying the economy away from dependence on copper and the creation of decent jobs remain the overarching policy goals of the government. Improving accountability and strengthening the fight against corruption also remain firmly on the government's agenda. Productivity in the private sector needs to increase in order to improve competitiveness given the pressure for higher wages. The government has indicated that it will do more to expand skills and education while also accelerating interventions in health, water and sanitation in the coming year.

Economic development in Zambia has historically followed the rail lines that connect the Copperbelt in the north with Livingstone in the south through the capital city, Lusaka. More recently the main transport corridors have also provided an impetus for growth in the country. These corridors have benefited both Central and Eastern Province where there has been an influx of investments, creating a basis for further development. Spatial inclusion is addressed through the revised Sixth National Development Plan while an added benefit of industrial policy is the creation of multi-facility economic zones aimed at creating opportunities in the main urban agglomerations and attracting foreign investments.

Source: African Economic Outlook

It has shown that Zambian government have come to realise the necessity to develop the non-traditional exports, such as tourism in order to grow aviation in the country.

The Netherlands currently has no MoU in place with Zambia as cooperation used to focus primarily on development cooperation.

MRO & AIRLINES

The unstable history of Zambia's national carrier and other commercial airlines in Zambia, such as Zambian Airways, Zambezi Airlines and Nationwide Airlines, means that there are currently no MRO facilities for heavy maintenance in Zambia. The Dutch company of Direct Maintenance has a station in Lusaka to supply line maintenance to international carriers.

The privately owned Proflight Zambia is the only airline operating from Zambia at the moment. It provides mostly domestic flights (scheduled and chartered). Proflight Zambia director of government and industry affairs Philip Lemba expected 2015 to be a "difficult year" as domestic traffic growth was hampered by competition from international carriers operating direct Ndola and Livingstone services.

Zambian government has taken actions to re-start the operation of a new flag carrier: Zambia Airways. Apparently four aircrafts have already been leased to facilitate the venture. In addition, African low-cost carrier Fastjet is also in the process of starting a Fastjet Zambia operation with one Airbus A319-100 on order. What the start of these airlines will mean for MRO operations in Zambia is unsure. It is expected that the MRO market will remain too small for maintenance other than line maintenance.

Zambia was blacklisted by European aviation authorities so the Zambian Civil Aviation Authority is currently implementing EASA standards within Zambian aviation. ACI standards are used for airport operations.

AIR CARGO

The majority of inbound and outbound African international air trade is conducted by only five of Africa's 57 countries. South Africa, Egypt, Kenya, Nigeria and Ethiopia have a combined share of over 60% of the market. Although air trade in Africa is expected to grow an average of 5% per annum, Zambia will remain at a relatively small share of this market and will focus its cargo activities on rail and road development. The new cargo terminal at Kenneth Kaunda International Airport will measure 5.000m². The airport handled 10.577 tonnes in 2014. As a comparison: South African's largest airport OR Tambo Airport in Johannesburg handled 286.358 tonnes in 2014. Cargo operations at other Zambian airports are negligible.

The main ground and cargo handlers in Zambia are NAC2000, Zega, Astra Aviation Services and the state owned Zambia Airports Corporation Limited (ZACL). However, ZACL is currently negotiating outsourcing the ground handling services to Dubai based DNATA.

AIRPORTS

The main airport operator is the state owned, but independently funded, Zambia Airports Corporation Limited (ZACL). It operates the four major (international) airports. They are located in the capital city of Lusaka, the heart of the industrial Copperbelt region Ndola, and in the touristic areas of Livingstone (Victoria Waterfalls) and Mfuwe. An aviation Master Plan, funded by the United States Trade and Development Agency, has been setup in 2009 by Jacobs from the US. As a result various projects have been carried out to improve aviation in Zambia. The airport related projects will be indicated below.

Current passenger numbers for the four main airports are approximately 1,5 million per annum of which over 1 million used Lusaka as their gateway.

Apart from airport operations ZACL is also responsible for the countries' ATM / air navigation services. In 2015 a € 18 million investment has been made into a new ATM radar supplied by Thales ATM.

In addition to these major airports Zambia is home to 19 other small airports. Operations were controlled by the Department of Civil Aviation, a department of the Ministry of Transport. The Department of Civil Aviation was both the regulatory body as well as the operational manager for these 19 airports. Since this is not in accordance with international ICAO regulations these activities have been separated in 2015. The regulatory activities, such as security and the approval of infrastructure developments, of the Department of Civil Aviation are now done by the Civil Aviation Authority and the operations are managed by the Department of Transport. The Department of Civil Aviation no longer exists. These 19 airports are too small for a commercial operation and remain dependent on government funding. The biggest investment made in these airports is an upgrade to a bitumen standard of the runways since most of them are still on a gravel standard.

KENNETH KAUNDA INTERNATIONAL AIRPORT (LUSAKA)

Kenneth Kaunda International Airport is the main entry point into Zambia. It is located in the capital city of Lusaka and due to its central location, K.K International Airport could be a hub airport in the SADC region. It serves as the primary airport for domestic and international travel to/from Zambia and is Zambia's busiest airport with a capacity to handle up to 2 million passengers annually and with an actual occupancy of just over 1 million passengers in 2014.

To develop the national airport infrastructure and to improve passenger and cargo services, the Zambian government has initiated several upgrades to the country's four main airports. Mostly in a public-private-partnership with the Chinese EXIM bank and Chinese construction companies. The upgrade of Kenneth Kaunda International Airport (KKIA) is the largest.

Construction of the new terminal at KKIA started in June 2015 and is scheduled to be completed in 54 months. It was designed by China Airports Corporation, while China Jiangxi is the construction contractor. Local partners for this project are Asphalt Roads Zambia Limited and Zulu Development Consultants. After completion the airport will have a total capacity of 4 million passengers where the existing terminal will be used for domestic passengers and the new terminal for international arrivals and departures.

The design of the priority facilities at KKIA comprising the terminal building, air traffic control tower, rescue and fire services station, airport hotel and airport shopping mall have been completed, while the design of the airport cargo terminal and viaduct are still in progress. Other works include construction of new taxiways, aprons, landside and airside driveways and a 39-metre high air traffic control tower. The current runway is expected to be sufficient to facilitate short term growth, but construction of a second runway is possible if necessary.



SIMON MWANSA KAPWEPWE INTERNATIONAL AIRPORT (NDOLA)

Simon Mwansa Kapwepwe International Airport was originally set up as a military base for the Royal Air Force (England). It was built in 1938 to service the British army during the Second World War and was only converted into a civilian Airport in the 1950's. It is located approximately 3 kilometers south of the Ndola City central business district. Ndola is the industrial and commercial centre of the copper-mining region. The terminal building structure has been left intact with a few ancillary buildings added. In 2014 the airport handled 268,217 passengers.

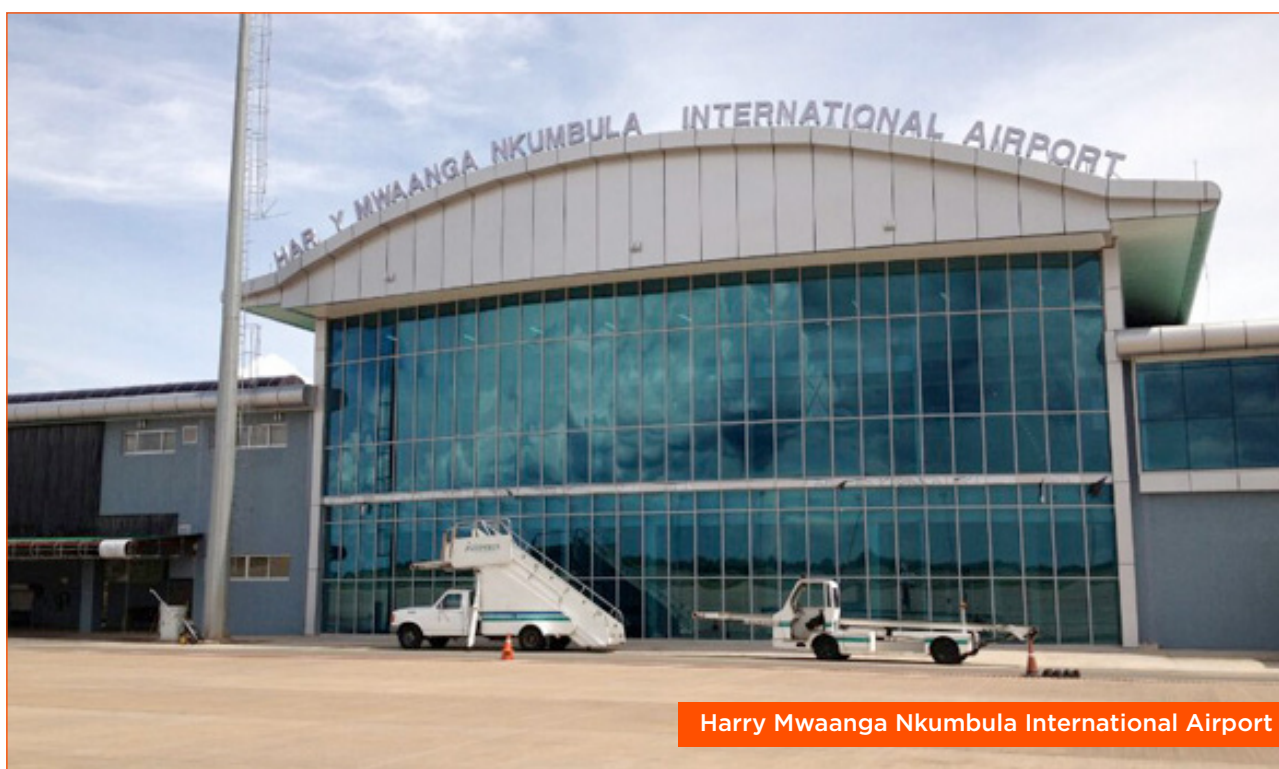
A new greenfield airport with a 2 million passenger capacity is scheduled for Ndola. Financing for this project has been arranged with the Chinese EXIM bank and the tender for construction of Ndola's ultra-modern airport has been awarded in November 2015 to Avic International Holding Corporation at a cost of US\$397 million. The construction of the new terminal in Ndola to start next year is expected to be completed in three years' time.



HARRY MWAANGA NKUMBULA INTERNATIONAL AIRPORT (LIVINGSTONE)

Harry Mwaanga Nkumbula International Airport, or Livingstone International Airport, is the second oldest airport after Simon Mwansa Kapwepwe International Airport but stands out as the pride of the country due to its rehabilitated facilities. With a new terminal building, runway, apron lights and apron, the airport is the focus of the ZACL. Harry Mwaanga Nkumbula International Airport is situated 5km from Livingstone town, the nation's tourist capital, in the Southern Province of Zambia and perhaps more significantly, 15 km from the Victoria Falls, one of the seven wonders of the world. The Airport was built in 1950 for a predominantly domestic market, but the airport infrastructure has been considerably up-graded through major redevelopment programmes undertaken by ZACL.

Currently, the existing airport building has the capacity to handle 250.000 passengers with an actual occupancy of 200.000 passengers per year I 2014. The new terminal building, fully commissioned in October 2015 after some delays, would be able to handle about 700.000 passengers annually. The airport has one primary bitumen runway and one secondary grass runway. The upgrade has been managed by Civilstruts Consulting Engineers and executed by China Jiangsu International (terminal and runway). Dutch company Vanderlande have supplied the baggage handling system to Harry Mwaanga Nkumbula International Airport.



Harry Mwaanga Nkumbula International Airport

MFUWE INTERNATIONAL AIRPORT (MFUWE)

Mfuwe International Airport was opened in mid 70's as a domestic airport to service the South Luangwa National Game Park, which is one of the largest national game parks in Zambia. The airport gained its International status in 1995 when it was gazetted as a port of entry and exit. The airport mainly serves lodges and campsites.

It has a runway measuring 2.2 km long. Its location in the middle of the South Luangwa National Park makes it convenient for flight connections to most tourist destinations in Zambia and in the region. There are daily flights from Lusaka to Mfuwe and direct flights from Mfuwe to Lilongwe. There are plans to provide for additional connections with other tourist destinations like Mombasa, Victoria Falls, Kariba, Harare and Johannesburg. The terminal building has a capacity to handle 100,000 passengers per year, but is currently (2014) operating at under 1/3 of its capacity.

ZACL has partnered with Zambia Tourism Board (ZTB) to promote domestic tourism and encourage Zambians to use air transport. With this plan in place it is targeted to grow passenger numbers from under 30.000 to approximately 300.000 passengers per year at Mfuwe International Airport. To facilitate the growth the government has awarded a US\$122 million tender to China National Complete Engineering Corporation for the construction of the upgrade, with a maximum capacity of 2 million passengers, of the Mfuwe International Airport. This project was awarded in November 2015 and is planned to be completed by late 2017. Negotiations on the scope of work and conceptual design are currently underway.



Mfuwe International Airport

OPPORTUNITIES FOR DUTCH COMPANIES IN ZAMBIA

- Maintenance of high tech systems
- Training of engineering and technical staff
- Airport Consultancy
- Management consultancy

A management consultancy contract for the construction supervision of KKIA is recently awarded, but the contracts for the other construction projects are still to be awarded.

- Upgrades managed by the Ministry of Transport (19 smaller airports)
Airport tenders are published at the ZACL website. (<http://www.nacl.co.zm>)

CONCLUSIONS & RECOMMENDATIONS

It is clear that many of the works for large airport upgrades have already been initiated in cooperation. Because of financing by the Chinese EXIM bank, heavy competition with Chinese firms for large construction work is expected. However, the opportunities could be found in niche products and services and in the support and training of people. For example the engineering team responsible for maintenance of high tech airport systems after delivery currently consists of only four people. Other opportunities are in the field of management and airport consultancy. In the case of non-critical systems and services a challenge could be found in financing. In any case it is recommended to include financing, training and maintenance possibilities (complete packages) in proposals. For example using Develop2Build or other support programmes by Netherlands Enterprise Agency (website). Such an approach could improve chances since there is a growing sense for total cost of ownership as opposed to the approach used in current development projects.

A partnership with local companies is obligatory but could be difficult to realise. Partnering with international firms active in Zambia, such as ADB, SITA or the Chinese partners could also be an option.

The Netherlands have closed its Zambian Embassy in 2013. Its consular activities are now done by the Embassy in Harare, Zimbabwe. The commercial advisor to the Embassy for Zambia, also located in Zambia, is Mr. Nkuruma Chama Kalaluka (+260-976 685373 / chama.kalaluka@nlconsul-zambia.org.zm). Mr. Nkuruma has extensive network and knowledge in Zambia's main sectors: agriculture, transport/logistics and maritime.

OVERVIEW OTHER MARKETS (SADC REGION)

Apart from the main subjects of this fact finding, Mozambique, Namibia, South Africa and Zambia, the SADC region offers various other opportunities for Dutch businesses in the field of airport development and infrastructure. Below a short summary with the main projects can be found per country.

ANGOLA

Angola has one major international airport in the capital city of Luanda. Due to increased economic growth in the country, largely fuelled by oil reserves, a new airport is currently under construction that should be completed by 2017. The new airport, including new cargo facilities, is aimed to have a 15 million per annum capacity and to be a major hub for sub-Saharan Africa to rival Johannesburg - OR Tambo International Airport. The construction of the new airport is in the hands of a consortium of Chinese contractors and the Brazilian based Odebrecht. The project management contract is awarded to the consultancy and construction company Mace. Mace has an office in Luanda, Angola. The USD3.8 billion greenfield project features a 160,000sqm passenger terminal, 6200sqm cargo facility and runways of 4200m and 3800m. Runway work is currently 70% complete, with the main apron already finished. Navigation lighting, the ATC tower and passenger terminal are all 95% finished.

In addition Angola is home to 12 smaller provincial airports mainly servicing domestic flights and few international flights to Windhoek, Namibia.

Airports in Angola are managed by Empresa Nacional de Exploração de Aeroportos e Navegação Aérea (ENANA) (www.enana.co.ao/) which falls under the Ministry of Transport (www.mintrans.gov.ao/).



Luanda international airport

BOTSWANA

Botswana has a total of four major international airports, three minor airports and 15 small airfields with little to no facilities. The four major airports have recently been improved with most of the works (airside, landside and terminal) being completed by 2012. The countries' largest airport, Sir Seretse Khama International Airport, handles almost 250.000 passengers per year (2014). Expansion of the airport, which was supposed to have been completed prior to the 2010 World Cup hosted in South Africa, was only finished early this year and is now scheduled to be developed into an airport city.

More information can be found on the website of the Civil Aviation Authority of Botswana (www.caab.co.bw/).

DR CONGO

As part of The President of the Democratic Republic of Congo, Mr Joseph Kabila's Nationwide policy for development goals and objectives called les 5 chantiers (the 5 sites) with special partnership with businesses from China, a project based on reconstruction and development of infrastructure (Roads, Housing, Bridges, Airport which has been included and has seen much progress from 2009-2015), Education (Primary school, High school and University), Employment Creation, Water and Electricity and of course bettering health, form part of the National Objectives to better the lives of all Congolese as the President deems necessary.

Other partners in some of those projects include: South Africa, Germany (airport development in Goma), Canada (Airport Development), Japan (Health) and France (Airport Development)



DR Congo International Airport

Airport Development: On the 25th of June the Airport of N'djili (Kinshasa, the Countries Economic and Political Capital) was inaugurated by the president of DRC. The Airports restructuring had begun in July 2011 been implemented by Airport-Airport (French Company), and had been co-financed by the Government (14%) and The African Development Bank (86%). The Airport is now able to accommodate international flights, the Director of RVA (Régies des voies Aériennes/The Congolese Airport Authority) stated that much effort will be put forward to also accommodate for passengers to find the same comfort for Domestic flights in the near future.

Recently the critical Air Traffic Control Systems have been improved at three of the busiest airports of the Democratic Republic of Congo: Kisangani Bangoka Airport, Kinshasa N'djili Airport and Lubumbashi Luano Airport. Passenger traffic at Kinshasa N'djili Airport was 787.666 in 2014 and Liège Airport in a joint venture with Aéroports de Paris (ADP) participates in the tender to manage the new passenger terminal at Ndjili Kinshasa Airport in the Democratic Republic of the Congo (RDC) for three years. The construction of the new removable terminal opened in June 2015. It represents an investment of \$21 million and will have a capacity of 1 million passengers.

The World bank in March 2015 under project manager Mohammed Dalil Essakali, also supported the organizational development of Goma Airport in the Eastern part of the DRC, which serves as a vital link to connecting the rest of the country to this area and maintain & support the ongoing peace efforts that have been made in that area.

Important to note that 284 airports are operational across the country, which includes 54 managed by the State, this member of Government has recognized that these airports are characterized by excellence and obsolescence according to the Minister of Transport, Mr. Justin Kalumbu. There are six international airports – namely Kinshasa, Lubumbashi, Kisangani and Goma, Gbadolité and M'buji Mayi. In October 2015 the new national airline, Congo Airways started operating from Kinshasa N'djili Airport servicing five domestic destinations.

CHALLENGES:

- Infrastructure development at slow-pace
- Safety record of air transport at lowest (attempting to make recovery)

LESOTHO

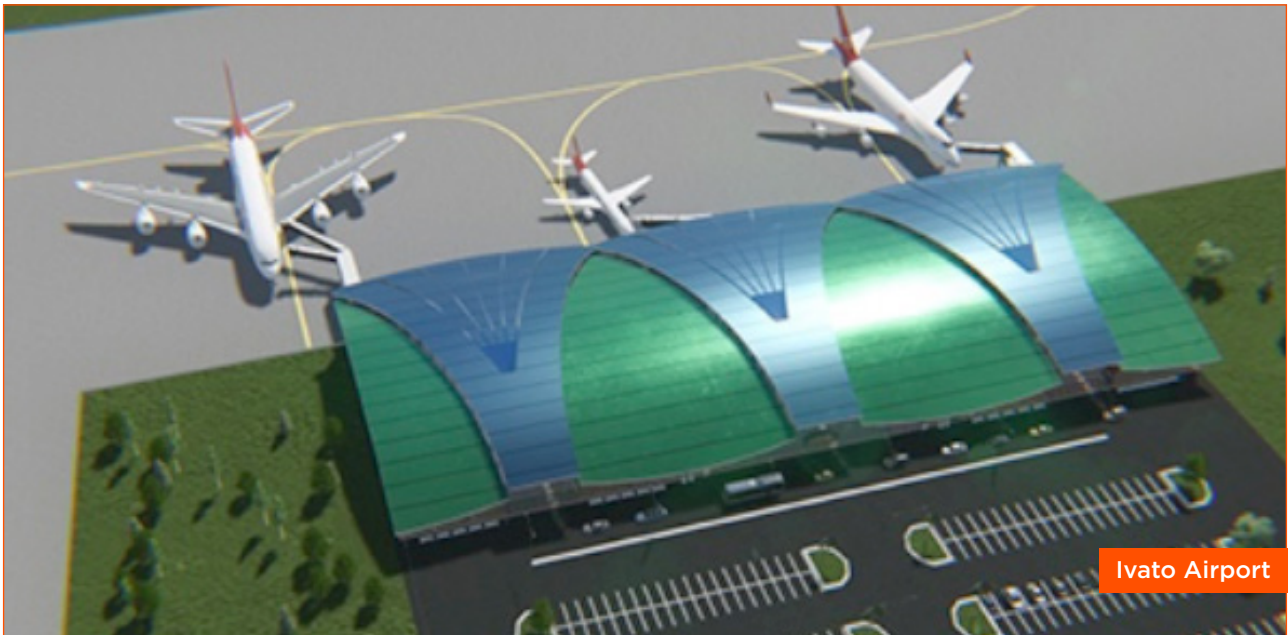
No news could be found on the small airport of Moshoeshoe near the capital city of Maseru. Capacity is approximately 50,000 passengers per year and it only serves two international destinations: Johannesburg and Cape Town.

MADAGASCAR

Aéroports de Paris in consortium with Bouygues Bâtiment International, Colas Madagascar and Meridiam, entered into exclusive negotiations for the public-private partnership contract relating to the operation of Antananarivo and Nosy Bé airports on the island. These airports handled respectively 814,000 and 132,000 passengers in 2014, nearly two-thirds of which were international passengers.

The consortium's offer includes the design, funding and construction of the following facilities: Ivato Airport, Antananarivo

- a new international terminal with an initial capacity of 1.5 million passengers
- the renovation of the existing terminal for domestic traffic
- the renovation of the runway
- a regulatory upgrade



FASCÈNE AIRPORT, NOSY BÉ

- **FIRST PHASE:**

- the extension of the runway
- a regulatory upgrade
- the renovation of the existing terminal

- **SECOND PHASE:**

- the funding, design and construction of a new terminal which will increase the airport's capacity to around 1 million passengers

The consortium led by Aéroports de Paris would operate the two airports during the duration of the concession. It appears that the agreement for a 28 year concession has been signed in July 2015 against a EUR 3 million fee per year.

MALAWI

Investments by the Japanese government and the European Investment Bank allow the Ministry of Transport and Public Works to upgrade Kamuzu International Airport's terminal buildings, surveillance system and safety and security systems such as x-ray screening for cargo and baggage, and improved approach and airfield lighting.

Improvement of safety and security systems are also to be done at the countries' second airport: Blantyre Chileka Airport. This airport already received a runway extension in 2014.

Total investment to be made is almost EUR 75 million.

In addition the establishment of an Airport City in Lumbadzi (main international airport) is planned. The project will involve building an airport city within the vicinity of Kamuzu International Airport. The facilities will include an aircraft hangars, hotel, town houses, a modern air cargo complex, recreation facilities and shopping malls.

MAURITIUS

The island's main airport, Sir Seewosagur Ramgoolam International Airport, serves over 2,7 million passengers annually (2014). A new passenger terminal was inaugurated on 30 August 2013, and became fully operational in September 2013. It is connected to the existing terminal (refurbished in 2014) and has a capacity of 4 million passengers. The new terminal, which cost US\$306 million, is in line with the "Maurice Ile Durable" concept. Environmental and ecological aspects taken into consideration include using solar energy collected by photovoltaic cells, recovering rain water, integrating nature to the heart of the building, and including thermo-insulated facades to reduce heat gain. As indicated in the Aviation Master Plan, ADP will start the construction of a new ATC tower in January 2016 to be finished in 2017.

In addition, the Veling Group opened a new business aviation hangar, with MRO facilities, at the international airport.

Information on recent and upcoming projects can be found on the website of Airports of Mauritius (<http://aml.mru.aero/>).

SEYCHELLES

Seychelles is currently negotiating with the Abu Dhabi Airports Company (ADAC) to build a new airport in its capital Victoria. It is not sure whether this airport will be realised in addition to, or as replacement of the current Seychelles International Airport, handling 771.258 passengers per year. This project is expected to largely boost airport traffic and the number of tourists to the country. Etihad Airways and Seychelles airlines currently operate 14 flights a week from Abu Dhabi to Seychelles airport while Emirates of Dubai operates 14 other flights.

SWAZILAND

King Mswati III International Airport started operations in 2014. This airport is used for most international flights. However UAE based Royal Jet considers taking over the old Matsapha International Airport for chartered operations. No reports on planned upgrades or works could be found.

Information is available on the website of the Swaziland Civil Aviation Authority (www.swacaa.co.sz/).

TANZANIA

The mainland (excluding Zanzibar) has 26 airports. The Tanzania Airports Authority (TAA) operates all the airports except for Kilimanjaro International, which is managed by the state owned Kilimanjaro Airport Development Company (KADCO). Kilimanjaro International and Julius Nyerere International Airport, near Dar es Salaam, are the two main airports. Zanzibar has one international airport: Abeid Amani Karume International Airport. Annual passenger numbers (2014) are 773.199, 2.478.055, and 889.757 respectively. Following the Civil Aviation master plan in 2014 several projects have been initiated.

An expansion of Julius Nyerere International Airport is currently underway and expected to be finished in August 2016 which will raise its capacity to 6 million passengers per year. Both phase one as well as phase two of the project have been awarded to Dutch company BAM International. Total contract value is over EUR 230 million and includes the new terminal 3 building, platforms and taxiways amongst others.

A €37 million design and construct contract for the rehabilitation and extension of Kilimanjaro International Airport (KIA) has also been awarded to Dutch company BAM International in 2015. Works are expected to be completed for the Kilimanjaro Airports Development Company (KADCO) in 2017. The scope of work comprises the refurbishment of the terminal building (built in 1971), the construction of a new parallel taxiway, the extension of the existing apron and taxiways, including repairs on the runway, as well as the drainage and sewage works. Furthermore BAM will install new airfield ground lighting and floodlights along the apron. Funding was partly granted by the Dutch fund ORIO for the development and implementation of this project.

Zanzibar's main airport on the island of Unguja, 'Abeid Amani Karume International Airport' work on the expanded parking apron and extended and resurfaced taxiway, which was part of the ongoing refurbishment and modernization of the airport, was finished in 2015. The terminal expansion and upgrading continues and is expected to be complete by early 2016.

Future opportunities could be the rehabilitation of Sumbawanga Airport and Kigoma Airport as they will raise their runways, taxiways and aprons to bitumen standard. New terminals are to be created along with connecting roads and parking. A further airport is due to be constructed in the Dodoma region. Msalato Airport is a proposed international airport intended to serve the Tanzanian capital. A feasibility study and preliminary design for the airport has been completed and the soliciting of funds for construction is currently underway.

ZIMBABWE

A 2014 report indicated that Zimbabwe plans to have 40 airlines flying into the country by 2018, nearly trebling the current figures. At the country's aviation peak in the period 1999-2003, 34 airlines were flying into Zimbabwe. The number dwindled as the economic crisis prevailing then did not make economic sense for airlines to continue flying into the country. Currently 17 airlines are flying into Zimbabwe. The Civil Aviation Authority of Zimbabwe, which operates the airports, is currently carrying out expansion works at Victoria Falls International Airport and at Harare International Airport. The works at Victoria Falls International Airport are financed by the Chinese EXIM bank and carried out by Chinese company Jiangsu. An increasing number of African airlines will fly to/from Zimbabwe in 2016 including Fastjet and Airlink.

REFERENCES AND USEFUL LINKS

SUPPORT BY GOVERNMENT AND INDUSTRY ASSOCIATIONS

This fact finding has been executed by the NAG, the Dutch trade association for aerospace and airport development, and SANEC, the Southern African - Netherlands Chamber of Commerce. The network that was used for and created for this fact finding is available to Dutch companies interested to do business in the SADC region. Both organisations also organise trade missions and matchmaking visits for Dutch companies. For more information and for an agenda of trade related activities focussed on the region please visit the websites of these non-profit organisations.

www.nag.aero

www.sanec.org

The Netherlands economic government network in the SADC region also offers a number of products and services that can help prepare and establish business. These services focus on providing market information, identifying potential partners and advising on setting up business in the region.

TRADE REQUESTS

Do you have a trade request about doing business in the SADC region? The Embassies are more than happy to assist. Besides offering concrete answers to your questions relating exporting and investing abroad, they can also assist you in efforts to discover potential market opportunities.

BUSINESS PARTNER SCAN AND MATCHMAKING

A business partner scan gives you an overview of potential business partners in your target market. These partners can be agents or distributors, but also manufacturing partners. The network looks for parties that meet your specified criteria and are interested to work with you. Further information on: www.rvo.nl/onderwerpen/hoi/netwerkpartners-zoeken/internationale-zakenpartners/zakenpartnerscan (in Dutch).

COMPANY CHECK

The Embassies can run a company check at the request of Dutch companies about a potential business partner. The check verifies if the company is legally registered with a local authority.

SUPPORT TOOLS

The Embassies, SANEC and NAG work closely together with organisations and ministries in the Netherlands. For example with RVO (www.rvo.nl), which has several tools to support Dutch companies with ambitions abroad, both starting and seasoned entrepreneurs.

SOURCES & USEFUL LINKS

RESOURCES & USEFUL LINKS

- Flightglobal (www.flightglobal.com)
- Aviation Week (<http://aviationweek.com/>)
- African Aerospace (www.africanaerospace.aero/)
- African Aviation (<http://www.africanaviation.com/>)
- Air Cargo World (<http://aircargoworld.com/>)
- Air Cargo News (www.aircargonews.net/)
- Logistics Update Africa (www.logupdateafrica.com/)
- Airport World (<http://www.airport-world.com/>)
- Albatross Airports Database (<http://www.airport-information.com/>)
- Momberger Airport Information (<http://www.mombergerairport.info/>)
- NAG (www.nag.aero)
- SANEC (www.sanec.org)
- RVO (www.rvo.nl)

SOURCES

- SADC Secretariat – Infrastructure & Services Directorate (www.sadc.int)
- Lovemore Bingandadi – Program Manager Transport & Corridors

MOZAMBIQUE

- Aeroportos de Mozambique (ADM) (www.aeroportos.co.mz/)
 - Aeroporto – Magazine of ADM
 - Sandra Ganancio – Commercial and Marketing Director
 - Palmira Chilundo – Board member ADM
- Royal Haskoning DHV / NACO (South Africa)
 - Marcel Langeslag – Project Manager
- LAM Aircraft Appearance LDA
 - Bert Bezuidenhout – CEO

NAMIBIA

- International Civil Aviation Organization (www.icao.int/)
- Namibian Airports Company (www.airports.com.na/)

SOUTH AFRICA

- Airports Company South Africa (ACSA) (www.acsa.co.za)
 - Bongive Pityi – General Manager ORTIA
 - Adele Klingenberg – Manager Infrastructure Planning & Integration CPT
 - Jacqui Ferreira – Operations specialist CPT
 - Christa Soltau – Group Manager Cargo
- Coega Development Corporation
 - Mr Sadick Davids – Manager Business Development
- SAA
 - Sylvan Bosc – Chief Commercial Officer (*currently suspended)
- Department of Transport (DoT)
 - Vuwani Ndwamato – Director Air Transport
- North West Development Corporation
 - Davis Sadike – Projects Executive Special Economic Zone (SEZ)
- Ekurhuleni Aerotropolis (City Planning Department)
 - Mr. Pieter Swanepoel – Divisional Head: Specialist Projects
 - Mr. Edward Komane – Divisional Head: Industrial Investment Facilitation
- Kwazulu Natal Trade & Investment
 - Praline Ross – Project Manager
- Dube Trade Port
 - Taryn Miller

ZAMBIA

- Zambia Airports Corporation Limited (ZACL) (www.nacl.co.zm/)
 - Prince Chintimbwe – Director Airport Services
 - Reuben Muwapela – Manager Engineering Services
 - George Chisala – Senior Civil Engineer
- Civil Aviation Authority
 - Adam Daka – Director Aerodromes
- Ministry of Transport, Works, Supply and Communications
 - Nelson Nyango – Director Department of Transport
- Proflight Zambia
 - Captain Philip Lemba – Director of Government and Industry Affairs
- Netherlands Embassy (Zimbabwe)
 - Nkuruma Chama Kalaluka – Commercial Advisor to the Embassy (for Zambia)

TRADE FAIRS AND EXHIBITIONS

In the SADC region various exhibitions take place in the field of aviation and airport related areas. The main events are:

Africa Aerospace & Defence – South Africa
(www.aadexpo.co.za)

Africa Airport Expansion Summit – various locations
(<http://africa.airportexpansionsummit.com/>)

Airport Infrastructures & MRO Aviation Meetings Africa – Ethiopia
(www.bciaerospace.com/ethiopia/)

Airports Show Africa – South Africa
(<http://www.terrapinn.com/exhibition/airports-show-africa>)

MRO Africa – various locations
(www.africanaviation.com/)



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