

Dubai Airport presents its 'revolution' to cost \$32bn



Attendance at the first session of day two of the MEADFA conference, was impressive once again, following a lively bash, which was enjoyed by all at the Gala dinner hosted by Dubai Duty Free on Monday night.

It was revealed (later on in the day) that delegate numbers reached a nice round 600 almost 100 more than last year in Doha.

Paul Griffiths, CEO of Dubai Airports, kicked off proceedings on day two with a presentation which honed in on the topic of capacity. Naturally the spotlight fell on Dubai World Central (DWC) airport, which will eventually have the capacity to serve 240m passengers.

A well-known figure in the industry and an excellent public speaker, Griffiths appeared to hold the attention of the room providing examples of the fast pace at which human endeavour is moving which included technological advancements such as the smartphone.

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He set the context for his presentation by illustrating that in 1993,

Dubai ranked 44th in terms of international passenger traffic and in 2014 it is vying for the number 1 position; quite a remarkable transition.

Paul Griffiths, CEO of Dubai Airports.

He brought up the fact that when one of Dubai International's runways was out of action for 80 days, the airport lost 32% of its total capacity. However, Griffiths was keen to point out that the company still expects to end the year with 71.8m passengers representing an increase of 9.2%

"So our sights are very firmly set on overtaking Heathrow's position as the world's busiest international airport," said Griffiths. "We have an unwavering vision to build not just an airport, but an engine of economic growth vital to the growth of this city."

He also brought up the fact that during the recession everyone thought that Dubai would falter, but instead it embarked on an 'ambitious programme' to expand assets at Dubai International by 50% within the same footprint.

It was then that he pointed out that lots of people make a misassumption about the term capacity. Increasing capacity is normally associated with additional costly infrastructure, he said, but Dubai had to come up with a very intelligent hybrid solution that did not necessarily rely on the addition of hundreds, or thousands of square metres.

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"We're well on track for fulfilling our mission to never constrain the growth of aviation here in Dubai. We have had to adapt and grow," added Griffiths.

It was then that he made the natural link to the topic of DXBs Concourse D, which will be the home of the airport's overseas airline partners. "It's the zenith of our US\$7.8bn SP2020 development programme and will have capacity for 15m passengers, 17 additional gates and will be linked to Terminal 1 by a rather flashy looking automated people mover," said Griffiths.

He also said that everyone needs to look at more non-build solutions to keep up with Dubai's thirst for growth. He suggested that in future our problems of capacity will not be linked to physical infrastructure. Physical check-in, security and immigration etc will be a thing of the past, countering the problem of space constraints and boosting capacity. He said that a customer-centric service needs to be the innovation for the future and that it's not an evolution that is currently happening in Dubai; it's a revolution.

However, Griffiths said that although "it's very aspirational to say 'we are creating the world's largest airport', what we don't want is to create the world's longest walking distances between gates". He warned against creating a daunting and impersonal experience [something which other airport landlords in the region all need to consider when opening new terminals or airports-Ed].

The initial phase of Dubai World Central, Al Maktoum International - which will become the exclusive home base for Emirates - is planned for the first half of the next decade with an initial capacity of a 120m passengers, which in time will be expandable to 240m when complete.

With such a large amount of space Griffiths said that the design challenges are multi layered. There is the railway system to consider and wayfinding will be a top priority, along with the efficiency of passenger processing.

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However, Griffiths admitted that an investment of \$32bn is required to increase capacity to 120m and has to be spent before a single passenger walks through the door. It is unclear, at this stage, how this amount will be generated.

It is imperative, therefore, that the investment is supported by a very strong commercial performance. The new airport is also under pressure from impressive new structures in Abu Dhabi, in Doha and Istanbul.

Dubai Duty Free Senior Vice President IT and Logistics Ramesh Cidambi then joined Griffiths on stage for a Q&A session in which he revealed that when Phase 1 is complete Dubai Duty Free will govern 1m sq ft of retail space.

Over 30 years, Cidambi said that DDF has made \$16bn in sales in over 200m transactions, but over the next 30 years the company will oversee an evolution in retailing.

He also pointed out that although there will be a focus on luxury and on premiumisation, he noted that it was important to be mindful of 'core consumers'. He also conceded that it is difficult to know what's going to happen in the next decade and decide what passengers will want.



And although their Click and Collect service did not see the uptake that it expected, it is nonetheless the job of the retailer to provide all retail solutions and keep up with technological advancements.

Griffiths addressed a question from the audience in relation to the air space capacity problem in the UAE. "Air space discussions are no where near as advanced as they are in Europe and US," he said.

But although he said that there is lots of inefficiency in the air, Dubai is not just serving its own city; it is competing globally for traffic as an intercontinental hub, stealing business from other hubs, such as London Heathrow, which hasn't built a single runway for 70 years.

It was a shame that during the session – and in fact for the duration of the conference – that more questions were not posed by the audience. The event iPads provided the perfect solution for those too intimidated to put their hands up, but many delegates felt like *their* questions may not have been getting through or were simply not asked.

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But it was certainly appreciated that MEADFA was thinking out of the box, in terms of audience interaction and had really listened to feedback from delegates at previous conferences. However, the introduction of the event iPads perhaps needs to be rethought for future events.

More conference highlights to follow in the coming days.

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