

Interview: Abdulaziz Al-Asaker, Riyadh Airports Co

Riyadh Airports Company (RAC) has pledged a never-seen-before commercial spread at King Khalid International Airports (KKIA) Terminals 3 and 4, which are currently being refurbished and set to soft-open by the end of this year.

In a wide-ranging video interview, Abdulaziz Al-Asaker, Acting VP Commercial at RAC, shared his thoughts with TRBusiness on the pace of the recovery being felt at KKIA, aided by the Kingdom of Saudi Arabias (KSA) recent lifting of Covid-related travel restrictions for visitors.



RAC is targeting a soft opening of the newly refurbished Terminals 3 and 4 by the end of the year.

It is really exciting to speak about Terminals 3 and 4 a landmark when open, commented Al-Asaker. We are targeting a soft opening approximately by the end of this year and this will contribute to our passenger and customer experience. They will see a retail and duty free offer in the terminals which they will have never seen in Saudi Arabia, or the region.

Similar to any construction project during the pandemic this contributed to the delay of lots of activities. We are determined to open this year. It will be a masterpiece.

We are working very closely right now with our duty free partner Lagardère Travel Retail to introduce the best in the market when it comes to brands and offering. We are attracting international brands, introducing unique outlets and the offer should match the level of the terminals itself for the best customer experience.

BEST-IN CLASS, NOTHING LESS

The General Authority of Civil Aviation (GACA) announced the development project for Terminals 3 and 4 in 2019.

Once open, the terminals will be able to accommodate 11 million passengers annually for international flights.

Commercial space across the terminals, including zones allocated to duty free, is set to double.

Currently, Terminals 1 and 2 serve overseas flights through international carriers and domestic carriers, respectively.



Abdulaziz Al-Asaker, Acting Vice President Commercial at RAC, discussed KKIA's recovery path and the huge underlying growth potential for the Kingdom of Saudi Arabia's aviation sector in an exclusive video interview.

Terminal 3 previously handled domestic traffic but closed in 2016 [*and has remained closed since*] when the latest Terminal 5 opened.

Last year, RAC invited bids for commercial units at Terminal's 3 and 4 after issuing request for proposals.

These included (*but were not limited to*) 10 retail units among which are travel essentials, pharmacy, gifts, fashion & accessories, and electronics units.

TRBusiness has learned that RAC has now moved into the awarding phase of the RFP.

We will not accept [anything] less than best in class outlets and shops in the new terminals, said Al-Asaker.



**Abdulaziz Al Asaker, Acting Vice President
Commercial at RAC.**

NORTH STAR VISION

Al Asaker also touched on Saudi Arabia's dynamic and transformative aviation landscape, one that is liberalising by opening up to increased competition, while facilitating enhanced connectivity and fleet expansion.

The Aviation Strategy dovetails with the KSAs dynamic and highly geared ambition towards investing in its aviation and tourism industries in line with the governments much-touted Vision 2030, as it seeks to diversify its economy away from a reliance on oil revenues.

Cascading through the Vision is the forward-looking Aviation Strategy, with reports in recent months citing GACA putting aviation's contribution to the Kingdoms GDP at more than \$74 billion by 2030, as it aims to attract 100 million tourists by that date.

This aligns with a goal to position the aviation sector as the number one in the Middle East by serving 330 million airline passengers annually by 2030.

Acknowledging the 'very ambitious' passenger traffic target, Al-Asaker said: Part of the 2030 vision is to bring tourists for entertainment and religion, not to mention the natural growth that we will have. Riyadh Airports will contribute 30% of this number.

As reported, KKIA has enjoyed healthy duty free sales rises in the past six months, with February revenues soaring by 33.5% compared with the same month in 2019.

The operator says the sales recovery witnessed across its existing outlets coupled with the expected opening of the refurbished Terminals 3 and 4 and the wider Vision 2030 strategy bodes well for the airport's growth prospects.

Duty free sales have increased tremendously in the past few months; the recovery is coming back very strongly with appetite for passengers to travel, continued Al-Asaker. Im sure this year we will double the numbers. We have huge plans to increase duty free and the sales.



Lagardère Travel Retail is the exclusive duty free operator at KKIA Terminals 1 and 2.

In February, RAC introduced a new online shopping service at KKIA T5.

Click and collect is available through Aer Rianta International partner Ahlan Avenue, which operates duty paid services at T5.

Stay close to TRBusiness for the full video interview with Abdulaziz Al-Asaker, available soon.