

Clark airport contract bidding seen in May

Operation and management deal is second part of hybrid PPP scheme

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The Duterte administration could launch by next month the auction terms for the operations and maintenance (O&M) of Clark International Airport in Pampanga province.

The target was disclosed by Darwin Cunanan, assistant vice president for strategic development and corporate management for state-run Clark International Airport Corp.

He said the launch of the O&M project could happen by May. This will allow private sector players to bid for the right to operate and maintain Clark Airport, which is being positioned as an alternative to Manila's congested Ninoy Aquino International Airport.

The Clark Airport project is being implemented by the Department of Transportation and the Bases Conversion and Development Authority.

The O&M bidding is the second part of a so-called hybrid public-private partnership (PPP) model that was adopted for Clark Airport.

The first step involved tapping the private sector to construct a new passenger terminal that would triple capacity at Clark Airport to 12 million passenger annually. The new terminal is expected to be finished by the second quarter of 2020.

Megawide Construction Corp. and India's GMR Infrastructure, which earlier expressed interest to participate in the Clark Airport O&M bidding, won the auction to build the new terminal late last year.

Due to the hybrid policy for Clark Airport, the government had rejected several unsolicited proposals from the private sector, including those from Megawide-GMR and Metro Pacific Investments Corp.

More recently, it turned down the second offer of Filinvest Development Corp. and JG Summit Holdings to develop and operate Clark Airport to the tune of almost P840 billion.

The Duterte administration wants to increase capacity at Clark Airport, which it sees as a viable alternative to Naia. It is also moving forward with a Japan-funded railway system that will link Manila and Clark by 2022.

Naia handles more than 40 million passengers a year, well above its design capacity of about 31 million passengers. Congestion on its two intersecting runways also curtails further growth and causes flight delays.

Aside from Clark, a

group made up of the country business tycoons has offered to rehabilitate and operate Naia. Consortium members include Ayala Corp., Aboitiz Equity Ventures, Andrew Tan's Alliance

Global Group Inc., Lucio Tan's Asia Emerging Dragon, Gotianun-led Filinvest Development Corp, Gokongwei-led JG Summit Holdings Inc. and Manuel V. Pangilinan-led Metro Pacific Investments Corp.

The consortium submitted its offer for Naia on Feb. 12, 2018. Another offer was submitted a week later by Megawide Construction Corp. and GMR Infrastructure of India.

The San Miguel conglomerate, which is not part of the Naia consortium, is also proposing to build an international airport in Bulacan. It has hurdled initial government assessment and is nearing the grant of original proponent status. The project proposal is just awaiting approval of the Neda Board, which is chaired by President Duterte.

Another group is also looking at an airport project in Sangley in Cavite province.