IFC MARKS INAUGURATION OF NEW SAUDI ARABIA AIRPORT

It was announced from Cairo on 26 July that IFC, a member of the World Bank Group, reported the inauguration of Saudi Arabia’s new award-winning Medina Airport that day. This was the result of a pioneering public-private partnership project under IFC’s supervision as Lead Advisor.

The $1.2 billion eco-friendly new airport was inaugurated by King Salman bin Abdulaziz Al Saud. IFC helped Saudi Arabia’s General Authority of Civil Aviation (GACA) structure the PPP, the first of its kind in a Gulf Cooperation Council country. The 25-year deal was awarded to a consortium comprising TAV Airports Holding of Turkey, Al Rajhi Holdings, and Saudi Oger in 2012.

Dr. Faisal Al-Sugair, Vice Chairman and Vice President of GACA, said: ‘Medina Airport is a clear example of the merits of introducing private sector involvement in the field of aviation. The project has been delivered ahead of time and within budget, and has already won a number of awards. I am delighted that we have enhanced our ability to welcome an increased number of visitors to Medina at a higher level of service.’

The new airport has been recognized for its innovative eco-sustainable design, having been awarded a prestigious Leadership in Energy and Environmental Design (LEED) Gold certificate by the US Green Building Council – the first for an airport in the Middle East and North Africa (MENA) region. It also won the 2015 Routes Marketing Award for best airport in MENA in the 4-20 million passengers category.

Said Mouayed Makhlouf, IFC Regional Director for MENA region: ‘As the first PPP airport in the GCC that was awarded through a transparent and competitive tender, we expect this project to stimulate further interest from the private sector in this sector and others. GACA should also be commended for leading the region in terms of sustainability in this area.’

Under the project, the airport’s facilities were replaced with a new larger modern terminal to accommodate an expected sharp growth in religious passengers. It will serve an estimated eight million passengers annually in its first phase – double the previous capacity – and 16 million passengers by 2034.

IFC is currently advising GACA on two additional airport projects; an operation and management concession at King Abdulaziz International Airport in Jeddah, and a greenfield development for a new international airport in Taif, to further improve capacity and service standards for the country.
The initiative is part of IFC’s Public-Private Partnership program, which aims to provide people across the Middle East and North Africa with access to clean water, steady power supplies, safe roads, and other infrastructure essentials through joint efforts between governments and the private sector.

**About IFC**

IFC, a member of the World Bank Group, is the largest global development institution focused exclusively on the private sector. Working with private enterprises in about 100 countries IFC uses its capital, expertise, and influence to help eliminate extreme poverty and boost shared prosperity. In FY14 TFC provided more than $22 billion in financing to improve lives in developing countries and tackle the most urgent challenges of development.

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