

**MINISTERIAL STATEMENT**  
**HON. IAN GOODING-EDGHILL**  
**MINISTER OF TOURISM AND INTERNATIONAL TRANSPORT**

**MEMORANDUM OF UNDERSTANDING WITH THE DUBAI-LED**  
**CONSORTIUM FOR A**  
**PUBLIC-PRIVATE PARTNERSHIP**  
**FOR THE INVESTMENT, DEVELOPMENT AND OPERATION OF THE**  
**GRANTLEY ADAMS INTERNATIONAL AIRPORT**

## **Introduction**

Mr. Speaker as you and other Barbadians are now fully aware, the Government of Barbados recently signed a Memorandum of Understanding with the Government of the United Arab Emirates (UAE) that will see a Bds\$300 million investment in the further modernization, expansion and upgrading of the Grantley Adams International Airport (GAIA Inc.) and the awarding of a concession for the management of GAIA Inc.

Mr. Speaker, the Government has made well known its intent to set about a mission of transformation and growth. We have launched a mission to make Barbados world-class. A mission to make a country of opportunity and prosperity for its people.

A core part of this mission has come with ambitious targets for economic growth through physical development of our island.

Mr. Speaker, like you, I am excited by the work that is being undertaken to build new sectors - the life sciences, the ocean economy and the internet economy which will provide many opportunities for Barbadians. But, Mr. Speaker while we build new sectors we must also build our core business - tourism.

Mr. Speaker, to achieve our goals for growth - we must expand our earnings from tourism. We need more people visiting Barbados, more people spending in Barbados and more people investing in Barbados.

Mr. Speaker, airports which play a pivotal role in all economies have to remain relevant, competitive, appealing and financially successful in order to be able to fully play their crucial role in contributing to the continued economic and social growth and development of our Nation.

As a result, the Government of Barbados recognizing these determining factors, promptly decided to explore, through

discussions the best possible method of achieving a number of urgently needed improvements at the Grantley Adams International Airport.

Through GAIA, we have finalized the key terms with the signing of the MOU on 18 July 2023 with the Office of H.H. Sheikh Ahmed Dalmook Al Maktoum, an entity registered and incorporated in the UAE along with Agencias Universales S.A., a company incorporated in Chile, and will now be negotiating the Concession Agreement over the next 90 days.

Mr. Speaker, there has been considerable public discussion about all aspects of the negotiation process and even its conclusion. As a matter of fact, there was even misinformation circulating to the effect that Grantley Adams International Airport had been sold to a private entity.

Mr. Speaker, the airport has not been sold and **will not** be sold. I make it clear that the airport very much remains the sole property of the Government of Barbados on behalf of its citizens. In addition, the agreement is a state-to-state arrangement, meaning

that the contract is governed under the Government of Barbados and the United Arab Emirates, UAE.

Mr. Speaker, not only is the asset remaining the property of Barbados but additionally, the people of Barbados, through the staff of the Grantley Adams International Airport, will have the opportunity to become individual shareholders in the entity.

I wish to also take the opportunity to emphasize again that the airport will remain the property of the GAIA Inc. whose sole shareholder now is the Government of Barbados.

Indeed, Mr. Speaker our policy is NOT that of the previous administration who had announced that it was it's Government's policy to divest a percentage of the shares in the company, GAIA Inc.

The Government has no intention of divesting its legal responsibility for border security which will always remain under the auspices of the Government of Barbados and its national security agencies.

Mr. Speaker, in order to remove any semblance of doubt, I will now provide a more detailed account of the step by step negotiating process that climaxed in the happy outcome for Barbados and Barbadians.

Shortly after coming to office in 2018, the Government of Barbados was desirous of upgrading the infrastructure and enhancing the customer experience of the Grantley Adams International Airport Inc. to achieve and maintain the highest international standards.

The leadership team at the Grantley Adams International Airport pointed out that following a period of significant underinvestment, the airport urgently required substantial upfront investment to upgrade and modernize its facilities and operations.

Mr. Speaker, it should be remembered at this time, that upon assuming office the Government entered an IMF programme under which Barbados was unable to finance the cost of the required upgrades out of its own financial resources. In fact, the

Government was unable to finance the investment without having to divert essential resources from road repairs, education and health services. GAIA Inc. does not have that capability on its own balance sheet and was therefore mandated to seek a suitable source of finance for the required improvement programme.

The investment is needed to provide for:

- Replacement of the incinerator
- Replacement of the wastewater treatment plant
- Isolated aircraft stand
- Replacement and upgrade of mechanical and electrical infrastructure
- Purchase of electrical vehicles and buses
- Enclosure and Air-conditioning of the Departures Ticketing Hall
- Expansion of the Departures seating area including the installation of a 2nd floor
- Reconfiguration and expansion of the airside retail area
- Reconfiguration and upgrade of the departures security screening area including replacement of scanners

- Reconfiguration of the arrivals concourse to prevent mixing of arriving and departing passengers.
- Replacement and upgrade of baggage belts and security scanners
- Replacement of roof waterproofing
- Upgrade and expansion of CCTV systems and intrusion detection, and
- Passenger Boarding Bridges

Mr. Speaker, it must be appreciated that without expansion the Airport could not easily service that quantum of debt without government guarantees. This meant certain strategic decisions have had to be taken, to lift the Grantley Adams International Airport out of the financial, infrastructural and operational well into which it had been allowed to fall, through the failure to provide sufficient investment to lead to growth.

The decision to seek the \$300 million in investment was recommended by the Board of Directors of Grantley Adams International Airport.

## **The IFC as advisor**

Let me now address the history of this matter. As I said earlier, the previous government denounced a decision to divest a percentage of the ownership of GAIA Inc. This Government did not and will not divest the ownership of GAIA Inc.

The Cabinet, at its meeting of February 14, 2019, among other things agreed, that Grantley Adams International Airport Inc. (GAIA Inc.) should take steps to enhance its commercial operations, and to enter into a public-private partnership (PPP) with an experienced airport operator; and that the International Finance Corporation (IFC) should be engaged as Lead Advisor to the Government of Barbados in the designing and structuring of a Proposal for a Public-Private Partnership for the development of Grantley Adams International Airport.

To this end, a Financial Advisory Services Agreement (FASA) was signed on May 22, 2019, between the IFC, a member of the World Bank Group, and GAIA Inc., for the IFC to provide advisory services for the transaction.



The specific objectives of the project were:

- i. improving and expanding GAIA's infrastructure to meet current and future demand;
- ii. introducing private sector management to improve operational efficiencies;
- iii. improving service quality standards in line with international best practices;
- iv. enhancing the passenger experience;
- v. positioning GAIA Inc. as the airport of choice for interconnectivity within the Eastern Caribbean; and
- vi. mobilizing private sector investment in airport infrastructure.

Between May 2019 and January 2020, the first phase of the project was completed with the approval of the Transaction Structure Report by the Cabinet on January 16, 2020.

Along with the approval of the Transaction Structure, the IFC was also given approval to proceed to the second phase of the project,

which commenced with the issuing of the Request for Qualification on February 03, 2020.

Shortly thereafter, Barbados, and the world at large, was impacted by the Covid-19 pandemic which resulted in lockdowns and a contraction in the air transport sector. Whilst causing delays in the PPP project, there were also changes to the economic outlook and traffic forecast on which the financial model for the PPP transaction was built.

### **Onset of Covid-19**

Grantley Adams International Airport which has seen an BDS\$8 million dollar profit in the financial year ending March 2020, went on to, in its first full financial year after the onset of the Covid-19 pandemic in 2021 to record a net loss of BDS\$43.5 million dollars. Against this background, passenger traffic fell to 179,418 in 2021 compared to 2,204,842 in 2020.

I must point out that in spite of the negative financial situation due to the Covid-19 pandemic, the Government of Barbados through GAIA Inc. decided to keep all employees in work by maintaining a full complement of staff at full salary as its

commitment to workers. No employee was laid off, either temporarily or permanently or placed on reduced working hours during the entire period.

### **Restructuring of the transaction**

Following discussions between the Board of Directors of GAIA Inc. and the IFC, it was proposed that the modelling and projections related to the transaction should be reviewed prior to the issuance of the Request for Proposal.

The Cabinet, at its meeting on August 20, 2020, approved the undertaking of additional work. This additional work included reforecasting of traffic; undertaking a demand analysis for the short to long term; reviewing the investment programme; and updating the financial model.

Along with the additional work, the Government of Barbados/GAIA Inc. and the IFC also discussed revisions to the transaction to secure the best financial benefits for Barbados and GAIA Inc. Some of the issues considered included:

- i. Whether or not there should be an upfront fee given that if an upfront fee was paid it would result in a lower annual concession fee;
- ii. The quantum of capital investment to be undertaken especially for mandatory investment and what should be included in the mandatory capital works;
- iii. The period of the redundancy freeze;
- iv. The level of the annual concession fee to ensure that GAIA Inc. would be able to meet its financial obligations;
- v. The risk of tendering in an uncertain economic environment
- vi. Methods of ensuring that Barbados benefits from any performance above that which was forecast. Revenue share mechanisms and uplift and rebalancing clauses were discussed.

Also discussed was whether the transaction should proceed or be delayed for six to nine months to allow for further recovery. Further revisions were also made to the market analysis, traffic forecasts, investment programme, and financial model in December 2021 to update the revisions made in September 2020.

During the period of restructuring, two rounds of one-on-one consultations were also held with prequalified bidders during September 2020 and October/November 2021 to discuss the proposed changes to the transaction structure. Following the consultations, prequalified bidders provided feedback.

### *College of Negotiators*

At a meeting on June 17, 2021, the Cabinet approved the establishment of a College of Negotiators who reviewed the transaction as it was then and met with the IFC in July 2021 to discuss its concerns. These included:

- i. Level of investment – IFC’s recommended investment to request from bidders was **substantially below** that which GAIA felt was necessary and would postpone the investment date by several years into the concession
- ii. Level of revenue share – IFC’s recommended sharing level was well below that attained by other governments in the region and world. It also did not cover the financial obligations of GAIA Inc. for the critical initial period during the IMF program

- iii. Selection of the winning Bidder – the College of Negotiators requested that qualitative criteria be included in the evaluation process. It was also noted that some flexibility should be built into the evaluation process to maximize total benefit.

This meeting was followed by Bidders' consultations held during October and November 2021. Representatives of the College were on the delegation which met virtually with Bidders. Bidders were generally of the view that mandatory capital investment should be tied to traffic recovery. The issue of boarding bridges was no longer considered by the bidders as an essential investment and they were no longer in favour of an upfront fee.

### **Comparative Analysis**

The Government of Barbados and the Government of the UAE later signed a Memorandum of Understanding for Cooperation on August 4, 2022 for cooperation in air transport and tourism, marine transport and renewable energy. Pursuant to that MOU, a UAE-led consortium expressed interest in investing and managing the airport.

During the same period, the GOB had had discussions with the United Arab Emirates about the possibility of state-to-state investments. The relationship between GOB/GAIA Inc. and the Dubai-led consortium includes the development of cargo, massive new potential for airlift via Emirates or other major operators and luxury hotels.

Further, the board of GAIA Inc. enquired of the IFC whether the prospective bidders which were involved solely in the operation of airports, would be interested in investing in cargo and hotels. They indicated they were reluctant to extend their investment beyond airport operations.

Initial discussions with the United Arab Emirates confirmed the information GOB and GAIA Inc. had obtained showing that the levels of investment and revenue sharing which IFC believed would then be achieved under an RFP process were too low.

GOB/GAIA Inc. felt at that time, that in the event that there were alternative ways which permitted us to secure the financial

benefits and mitigate financial risks (without the uncertainty that the Bid process would deliver), and the corresponding costs required, then those should be explored by a process of direct negotiations once it yielded better results than the guidance he IFC was indicating to GAIA Inc. By terminating the Financial Advisory Services Agreement, GOB/GAIA Inc. was giving itself the scope to discuss and explore alternative options which would best attain the original economic objectives of the transaction.

The Board of GAIA Inc. accordingly approved the termination of the Financial Advisory Services Agreement which was noted by the Cabinet at its meeting on September 8, 2022. Termination of the Financial Advisory Services Agreement was effective October 13, 2022.

### **Exploration of UAE Investment**

After the termination of the Financial Advisory Services Agreement the GOB/GAIA Inc. pursued direct negotiations with the UAE State-to-State option.



A negotiating team was convened to enter negotiations with the Office of H.H. Sheikh Ahmed Dalmook Al Maktoum, a Dubai-led consortium. The members of the negotiating team are:

- i. Professor Avinash Persaud, Special Envoy on Investment and Financial Services
- ii. Dr. The Hon. Jerry Emtage – Chairman, GAIA Inc.
- iii. Mr. Michael Holder – Chairman, Barbados Aircraft and Aviation Services Co. Ltd. and Board Member of GAIA Inc.
- iv. Mr. Hadley Bourne – CEO, GAIA Inc.
- v. Ms. Diane Shurland – CEO, Barbados Aircraft and Aviation Services Co. Ltd.
- vi. Mr. Sebastian Espinosa – Managing Director, White Oak Advisory Services
- vii. Mr. David Nagoski – Executive Director, White Oak Advisory Services
- viii. Ms. Gale Yearwood – Project Coordinator, GAIA Inc.

The goals of the negotiations also focused on exploring how best to attain the original economic and social objectives of the transaction.

Several rounds of talks were held with the Dubai-led consortium between September 2022 and May 2023 leading to the drafting of Heads of Terms and an MOU on airport operations.

The Dubai-led consortium's technical team included Agencias Universales S.A. (Agunsa) of Chile. They made site visits to Barbados during October and November 2022.

Mr. Speaker, it is important to note the Government had made known its intention to enter direct negotiations with this consortium as far back as late 2022 in a Social Partnership meeting at the Garfield Sobers Gymnasium. GAIA Inc. also shared the details of the proposed MOU with all of the various representatives of the workers. Now that GAIA has signed the MOU, it will ensure that the broader public as well is aware at the earliest possible point in the negotiation.

It should be noted that non-disclosure agreements were signed by both parties, since any premature revelation of information could have potentially jeopardized the deal.

The Parliament must be aware that such action is not unique to these negotiations but rather a standard protocol for any negotiation anywhere in order to protect all parties involved. It is important to keep sensitive information confidential to ensure that negotiations are not compromised, and that the best possible outcome can be achieved.

Mr. Speaker, while this government values its good relations with global partners, more than anything else, we value getting the best and fairest deal possible for the people of Barbados. Mr. Speaker, GAIA Inc. with the knowledge and consent of the sole shareholder, the Government of Barbados, believed that direct negotiations was the best route to go given a complete collapse of air traffic and the revenue earned therefrom in 2020 and 2021. GAIA Inc. and the Government as the sole shareholder believed that this would yield the best results for GAIA Inc. and by extension the workers and the country.

Mr. Speaker, our rules allow for the direct negotiations where there is urgency. In an environment where GAIA Inc. received minimal revenue, you will agree with me that this was a classic definition of a crisis requiring urgent investment if the Government was not to have been forced to redirect money from other critical areas, such as road repairs and the provision of educational and health services.

The Negotiating Committee and the GAIA Inc. board were also satisfied that the consortium brought a wealth of experience in the area of airport management. They also had the ability to provide the much-needed investment to support our tourism and airport development goals. This when combined with the considerably improved terms and conditions beyond those being offered under the IFC would lead to a far better set of contractual arrangements for GAIA Inc.

Mr. Speaker, I wish to emphasize that the decision was based on selecting the best partner to meet Barbados' needs at this challenging time so that we may drive the growth and

development of our nation's airport facilities. We firmly believe that successful partnerships are essential if we are to strengthen our tourism sector and benefit Bajans. We must make decisions to make our airport a beacon of excellence in the Americas.

## **Heads of Terms**

Mr. Speaker, permit me to provide certain details of the agreement, which while being technical will allow for a clearer understanding of the terms.

The important points are:

- i. The proposed revenue share is as follows:
  - a. From the start of the concession until the pre-Covid passenger threshold is reached, the revenue split will be 30 % for GAIA Inc. and 70 % for the Concessionaire;
  - b. From the time of reaching the pre-Covid passenger threshold to the 20th year of the concession, the

revenue split will be 40 % for GAIA Inc. and 60 % for the Concessionaire; and

c. The last 10 years of the concession term numbers the revenue split will be 50% for GAIA Inc. and 50 % for the Concessionaire.

- ii. There will be a transition plan developed between GAIA Inc. and the Concessionaire aiming to mitigate impacts on the GAIA Inc. employees.
- iii. There will be an upfront fee payment of BDS\$16 million, with BDS\$8 million paid in cash at the closing of the Concession Agreement and BDS\$8 million to be paid in \$2 million installments at the end of years 7, 8, 9 and 10.
- iv. It is proposed that total investment in airport infrastructure including for early and mandatory works will be in excess of BDS\$300 million.
- v. The Concessionaire undertakes to attract, introduce, and engage with a five-star international hotel partner/operator for negotiations with the Government.
- vi. The Concessionaire, through its consortium partner relationships will foster and use its best efforts to increase

airlift from the Middle East, Africa and neighbouring and other friendly countries.

- vii. There shall be an Implementation/Transition Period of a maximum of 9 months from the signing of the agreement between the parties and the takeover of the operations at GAIA Inc.

### **Labour issues**

Mr. Speaker it must be recognized that all that I have said so far revolves among our most important factor, namely the staff of GAIA Inc, their jobs, careers and livelihoods. That is why meetings were systematically held with the representatives of the workers, namely, the National Union of Public Workers (NUPW) on June 12, 2023, the Barbados Workers' Union (BWU) on July 13, 2023, and the Unity Workers' Union on July 14, 2023, to update them on important matters such as the proposed PPP and the signing of the MOU with the UAE-led consortium. Specifically, regarding employment the unions were informed that there will be:

- i. No termination of employment of any employee except for cause or voluntary separation for at least 12 months

- after the transfer of employment. The transfer of employment will only take place 8 to 12 months after the closure of the transaction. Mr. Speaker, this means, therefore, that there is a minimum period of 20 to 24 months from the closure of the transaction where no employee may be terminated without cause or without an agreement for voluntary separation;
- ii. the proposed Concessionaire must commit to no change in employment terms, conditions and acquired rights after the transfer of employment;
  - iii. the proposed Concessionaire may offer enhanced voluntary separation; and
  - iv. the proposed Concessionaire is committed to training and retraining of employees and the offer of voluntary early retirement with appropriate income protection.

We committed with the Unions to having ongoing meetings to discuss any matters they consider important.

Mr. Speaker, the Unions made a case for equity participation as part of the enhanced terms and conditions of workers of GAIA



Inc. that they would like to see. GAIA Inc. has expressed its willingness to support equity participation by its various categories of staff at the airport and those who provide essential services to it. This will be negotiated as part of the ongoing process.

Mr. Speaker, such historic action by the Government of Barbados will give tangible effect to Government's pledge to broaden economic enfranchisement by awarding shares to workers following the transition. This will contribute to the expansion of our investor class and the creation of wealth in Barbados. This is the part of our governance commitment to economic enfranchisement.

Mr. Speaker, in order to realise a smooth implementation of this process, joint working committees will be established with each of the representatives of the workers' unions mentioned, GAIA Inc. and, where necessary, the Government to implement the creation and distribution of this shareholding instrument for employees.

Mr. speaker, I should state that it was only following the completion of the meetings with the trade unions that the MOU was signed by all parties on July 18, 2023.

In addition, sir, the tenants at GAIA Inc. will be engaged and informed specifically about issues related to them in the Transition Phase.

Mr. Speaker, let it be clear that all current contractual arrangements between the tenants and GAIA Inc. **will** be honoured.

### **Proposed and Mandatory Works**

Mr. Speaker, there will be a capital expenditure programme which will include early works related to mandatory, regulatory compliance, operational improvements, the environment, and upgrades to airport facilities in phases. GAIA Inc. has to keep up-to-date with all airport regulatory matters, including improvements to its physical environment and its equipment if it is not to lose status with the International Civil Aviation Organization. After 19 years of no significant capital works, this

must be paramount for GAIA's ability to function as a modern international airport.

Mr. Speaker, with tourism as our primary foreign exchange earner to leave the airport without any further significant investment would be a gross dereliction of duty.

The details of the investments will be shared once the transactional negotiations are completed.

### **PPP in the region and beyond**

Mr. Speaker, Barbados will not stand alone with the coming into being of this PPP. For example, Bermuda went a similar route in the development of its L.F. Wade International Airport (Bermuda International Airport).

Skyport is a special-purpose company owned by Aecon Concessions, responsible for the airport's operations, maintenance, and commercial functions, as well as coordinating the overall delivery of the Bermuda International Airport

Redevelopment Project over a 30-year concession term that commenced in 2017.

Under a Government-to-Government/Public-Private Partnership (P3) model, Aecon worked with the Canadian Commercial Corporation and the Government of Bermuda to develop, finance, design, build, operate and now maintain the new passenger terminal building, which opened in December 2020.

Other airports in the region, for example Jamaica with both Donald Sangster International Airport in Montego Bay and Norman Manley International Airport in Kingston, and The Bahamas' with Lynden Pindling International Airport in Nassau, have followed the traditional PPP route.

At the outset, it is vital to clarify that while our partners from the UAE Consortium are making investments in the airport and are involved in its management, Mr. Speaker, let me repeat that the ownership of the Grantley Adams International Airport **remains** Barbadian. We will award shares to the workers and in the future,

if the National Insurance Board finds favor with the investment as being appropriate to its needs, it will be so engaged.

This partnership is rooted in enhancing operational efficiency and upgrading infrastructure to provide an improved travel experience for everyone who passes through our gates.

This Government, Mr. Speaker, will continue to speak with Bajans. We will convene a public meeting to inform and update the public about the Public Private Partnership. An official announcement regarding the date and time will be issued in the near future.

### **Comparative Analysis**

Mr. Speaker, in my view, the decision to partner with the UAE-led consortium would best be understood and appreciated by considering a comparative analysis based on the following factors.

Prior to Covid-19, the IFC had estimated that GAIA Inc. would receive a concession fee of 22.5% with an investment of

BDS\$252 million. Post-covid the concession fee was estimated to decrease to between 11% and 15%, with the investment also decreasing to BDS\$240 million.

Mr. Speaker, the concession fee being offered by the UAE-led consortium of 30% until pre-covid passenger numbers are reached, then increased to 40% and 50% for the last ten years of the concession is an improvement over what was being offered by the IFC.

Mr Speaker, I submit as an Appendix to the House a comparative table of the original transaction structure report from IFC which is a detailed plan of the terms and conditions of the PPP, the renegotiated transaction structure report from IFC as a result of the pandemic and the current proposed transaction structure report with the UAE-led consortium.

The investment of not less than BDS\$300 million exceeds what was being offered under the IFC proposal even pre-Covid. Furthermore, the "signing" fee of BDS\$16 million to be paid by the proposed Concessionaire, part upfront and the remainder after

an initial period of operation, shows the improvements which have been made with the chosen proposal. However, with the IFC proposal, an upfront fee was estimated to be the basis for a further reduction of the concession fee on offer, as you will see in Appendix I.

Mr. Speaker, let it be clearly understood by all and sundry that this agreement between the two States, will not to the slightest degree, compromise the Barbados' national sovereignty, with the control of Immigration, Customs, Police, Port Health and other agencies remaining firmly in Barbados' hands.

The anticipated transformation is not simply about enhancing the physical amenities and operations of the airport. It is about our country, repositioning Barbados in the aviation industry and redefining its role in the region. By modernizing our facilities and expanding our capacity, we intend to attract more airlift and make Grantley Adams International Airport that beacon of excellence in the Americas for airlines and travelers alike.

In essence, the \$300 million investment and the management concession accompanying it will not only transform the Grantley Adams International Airport but will also play a crucial role in bolstering the economic future of Barbados.

Mr. Speaker, I am obliged.



## APPENDIX I

TSR approval Jan 2020	Revised TSR (June 2021) Post-Covid Base Case	UAE May 2023 (Heads of Terms)
<ul style="list-style-type: none"> <li>▪ <b>Overall capex estimate:</b> BDS\$252 million, of which mandatory capex for the first 4 years is approximately BDS\$117.40 million</li> <li>▪ <b>Total expansion of:</b> 30,530 sqm</li> <li>▪ <b>Mandatory capex includes:</b> <ul style="list-style-type: none"> <li>▪ Terminal expansion of boarding areas (including Air/Cruise passenger lounge)</li> <li>▪ 3 passenger boarding bridges</li> <li>▪ Improvement of passenger security screening</li> <li>▪ New Airport Operations Centre</li> <li>▪ Relocation of Ramp Operations offices</li> <li>▪ New Incinerator facility with co-generation plant</li> <li>▪ Full refurbishment of TWR building and ANS service building (excluding ATC equipment)</li> <li>▪ Climate controlled cooling solution for workers at check-in desks</li> <li>▪ Improved space for airport employees</li> </ul> </li> <li>▪ Concorde Included</li> </ul>	<ul style="list-style-type: none"> <li>▪ the concessionaire would have four years from the start of the concession (2024) to complete the required capital investment programme, with the period ending in 2027;</li> <li>▪ the overall capital investment programme over a 30-year concession is estimated at BDS\$264 million, with mandatory works in the first 4 years of the concession accounting for BDS\$122 million; and</li> <li>▪ The <b>mandatory investment programme</b> would include: <ul style="list-style-type: none"> <li>▪ Terminal redevelopment and expansion</li> <li>▪ Safety and Environmental &amp; Social related investments</li> <li>▪ Enclosure and cooling of the Departure Hall</li> </ul> </li> </ul> <p>Concorde not included No Jet bridges</p>	<ul style="list-style-type: none"> <li>▪ Concession for a minimum period of 30 years</li> <li>▪ A transition plan developed to mitigate negative impacts on the GAIA employees.</li> <li>▪ Total Investment in Airport Infrastructure, split between Early and Mandatory Works, Medium to Long Term Works and Major Maintenance, will exceed BDS\$300.00 MM.</li> <li>▪ <i>Compliance:</i> Isolated Aircraft Parking Stand</li> <li>▪ <i>Operational Improvements:</i> <ul style="list-style-type: none"> <li>▪ enclosure of departure hall and supply and installation of climate control.</li> <li>▪ improvements for the existing passenger cross-flows between departing and arriving passengers.</li> <li>▪ Replacement of airport vehicles and apron boarding area upgrades and re-configuration of the retail area and upgrade the flooring, ceiling, furniture, total reconfiguration of the security checkpoint and improve passenger security screening.</li> </ul> </li> <li>▪ <i>Environment</i> <ul style="list-style-type: none"> <li>▪ Replacement of the remaining air</li> </ul> </li> </ul>

		<p>conditioning units containing Freon 22</p> <ul style="list-style-type: none"> <li>▪ Undertake works linked to the surface water management:</li> <li>▪ Wastewater Treatment Plant</li> <li>▪ Replacement of Incinerator</li> </ul> <ul style="list-style-type: none"> <li>▪ <i>Upgrades Airport Facilities</i> <ul style="list-style-type: none"> <li>▪ Upgrade the photovoltaic facility</li> <li>▪ Complete phased replacement of terminal generators</li> <li>▪ Provide for replacement of chillers.</li> <li>▪ Make improvements to the terminal building through replacement of electromechanical equipment</li> </ul> </li> </ul> <p><b>Medium to Long Term Works – Phase 1B</b></p> <ul style="list-style-type: none"> <li>▪ Provision of Passenger Loading Bridges.</li> <li>▪ Implementation of an Airport Operations Centre (AOC)</li> <li>▪ Boarding Area Expansion - This area will require a minimum addition of 3,600 sq. mt.</li> <li>▪ Solution for the existing passenger cross-flows</li> <li>▪ New dedicated space for the Concessionaire</li> <li>▪ Expansion and relocation of the main staff parking lot - should be at least as the existing, considering additional development to meet future capacity needs.</li> </ul>
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		<ul style="list-style-type: none"> <li>▪ Arrival area extension - This area will require a minimum expansion of 250sq mt. or the sq.mt. required to comply with the Optimum Level as per the Concession Agreement.</li> <li>▪ Terminal expansion - perhaps to the second floor.</li> <li>▪ The Concessionaire shall establish a Noise Management Program in accordance with ICAO Standards.</li> </ul> <p>A fixed annual contribution of BDS\$200,000 to the Barbados Fire Service.</p>
<p>Concession fee estimated: 22.5%</p> <p>No upfront fee</p>	<p>Concession fee estimated: 11% (first 4 years) Increasing to 13.6%</p> <p>Upfront fee: BDS\$24m</p>	<ul style="list-style-type: none"> <li>▪ Revenue Share: 30% until 2019 pax levels are reached; 40% thereafter; 50% last 10 years of concession.</li> <li>▪ Upfront fee of BDS\$16m</li> </ul>
		<p>EXTRAS: Willing to support pre-clearance Investments in hotel, cargo and development of airlift</p>