

\$1.5b secured for Shenzhen airport

By CHRIS YEUNG

ALL funding for the \$1.5 billion Shenzhen airport has been secured, including a \$218 million loan from Iraq-invaded Kuwait, according to a Shenzhen official.

Mr Lu Shenghai, director of the main airport construction group, said the loans from the Kuwait Foundation arranged before the invasion "were still valid".

Earlier, there had been speculation that funding for the project at Huangtian was doubtful because of the Gulf War.

Uncertainty over the loans was also said to have prompted the municipal government to try to generate about \$150 million by issuing bonds.

Mr Lu said in *Bauhinia*, a China-backed magazine published in Hongkong, that the Kuwait Foundation would abide by the agreement signed in March last year.

He stressed that funding for the full \$1.5 billion had been secured.

"The bonds issued last year have been sold out," said Mr Lu, adding that he was confident the airport, which is scheduled to start operating later this year, would generate enormous social and economic benefits to the Special Economic Zone.

Mr Lu dismissed suggestions that there might not be enough passengers for the airport.

Following the development and increasing openness of the zone, he predicted a rapid growth in passengers.

He cited the booking office of Guangzhou's Baiyun Airport in Shenzhen, which sells about 1,200 tickets a day on average and 2,000 during peak periods.

"That's to say there will be at least 1,200 passengers daily," he said.

Mr Lu added that cargo transport would also see a rapid development with the

completion of the airport.

At present, many processed goods in Bo'an and Dongguan counties have to be transported through the Man Kam To checkpoint to Hongkong for export overseas.

The airport is likely to encourage more investors to build factories in the two counties, said Mr Lu.

He said the total passenger volume at the start would be between eight million and 10 million yearly, with the operation of one runway, rising to 20 million.

Mr Lu confirmed that they would build a passenger pier at the northern part of the airport with four berths.

Hydrofoil services would be introduced between the airport and neighbouring places, including Hongkong, Macau, Zhongshan and Guangzhou.

The trip from Hongkong would only take about 50 minutes, he said.