

Philippines

Ninoy Aquino International Airport Terminal 2 Development Project



Aerial view of Terminal 2

Outline of Loan Agreement

Loan Amount / Disbursed Amount	18,120 million yen / 18,014 million yen
Loan Agreement	August 1993
Terms & Conditions	Interest rate 3.0%p.a. Repayment period 30 years (Grace period 10 years)
Final Disbursement Date	December 2000

Project Outline

A new terminal building (Terminal 2) was constructed at the Ninoy Aquino International Airport (NAIA), located in the capital, Manila, to replace the limited and decrepit facilities at the existing terminal. The project was designed to meet rapidly growing demand in domestic and international traffic, and to increase passenger convenience and safety.

Results and Evaluation

NAIA handles almost 100% of the country's international flights and 60% of its domestic flights, and is the largest airport in the Philippines. However, prior to project implementation, terminal buildings had already exceeded capacity for both international and domestic passenger traffic and it was proving difficult to handle the increased numbers of passengers.

The completion of the Terminal 2 building under this project has improved foregoing situation and resulted in smoother boarding procedures and baggage collection, and thus improved passenger convenience. Moreover, newly constructed terminal facilities have enabled individual airlines to expand their operations and intensified inter-airline competition, thus the project is considered to have led to a reduction in fares.

Aside from increasing tourist numbers, the improvements to NAIA facilities have also had a positive impact by attracting new investment, and, in the future, the airport is expected to fulfil an important role as the gateway to the Philippines.

The operation and maintenance of the new terminal is being undertaken by the Manila International Airport Authority (MIAA), which has an extremely sound financial status, thus all operations and maintenance at NAIA are running smoothly.