Chapter 3

Strengthening HKIA as an International Aviation Hub

Promising Market Potential

The Outline Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area (GBA) promulgated on 18 February 2019 has designated Hong Kong as an international aviation hub. Hong Kong International Airport (HKIA), having an extensive global air network, is poised to play a major role in the aviation development of the GBA.

The development of the GBA, which has a population of around 70 million and a GDP of RMB 10 trillion, opens up abundant opportunities for HKIA.
The GBA is a cluster of nine cities in the Pearl River Delta (PRD) region, plus Hong Kong and Macao, which has a population of around 70 million and a gross domestic product (GDP) of RMB 10 trillion. It is one of the most open and economically vibrant regions in China.

Within the GBA, there are five major airports, namely, HKIA, Guangzhou Baiyun International Airport, Shenzhen Bao’an International Airport, Zhuhai Airport and Macao International Airport. Their growth is nothing short of spectacular – in 2017, the total passenger volume of the five airports reached 201 million, growing at a compound annual growth rate (CAGR) of 7% between 2007 and 2017. IATA Consulting estimates that the aviation market in the GBA will grow to 371 million passengers and 18 million tonnes of cargo by 2030.

In view of the increasing air traffic demand, each of the five airports is developing its infrastructure – HKIA is building the Three-runway System which will be completed in 2024; Guangzhou will increase to five runways and Shenzhen to three. However, even having taken into account the development plans of the five airports, the demand is still higher than their anticipated handling capacity.

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9 Outline Development Plan for Guangdong-Hong Kong-Macao Greater Bay Area, the State Council of the People’s Republic of China, 2019.
10 Figures from AAHK, CAAC & Macao Airport.
11 3RS EIA traffic forecast, IATA Consulting, 2014; and HKIA Master Plan 2030.
Airport Authority Hong Kong (AAHK) will work closely with stakeholders along the directions laid down in the Outline Development Plan for future developments, with an aim to contribute to the strengthening and enhancement of Hong Kong’s status as an international aviation hub and aviation manpower training centre. At the same time, HKIA will strive to co-operate with other airports in the GBA to achieve mutual benefits, on the basis of the respective competitive advantages of different airports, with a view to promoting passenger and cargo traffic, and contributing to the synergistic economic development in the region.

**Strengthening HKIA’s Connectivity in the Greater Bay Area**

Further strengthening the connectivity and service in the GBA is a key strategy for HKIA to reinforce its hub status and functions.

HKIA has developed an intricate network of cross-boundary, multimodal sea and land transport in the GBA. The airport’s 16,500-square-metre SkyPier serves an average of 90 high-speed ferry trips every day, carrying around 7,000 passengers between HKIA and nine ports in the GBA. AAHK is studying the feasibility of increasing regular sailings to some of the existing GBA ports, and expanding the SkyPier network by adding new ferry ports.
AAHK will work closely with stakeholders along the directions laid down in the Outline Development Plan for future developments, strengthening and enhancing Hong Kong’s status as an international aviation hub and aviation manpower training centre.
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In addition to sea transport, HKIA also provides a myriad of road transport options connecting HKIA and the GBA. With the opening of the Hong Kong-Zhuhai-Macao Bridge (HZMB) in 2018, and the expected commissioning of the new Liantang/Heung Yuen Wai Boundary Control Point in 2019, the journey time between the GBA and HKIA will be significantly reduced, making transferring at HKIA a more attractive option.

HKIA has also built a network of city terminals in various GBA cities, facilitating travellers to fly via HKIA with one-stop, hassle-free services such as upstream check-in and baggage delivery. The number of city terminals will be increased from the existing 15 to 29 by 2025.

To promote the cross-boundary transport service, HKIA has developed various intermodal products which bundle flights and cross-boundary sea or road transport into a single ticket through code-sharing arrangements. The distribution channels for such intermodal products are expanded to include all global distribution systems as well as online travel agents and portals.
The signing of the Memorandum of Understanding (MOU) on air services between Hong Kong and the Mainland in February 2019 will provide further impetus for the continuous expansion of the intermodal code-sharing arrangements, allowing designated airlines on both sides to enter into code-sharing arrangements with operators of all types of land transport (including railway services, passenger vehicles and coaches) of all cities in the Mainland. Such development will further expand the domestic and international air services network of the GBA, and consolidate and enhance Hong Kong’s status as an international aviation hub, as envisaged in the Outline Development Plan.

Intermodal Transfer Terminal at HKIA

To capitalise on opportunities brought by the HZMB, a planned Intermodal Transfer Terminal (ITT) will connect HKIA to the Hong Kong Boundary Crossing Facilities through a bonded vehicular bridge.

After completing upstream check-in procedures, air passengers travelling from the PRD West via the HZMB may use the ITT to enter the airport’s restricted area, boarding their flights at HKIA without the need to go through Hong Kong’s immigration clearance. When it is completed in 2022, the ITT will provide seamless and efficient transfer between HKIA and cities in the PRD and Macao, while significantly enhancing the airport’s passenger handling capacity and improving the overall airport experience.