

THE ARGYLE INTERNATIONAL AIRPORT PROJECT

MAJOR ACCOMPLISHMENTS

by

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Prime Minister of St. Vincent and the Grenadines

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Introduction

On August 8th 2009, it would be four years since I first announced my government's courageous decision to build an international airport at Argyle.

Over those four years, we have done a tremendous amount of work on the airport project.

You would recall that almost as soon as we took office in March 2001, my government began to put measures in place to ease the air access problems that has, for many years, retarded the growth of this country.

The measures that we put in place then included, among other things:

- a. Establishing a hub for St. Vincent and the Grenadines at Hewannora International Airport in St. Lucia; and
- b. Enhancing arrangements for easier connections in and out of Grantley Adams International Airport, Barbados.

But none of these arrangements has worked well for us.

Still, some people argue that these are all that we needed to have done, and that we should not have made the large investment in building our own airport.

I disagree fundamentally with that proposition.

My government understands the urgent need for an international airport in St. Vincent and the Grenadines for the continued development of our country.

Without an international airport on mainland St Vincent:

- a. we could not build our tourism sector in a way that allows it to compete effectively with other tourist destinations;
- b. we could not provide vital air-freight services, in a cost-effective way, to farmers who need to export their perishable produce;
- c. we could not provide our people with dignified and convenient air travel services to and from St. Vincent and the Grenadines.

It is true that the airport project is costly; our most recent estimate of the project is EC\$589 million.

But it is also true that, for the first time, my government has elaborated a plan to finance this investment, and today I want to highlight some of our major accomplishments over the last four years on this project.

technical studies and final designs

Shortly after my historic speech on August 8th 2005, work began in earnest on the Argyle International Airport project. During the first year, September 2005 to September 2006, 14 engineers and technicians from Cuba and Venezuela came to St. Vincent to do the pre-design works on the airport project.

These works included:

- a. complete topographic surveys of the area earmarked for the international airport;
- b. testing of the rocks and soils within the airport zone;
- c. commencement of wind studies, to determine the best orientation of the main runway, and the need, if any, for a shorter “cross-wind” runway for smaller planes.

During the year 2006, three (3) wind stations were set up within the airport zone to collect wind data. The main reason for these wind stations is to measure the speed and direction of the wind at Argyle at different times of the year.

To date, our analysis of the wind data collected suggests that there is no significant crosswind that might affect the operation of smaller planes that would use the airport. Even so, we will continue to collect and analyse the wind data for the duration of the construction phase of the airport.

With the exception of on-going wind studies, all the other studies were completed by September 2006. And the results of these were incorporated into the design work, which was being done concurrently by a team of engineers from Cuba. In December 2007, the Cuban design team completed the designs for the airfield/runway and handed them over to my government, as a gift.

The Argyle International Airport is designed with a runway 2,743 metres long and 45 metres wide. The terminal building, to be designed by another firm, will have about 10,000 square metres of floor space, to handle 1.4 million passengers annually. This airport would allow us

direct flights to North, Central and South America, and Europe, using commercial jets as large as the Boeing 747-400s.

The designs done by the Cuban team were also presented to the public, at a public consultation at P'tani Resort in Argyle on May 27th 2008, and to the regional regulatory body of civil aviation, the Eastern Caribbean Civil Aviation Authority (ECCAA). Indeed, the ECCAA has been involved in extensive discussions with the IADC on this project from inception.

As the regulator of civil aviation in the Eastern Caribbean, the ECCAA has on more than one occasions expressed publicly its satisfaction with the quality of the work done by the Cuban designers, and the technical plans that are in place for the construction of the Argyle International Airport.

For example, on November 10th 2008, I hosted a symposium for Airline Operators and Managers to update them on the work being done at Argyle.

At that symposium, the Director General, Mr. Rosemond James, of the ECCAA publicly acknowledged his organization's delight in being involved with the Argyle International Airport, and also noted his organizations intention to use the Argyle International Airport as a benchmark to measure all other regional airports, over which the ECCAA exercises regulatory oversight.

This statement is a matter of public record, and is in no way a misstatement of fact. There could be no clearer endorsement by a regulator of the quality of the work that we are doing, and the technical specifications of our international airport.

Our symposium also provided a valuable opportunity to airline operators to understand the work being done on the Argyle International Airport. This forum was well attended by several regional and international airlines, many of which we will continue to court to have them add St. Vincent to their routes.

The process of marketing our new airport will therefore pick up over the next two and a half years, as we develop and implement an aggressive marketing campaign to bring new airlines here.

Negotiations with and relocation of homeowners

Much of our achievements to date are due, in no small measure, to the cooperation we have got from the affected property owners at Mt. Pleasant and Argyle. This country will forever owe these good citizens an immense debt of gratitude for making way for the construction of our airport. I take this opportunity again to thank them for their corporation and support.

Most would recall that in my meetings with these affected property owners I gave them the assurance that my government will be fair to them in terms of the price they are paid for their properties. I also made it clear, on several occasions, that no property owner would be made worse off as a result of having to sell his or her property to the government for the airport project.

I am certain that most, if not all, would agree that the government, and its executing agent, the IADC, have been fair and humane in its treatment of property owners at Mt. Pleasant and Argyle.

We have not only offered them a good compensation package, but also have gone farther and assisted them in relocating to new and well developed residential sites at Harmony Hall, Diamond, and Carapan.

In this respect, I want also to express my government's thanks and gratitude to several institutions and persons. First, I want to thank Mr. Murray Hadaway, who sold the IADC twenty one (21) acres of beautiful lands at Harmony Hall. These lands were sold to the IADC at a price that allowed IADC to develop and resell building lots to affected homeowners, at an affordable price.

I also wish to thank:

- a. Superintendent Rodriguez, of Her Majesty's Prisons, for assisting with the clearing of the land at Harmony Hall;
- b. Civil Design and Surveying Services (CDSS), which provided the design and supervision services;
- c. Housing and Land Development Corporation (HLDC), for doing the infrastructure works at Harmony Hall, Diamond and Carapan;
- d. CWSA and Vinlec, for installing their services at these sites in a timely manner.

In the most harmonious and effective manner, all of these persons and institutions have collaborated beautifully with the IADC and have helped to create a spectacular residential area, of the first order, at Harmony Hall!

I invite everyone to take a trip to the Harmony Hall development.

Though Harmony Hall is the largest subdivision, it is only one of the sites to which the Mt Pleasant and Argyle homeowners have relocated. IADC has also assisted homeowners to relocate to its subdivisions at Diamond, and Carapan. And many homeowners have exercised their right to not rebuild at all, while others have chosen to rebuild their homes at other locations across the country.

So far, IADC has paid out EC\$47.6 million to 117 of these affected homeowners.

With regards to the vacant lands in the airport zone, my government took the decision to acquire all the lands within the first kilometre of the runway so that IADC can take possession and begin construction, while negotiations for compensation take place.

In a similar way, we will also acquire the vacant land parcels within the second and third kilometers. Even so, I expect the government negotiator, the Chief Surveyor, to continue to offer land owners a fair price for all lands acquired for the airport in Mt Pleasant and Argyle.

Progress of earthworks

On July 13th 2008, we had the groundbreaking ceremony to signal the start of construction of the Argyle International Airport. This date was a defining moment for the thousands of Vincentians who flocked to the airport site.

To all of us, that ceremony signaled the beginning of the realization of a long-held dream by Vincentians, at home and abroad.

At the ground breaking ceremony, Vincentians also saw in action many of the heavy earth moving equipment promised by the Government of the Bolivarian Republic of Venezuela for earthworks on the airport project.

President Chavez stood admirably by his promise to work with the Cubans to complete, at least, the earthworks stage of our airport project.

Between May and early July, the Venezuela government sent to St Vincent and the Grenadines 37 pieces of heavy earth moving equipment and a variety of spares, costing US\$10 million (EC\$27 million). These equipment are now fully employed on the project.

Recently also, the Government of Austria made to the Government of St Vincent and the Grenadines a grant of US\$185,000 (EC\$502,625) to assist with the purchase of compactors for the project. Three compactors were bought and are also fully utilised on the project.

In recent months, IADC has also purchased, from its own resources, several pieces of used equipment. This purchase has become necessary to enhance IADC's capacity to do more work and to keep the earthworks on schedule for completion by March 2012.

With the equipment and workmen in place, we began earthworks on the airport project on August 13th 2008, the birthday of Comandante Fidel Castro Ruiz.

Over the past 11 months or so since we have started, the work team (we call, the Chatoyer-Che Contingent), has been working on the first kilometer of the runway. This first kilometer stretches from the Stubbs Bay cliff, the Southern end of the runway, to the intersection at the Johnsons at Mt. Pleasant/Argyle.

The work on this section of the runway involves clearing and grubbing of the area, removal of top soil, demolition of houses, and creation of embankments.

This work is being carried out by the Chatoyer-Che contingent, which at present includes 42 Cuban engineers, technicians and equipment operators and 85 Vincentians, employed as operators, drivers, security and support staff.

Work on the 3-kilometre Argyle bypass road and bridge is also nearing completion. This project is done on contract by C.O. Williams of Barbados.

IADC has started improvement work on the Stubbs-Rawacou-Argyle road. This road, will traverse the Southern end of the runway and terminate in Argyle, near the area known as Corner Rock.

It will provide much better access than before to persons living on the Eastern side of the airport, and those visiting the recreational facility at Rawacou.

Environmental monitoring and Protection

As we work on the airport, we are doing our utmost to ensure our environment is protected. In fact, all of the work on the project site is being done in accordance with good environmental practices and to international standards.

You may recall that IADC contracted a German firm, Kocks Consult GMBH, to carry out an environmental impact assessment (EIA) of the Argyle airport project. The firm submitted its final report from that study to IADC in June 2008.

To implement the proposals contained in that report, IADC constituted an environmental monitoring team, comprising professionals from IADC and other government agencies and civic organizations. This team is being assisted by the Cuban Environmental Agency. The team's mandate is to ensure that all work on the airport project is being done in an environmentally sound manner.

We must not forget that while there are likely to be several negative environmental impacts from the construction of the airport, there are also many major positive impacts, which justify making the investment in the first place.

One of the positive environmental impacts from the construction is the archaeological exploration and discoveries made at Escape, Argyle.

In March 2009, IADC and the National Trust collaborated on bringing to St Vincent a team of Canadian archaeologists to do archaeological excavations on the airport site at Escape.

This team, lead by Jo Moravetz, made the startling discovery of over 26 human remains buried in shallow graves, and a varied collection of artifacts believed to be dating back some 2000 years.

The archaeologists believe that the different types of stones axes and pottery found are associated with the Arawak people, who first came to St. Vincent and the Grenadines, long before Christopher Columbus and the other Europeans.

This is, of course, at variance with our history that records the first permanent settlers on St. Vincent as the Europeans who came here in 1635.

The discovery by these archaeologists of some 500 post holes, which further suggest the existence of a large communal dwelling structure, and in which were also found several

skeletons, believed dating back some 2000 years, has the potential to significantly change and rewrite our pre-Colombian history.

The airport site has such rich deposits that a second team of Archaeologists and students from the Faculty of Archaeology of Leiden University, Netherlands have since arrived in the state to carry out similar archaeological excavations.

All of this work, which is partly or fully funded by the IADC and coordinated by the National Trust, will not only lead to a better understanding of our history, but also help position St Vincent and the Grenadines as a cultural centre for tourists.

Meanwhile, IADC and the National Trust continue to work on the other areas of the National Trust's Cultural Heritage Plan, funded by the IADC in the amount of EC\$460,000. This heritage plan covers:

- a. documentation of all archaeological artifacts discovered at Argyle;
- b. preservation of the derelict sugar mills at Escape and Argyle Gardens;
- c. preparation of a book to document the cultural heritage of Argyle; and
- d. arrangements for the relocation of the petroglyphs at Yambou.

In a similar way, IADC, the Ministry of Health, and the Roman Catholic Community have been working on the relocation of the RC Church, Cemetery and Shrine to a beautiful 4 acre plot of land at Spring, Peruvian Vale.

The infrastructure works at this new site is substantially complete and a contract is being finalized with a local firm to assist the Ministry of Health with the actual exhumation and reburial of the remains of those interred at the Cemetery.

Here, I want to thank the leaders and general membership of the Roman Catholic Community for assisting the IADC with its work over the two year period or so that these negotiations and discussions have taken place.

future developments

As we proceed with earthworks on the runway, we are also putting measures in place for:

- a. construction of the terminal building and other landside facilities,
- b. management of the new airport, and
- c. long term structured development of the airport facilities.

Terminal building and other landside facilities

IADC has now finalized its specifications for the terminal building and other landside facilities, and have since invited several firms to tender for the contract for the design and supervision services for these facilities.

It is noteworthy that in March 2009, IADC received a delegation from a Taiwanese engineering firm called CECI Engineering Consultants Inc. Representatives of this firm came to St. Vincent to gather first hand information on the airport project, as they prepared themselves to submit a bid for the design and supervision work.

IADC expects the successful architectural firm to complete the designs for these facilities by the end of October 2009. When these designs are completed, IADC will make them available to the public for scrutiny and comment.

Airport Master Plan

IADC continues to collaborate with Professor Federico Dovali of Mexico on the much talked about, but little understood, Master Plan for the airport.

Professor Federico Dovali is a highly respected academic in the Americas on airport design, operation and management. In fact, our own “Professor”, Leonardo Perez, was once a student of Professor Dovali.

It must be by divine intervention that we can have both professor and former student from two different countries now working side-by-side in St Vincent and the Grenadines on the construction of our international airport.

Professor Dovali is also a senior adviser of the Airport and Auxiliary Services (ASA) of Mexico, a government company that designs, builds and operates about 20 airports in Mexico. His work with us on our Master Plan is part of the assistance promised by the government of Mexico to St. Vincent and the Grenadines.

The Airport Master Plan is being done to guide the development of the Argyle airport over the next 30 years and beyond, in a way that is consistent with overall national development and advancements in aviation services.

Work on this Master Plan started in June 2008 and is expected to be completed by June 2009. Even so, IADC has decided to implement, at least one aspect of the recommendations of this Master Plan, that is, to increase the land space set aside for the terminal building and other landside facilities.

Let me point out that the land space earmarked earlier by the Cuban designers for the terminal building and other landside facilities was adequate and may have suited our needs for the next 15-20 years.

However, IADC’s decision to increase the land space for the terminal building and other landside facilities is done to allow for these facilities to grow in a cost-effective and orderly manner over the long term.

By adapting our current plans to accommodate the long term view reflected in the Master Plan, we are seizing a one-time opportunity to design our airport buildings and facilities and locating

them on an expanded land space in such a manner to allow for these buildings and facilities to grow in the most cost-effective way possible over the next 25-30 years, and well beyond.

Whenever we can, we must learn from our own past mistakes and the mistakes of others. Our experience at E.T. Joshua Airport, where there is virtually no land space at all for expansion of the apron, is a good lesson for us in how costly poor long term planning decision can be, when we need to expand in the future.

The lessons of nearby airports, which have no Master Plan, but which have been expanding in an adhoc fashion also provide us with ample justification of the need for the type of careful master planning in which we are now engaged.

Interestingly, while many experts in the aviation industry laud the efforts of my government to put in place a Master Plan for the airport, some persons here, uninitiated in this subject, seek to revile the government, rather than join the chorus of praise by people who know better.

Why would the Mexican Government set up an agency to prepare airport Master Plans, if these master plans had no practical value?

Our new city at Arnos Vale

As we work on the Master Plan for the Argyle Airport, we are also working simultaneously on a Master Development Plan for converting the existing Arnos Vale Airport site into a new city, when airport operations move to Argyle in 2012.

You would recall that in my speech on 8th August 2005, I announced my government's decision to create a new city on the 62 acres of land at the E.T. Joshua Airport site.

This land was transferred to National Properties, which has since set up a planning committee from its Board of Directors to spearhead the work involved in the planning and conversion of the Arnos Vale site into a new city.

It is still early in this planning process. Even so, I expect the new city to become an attractive one, of which all Vincentians would be justly proud.

I expect the Arnos Vale city plan to include a good mix of upscale hotels, residential villas and condominiums, first class restaurants, shopping malls, entertainment and business centres, and ample green recreational space along the water front. What a lovely sight that would be!

But all of this is only possible with the relocation of airport operations to Argyle.

Employment and Training

Over the life of the airport project, IADC will provide opportunities for Vincentian project workers to be trained in a number of areas. At present, over 85 Vincentians are now working

side-by-side with highly experienced Cuban engineers, technicians and operators, in a way that allows for learning and human resource development to take place, as in a virtual university.

In addition to this, IADC has already embarked on the process of hiring other Vincentians, who will be trained in management and operations of the international airport.

The training of this latter group will take the form of internships/attachments at airports around the world, including (a) Atlanta, USA, (b) Montego Bay, Jamaica, (c) Piarco, Trinidad and Tobago, (d) Lisbon, Portugal, (e) Funchal, Madeira, and at specialised institutions for training of air traffic controllers in Cuba and Mexico.

How is all this being financed?

Financing of this airport project is not for the faint of heart; it requires a combination of courage, sound policy, creativity and steadfast commitment.

When I elaborated this airport plan on August 8th 2005, I explained then that we will finance the airport with a mix of money from my government, and a large amount of grants from other friendly governments.

To date, the financing plan has unfolded in very much the way I laid it out then.

You may recall that my government's contribution to the Argyle airport project came mainly from the sale of Crown lands vested in the IADC. IADC in turn appointed National Properties, a wholly owned government company to sell these lands on its behalf. The funds raised from National Properties's land sales activities are to be used by the IADC to purchase the properties and vacant lands on the airport site, and to meet other project related expenditure.

NPL is therefore in the process of selling lands for the IADC. To date, NPL has generated revenues of EC\$52.8 million from land sales for the IADC.

I also explained earlier that while NPL is selling IADC's land, IADC would need to use bridging loans to meet its immediate financial commitments. IADC therefore has on its books a bridging loan of EC\$20 million from the First Caribbean International Bank, having paid back EC\$10 million of the original amount.

In terms of grant funding, my government has been extremely successful in attracting support for the project.

Indeed, never before in the history of our country have we so expertly made use of our brains, and our foreign policy, to such good effect!

Cuba and Venezuela were among the first two countries to lend support to the airport project. Both President Fidel Castro of Cuba and President Hugo Chavez of Venezuela pledged their countries resources to assisting with the preliminary studies, airport designs and to complete the earth works component of the project. These commitments are estimated at EC\$280 million.

Trinidad and Tobago also made a grant of US\$10 million (EC\$27 million) to assist with expenditure at any stage of the project. These funds were received and paid over to IADC in September 2008.

Taiwan too has pledged a substantial amount of financial support to the airport project. In a Memorandum of Understanding (MOU) signed on 7th June 2006, the government of Taiwan pledged a grant of US\$15 million and a soft loan of US\$10 million to the airport project to finance the Terminal Buildings, Control Tower, Roads and Support Systems component of the airport project.

On 31st July 2007, in another signed MOU, Taiwan pledged a further US\$5 million in grant to this project, bringing its total financial contribution to US\$30 million.

In July 2008, I revisited Taiwan to meet with the new President Ma, who reaffirmed, in writing, his government's support to the Argyle International Airport project and further promised to give favourable consideration to any requests we might make for additional funding, if the circumstances so require.

Support for the project has also come from Austria, which made a donation of US\$185,000, and Mexico, for technical support with our Master Plan. Several other countries have pledged support, in one form or another. These include: Mexico, Malaysia, Turkey, Portugal, Iran, and Libya.

concluding remarks and appeal

As you can see, we are well on our way towards the realisation of our dream.

I have recounted the plans that I laid out on August 8th 2005, and our progress towards the achievement of those plans.

I commit to you today, to continue to work steadfastly towards the completion of our international airport by the end of March 2012.

And today, I also invite you all, Vincentians at home and abroad, to join me in this noble endeavour.

I have said before that we cannot invite people to help us build our home, while we stand and watch them work. We must put a hand ourselves.

I entreat you to give generously to this most noble and deserving project, remembering that when you give, you are giving to yourself, your children, and your children's children.

May God bless us all.

Thank you.