

<b>Event</b>	Interview
<b>Interviewee</b>	<u>Mr. Vladimir Vasilchenko</u> General Director, New Systems AM LLC
<b>Date</b>	April 2011

**Kharkiv International Airport** ([www.hrk.aero](http://www.hrk.aero)) is one of the most important objects of Kharkiv region. Nowadays, it is being reconstructed in the framework of preparations for the EURO 2012. The project started in April 2008 when the company **New Systems AM** (DCH Group, President – well known Ukrainian businessman, general investor and coordinator of Kharkiv preparation for the EURO 2012 Mr. Aleksandr Yaroslavskyy) won the tender for taking the airport into lease.

**DCH Group of Companies** ([www.dch.com.ua](http://www.dch.com.ua)) – one of the biggest and dynamically growing business groups of Ukraine, with the assets in different industries. Beneficial owner is Mr. Aleksandr Yaroslavskyy, influential Ukrainian businessman, among the top 10 most prosperous Ukrainians (according to Ukrainian “Forbes” magazine, 2011), the general investor of Kharkiv preparation for the EURO 2012. Assets of DCH are represented by industrial enterprises, construction and developing companies, financial institutions etc. Since 2007, the Group has been implementing the Complex program of Kharkiv preparation for the EURO 2012, which includes reconstruction of the several objects of sports, transport, and hotel infrastructure of the Kharkiv city.

**Eunite Ukraine (EU): The triumphant opening of the new terminal of the Kharkiv International Airport in August 2010 became a landmark event for Ukraine. How would you evaluate the overall state of Kharkiv International Airport preparation for the EURO 2012, as of today?**

Vladimir Vasilchenko (VV): New terminal opening has given, in fact, a new life to the Kharkiv International Airport. With the efforts of Mr. Aleksandr Yaroslvsyy we built one of the most modern air terminals in Eastern Europe. Terminal area is more than 20 thousand sq. m which allows up to 650 passenger flow per hour.

Air terminal is up-to-date equipped. IT solutions were provided by SITA (Switzerland), screening equipment by RAPISCAN Systems (USA) etc. Airport is especially proud with its baggage handling equipment of Dutch company Vanderlande Industries. Kharkiv International Airport is the first airport in Ukraine which has a modern baggage handling system (BHS) with a capacity of 960 items of luggage per hour for international flights and 600 items per hour for domestic flights.

Since August 2010 terminal is actively operated and is ready to welcome European guests any minute. However, in order to provide service to a huge passenger flow, we are going to use additional temporary air terminal.

**EU: What is the current state of readiness of Kharkiv International Airport infrastructure development? Which works are underway now and which are still planned to be done?**

VV: One of the most active working places for today is the construction site of the airshed – temporary terminal. Construction works are being held at full speed. Hangar doors by Swedish producer Megadoor are already

ordered for this object. The area of the temporary terminal is more than 5 thousand sq.m. It is planned to be set into operation in autumn 2011. Expected carrying capacity of the temporary terminal will be about 1,000 passengers per hour.

Reconstruction of the old existing terminal is also underway. This building was constructed in 50s of XX century and is pretty interesting example of so-called “Stalin-style” architecture. We plan to recreate its initial exterior. This building will function as VIP terminal; during EURO 2012 it will welcome the delegation of UEFA family. Design and research works are being held at the moment. Also, demolishing of some elements which are in the ultimate limit state now is carried out. Reconstruction is planned to be done by the end of this year. After putting the object into operation, capacity of the terminal will be 250 passengers per hour.

**EU: What can you say about the temporarily suspended works at the airfield? Can it somehow become a risk for a successful preparation of the airport in general for the EURO 2012?**

VV: Reconstruction of the airfield is held according to the time schedule. Temporary suspensions were due to winter weather conditions and low temperatures. But nobody is impervious to such things, and it did not basically influence the time schedule of the project. Works on the runway are very active now: more than 120 workers and 50 machines are working here. There are reasons to doubt now about finishing the project by the end of 2011 as planned before. Let me remind, that while building a new runway of the airport Kharkiv, the most advanced technologies and specialized machinery are used. The runway is 45 m wide, 2,500 m long, and the total area of concrete coverage of the runway and bearing tracks is 225 thousand sq. m.

**EU: How will the technical parameters of the Airport change after its reconstruction?**

VV: Speaking about quantitative indicators, we will totally meet the requirements of UEFA to Kharkiv airport capacity. During EURO 2012, new terminal will be able to provide service to 1,300 passengers per hour, temporary terminal – to 1,000 passengers per hour, VIP terminal (old existing terminal) - 250 passengers per hour. So, in total it will be 2,550 passengers, which 100% fulfils the UEFA requirements. With regard to the airfield complex, new top-quality runway 2.5 km long will allow to receive without any restrictions Boeing-737 and Airbus A320.

**EU: What safety and security solutions are planned to be implemented in the reconstructed terminal?**

VV: After reconstruction, VIP terminal of the Kharkiv International Airport will meet all the international requirements. According to these requirements, passenger-friendly technological aviation security check line will be arranged, as well the customs and passport control. State-of-the-art equipment of RAPISCAN Systems will be used there.

**EU: What is the total budget of the temporary terminal construction project? How the project will be financed?**

VV: Planned amount of investments is about € 4 mln, 75% of this sum is already financed. All funding is made at the expenses of the private investor Kharkiv businessman Mr. Aleksandr Yaroslavskyy. He also finances the

reconstruction of the existing terminal which, according to preliminary estimates, will cost € 4 mln. Moreover, Mr. Aleksandr Yaroslavsky has already invested about € 50 mln in the new terminal construction which was put into operation last year (including renovation of the landside).

**EU: Is there a need nowadays for any products of the foreign suppliers because due to the lack or absence of local producers? If yes, then what products or services are sought?**

VV: In the process of reconstruction we use the best solutions for the airports, that is why we actively engage not only local but also foreign consultants, designers, producers of the goods and services. Geography of our foreign partners is rather wide, but primarily we address European companies which are the leaders at the world market of airport solutions.

**EU: Who will be training the operational staff for working in the renewed airport?**

VV: Few years ago Kharkiv airport would confuse many foreigners – the level of comfort for the passengers was irreconcilably low comparing to the world standards. However, this should not mislead you. We had some problems with infrastructure, but not with the specialists though. Kharkiv was at its time a real aviation capital. The history of civil aviation in Ukraine starts exactly in Kharkiv (and believe me, we will regain this status). First regular flights were organized here yet in the 20-s of the last century. There are many specialized educational institutions in Kharkiv which have a rich history. This does not mean that we will not reach out for experience of our foreign colleagues. Certainly, we plan to arrange professional training for our employees in the best world airports. Still, we plan to bring up these specialists here in Kharkiv.

**EU: What is the airport's share in the total amount of air flights in Ukraine (domestic and international service)?**

VV: Before August, 2010, the share in the total amount of air service in Ukraine was minimal and accounted for 2.5%. We occupied the 7th position among the Ukrainian cities since there was no appropriate infrastructure for providing enough number of flights and significant passenger flow. After the new terminal was launched, situation has started to change over time. We are increasing permanently the number of regular flights, establishing connections with new cities and countries. I can assure you, that our passenger flow constantly increases and we show good rate of growth. I believe that already next year Kharkiv will be among top 5 airports of Ukraine by the number of flights (both, domestic and international).

**EU: Do you plan to open any new destinations or attract new airlines once the reconstruction of the airport is finished?**

VV: As soon as the airport reconstruction was started, we also commenced attracting new airline companies. The vivid example of that was an International Air Forum Routes CIS, which took place in Kharkiv last year. By the way, Kharkiv is the first city on the CIS territory which hosted a forum of such a scale.

Engagement of the new airline companies is not ended yet. Our final goal is to organize direct flights from Kharkiv to the main European capitals. We are implementing this goal step by step. For instance, starting from December



2010 a new regular daily flight to Istanbul (Pegasus airline) was opened. Not so long ago we reached an agreement with Czech airline CSA (Czech Republic) concerning the direct regular flight connection between Kharkiv and Prague; flights will be started since June 3rd, 2011. Negotiations with FLYDubai and Air Arabia air companies about the opening the regular flights to Dubai and Sharjah (UAE) are in their final stage so far.

**EU: Do you have night flights?**

VV: Kharkiv airport is working on a 24/7 basis.

**EU: What are the long-term development plans of Kharkiv International Airport?**

VV: We have very ambitious plans. Our goal is to become at least the 2nd among Ukrainian airports by the number of passenger flights. On top of that, investor Aleksandr Yaroslavskyy, is going to develop cargo carriages. Anyhow, Kharkiv will take its place on the air-transport map of Eurasia. Fortunately, our geographical position is an advantage for that.