

GREECE PLANS THE PRIVATIZATION OF 23 REGIONAL AIRPORTS



The "Kalamata Airport Captain Vassilis Constantakopoulos" in Greece is supposed to handle more tourists after the pandemic. However, the handling facilities of the airport, operated by the state civil aviation authority YPA, are rather modest.

Before the start of the Corona pandemic in 2019, the airport in the city of Kalamata, a port in the southwestern Peloponnese peninsula, was still ranked in the middle of Greece's 38 commercial airports with 336,000 passengers.

To be ready for the travel boom Greece expects after the pandemic ends, **the airport would need to spend 60 to 80 million euros to expand the terminal and rehabilitate the runway, taxiways and apron**, according to a study by the Greek Ministry of Transport.

The money is to come from a private investor. Kalamata is one of 23 regional airports that the state wants to put into the hands of private operators. Greece has had a good experience with airport privatizations in recent years.

In 2017, the state awarded concessions for 14 regional airports to the Fraport airport group. The Germans will operate the airports for 40 years. Fraport's entry into Greece cost €1.24 billion and over the past four years, it has invested €440 million in the construction of new terminals and runways and the refurbishment of existing facilities.

Three months ahead of schedule, Fraport completed the modernization of the airports in February 2021. This means Greece will have a state-of-the-art airport infrastructure in time for the start of the post-pandemic era, from Thessaloniki in the north to popular islands such as Corfu, Mykonos, Santorini and Rhodes, and Chania on Crete in the south. Prime Minister Kyriakos Mitsotakis called the new airports "bridges to a summer of greater freedom" at the handover ceremony in Thessaloniki.

Fraport could round off its Greek portfolio with the imminent award of further airport concessions. At the top of the privatization list is Kalamata. The invitation to tender is expected in the next few weeks.

The airport is not only the largest of the still state-operated airports, it also has particularly good growth prospects. This is due to the man whose name it bears. Greek tycoon Vassilis Constantakopoulos, who died in 2011, left his three sons the Nasdaq-listed Costamare shipping company, not only the world's third-largest private fleet of container ships, but also the five-star Costa Navarino golf and beach resort in Greece.

The family of the "container king" has so far invested around 1.2 billion euros in the hotel and villa complex on the coast of Messinia, which opened in 2010. This has made the region, which until then was known primarily for its Kalamata olives, one of the fastest-growing vacation centers in Greece.

The tourism boom is also reflected in the passenger numbers at Kalamata Airport. They have quadrupled between 2010 and 2019. The real estate and hotel operating company Temes S.A., controlled by the Constantakopoulos family, is considered a possible contender for the concession of

the airport, which is of particular importance for the further development of Costa Navarino.

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