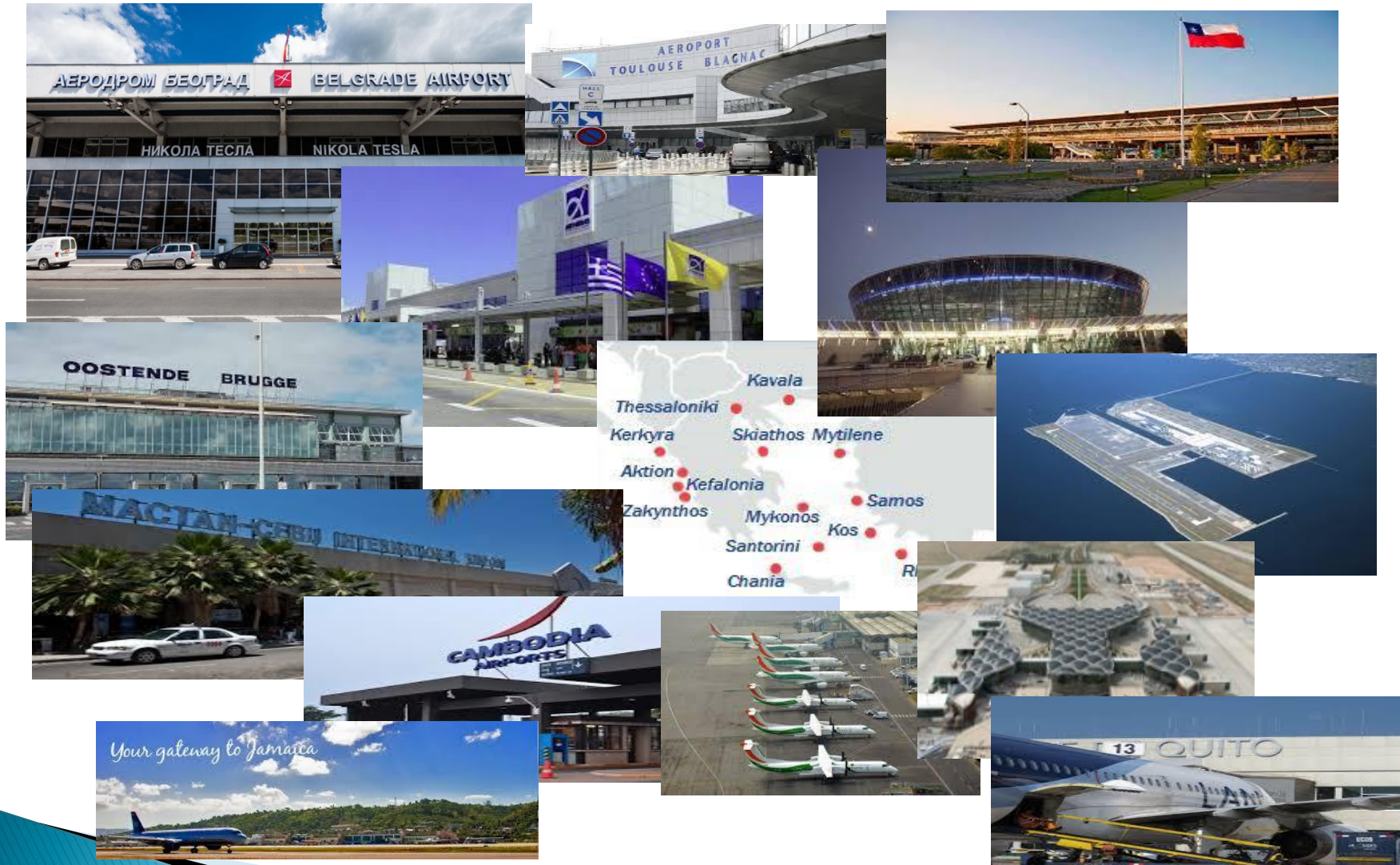


What liability for the airport concessionaire?

Isabelle Lelieur

Chevrier Avocats
16 October 2018

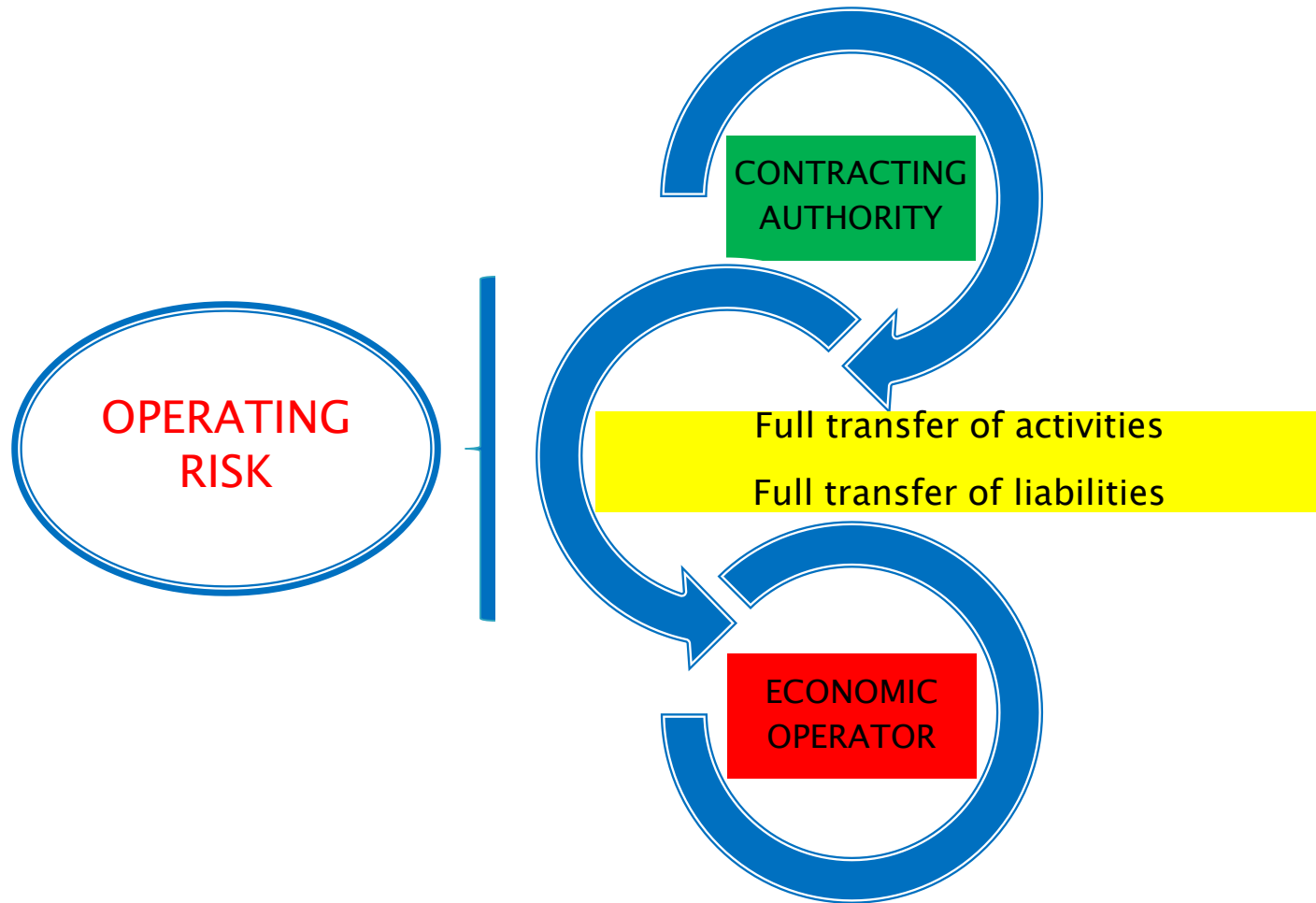
The concession: a worldwide picture



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The concessionaire “at risk”



An overall liability



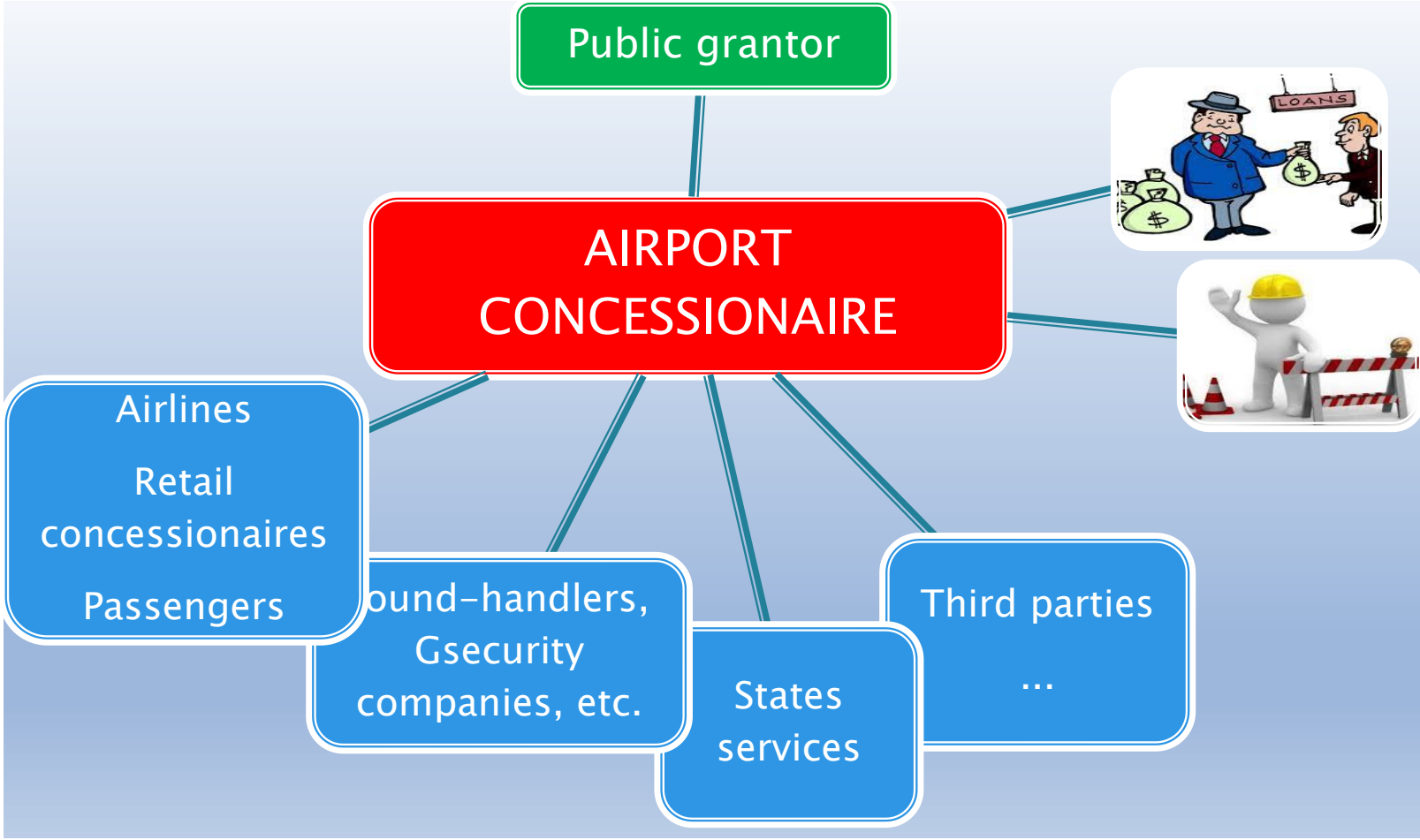
A systemic approach

- ↪ all airport stakeholders and the airport operator are inter-connected
- ↪ if one chain link fails, it impacts the whole chain



High legal exposure of the airport

AN OVERALL LIABILITY



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Typical allocation of responsibilities

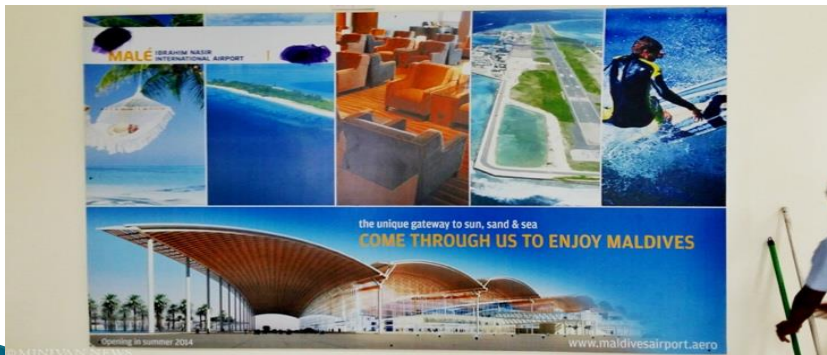
The grantor	The concessionaire
Owns the asset	Takes care of the asset and develops it
Defines and maintains the policies	Implements the policies
Sets the economic regulation	Optimizes the asset performance and shares the value
Provides a favorable contractual / institutional background	Raises private funding (debt and equity)
Adapts to external necessities and national constraints	Proposes solutions
Monitors and benchmarks the performance	Reports and analyses

High legal exposure in case of breach

Exemples of abusive termination by the grantor



Philippine court sets \$510.3 M payment to airport builder Piatco



US\$271M paid by the government of Maldives in damages to Indian infrastructure firm, GMR

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Insurance

Legal obligation

in most jurisdictions

Contractual obligation

- Mandatory policies
i.e. Property liability insurance, Third-party liability insurance

- Warranties
Several beneficiaries

All concession risks, reasonably foreseeable, shall be covered

Reliable insurers of international standing are required



Thank you for your attention

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