

**TIRANA INTERNATIONAL AIRPORT
SECOND ENVIRONMENTAL AND SOCIAL BULLETIN**





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Mrs. Andrea Gebbeken
Chief Executive Officer
Tirana International Airport

MESSAGE FROM THE CEO

Dear Readers,

This year has been an important one for Tirana International Airport (TIA). On 21 March 2007, we celebrated the opening of our new passenger terminal, a state of the art infrastructure that offers the highest standards of operations, service and passenger convenience. These operations at the new terminal have started a new era in air transportation in Albania.

TIA is now handling approximately one million passengers and more than two thousand tons of cargo annually. During the first nine months of 2007 the airport handled 849,578 passengers, an increase of 21 per cent compared to the same period last year. And these figures continue to grow.

Environmental issues at the Airport are being tackled with care and determination. TIA, fully aware of its social responsibilities, is putting a huge amount of effort into contributing towards improving the quality of life for the local residents through respecting the environment and initiating important development projects. As an example, TIA has invested in the preparation of a tourism development plan for Preza Castle and the surrounding countryside, which lie in the vicinity of the Airport. Additionally, throughout the Concession Period there has been constant participation of local authorities in meetings held to discuss issues of common interest, such as local economic development and environmental management.

A number of events of major importance, not only for the airport, but also for the local communities and Albania as a whole, have taken place at the Airport, including the first visit to the country by the incumbent US president, Mr. George W. Bush. Continuous dialogue with interested parties and the general public has been established and is being maintained. Furthermore, TIA's webpage provides information and opportunity for feedback and communication with the Airport. We very much welcome comments, opinions and suggestions in order to improve even more our performance and service quality.

The second Environmental and Social Bulletin informs its readers about the effective implementation of TIA's new Environmental and Quality Management System. In doing so special attention is paid to the recent challenges, such as the construction and operation of a waste water treatment plant and the implementation of waste management concepts aiming at minimizing waste through recycling. All of these successful developments testify to the commitment of TIA in the area of environmental protection.

Through this second Environmental and Social Bulletin we congratulate all members of the airport community on two years of successful cooperation in environmental and social matters. In addition to this, I express my personal wishes for many more successful years at TIA.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Andrea Gebbeken', written in a cursive style.

FOREWORD

Important developments since first issue:

- a) opening of new passenger terminal and other airport facilities on 21 March 2007
- b) establishment and implementation of Environment and Quality Management System comprising:
 - development of Environment, Health and Safety Policy
 - development of a Quality Policy
 - five-year Environment, Health & Safety and Social Action Plan
 - approval of Environment and Quality Management Manual
 - development of environment and quality procedures and manuals
 - establishment of a Quality, Environment, Health and Safety Department
- c) introduction of waste management system
- d) air quality monitoring
- e) water management and quality testing
- f) application of environmentally friendly de-icing services
- g) noise monitoring
- j) landscaping and gardening
- k) environment and quality training and awareness raising
- l) preparation and approval of Airport Emergency Plan
- m) implementation of No Smoking Policy
- n) Preza tourism development plan

Since April 2005, TIA has been operated by the private company Tirana International Airport SHPK (formerly Tirana Airport Partners) whose shareholders are HOCHTIEF AirPort (HTA), DEG Deutsche Investitions- und Entwicklungsgesellschaft and the Albanian-American Enterprise Fund (AAEF). Financing of the EUR 50 million investment program has been arranged with EBRD as principal lender, supported by ABA, Alpha Bank and DEG.

Hochtief AirPort (HTA) bundles the airport activities of HOCHTIEF Group and is one of the world's largest independent airport managers. Being an international construction services provider, HOCHTIEF designs, finances, builds and operates a wide range of complex projects.

Deutsche Investitions- und Entwicklungsgesellschaft (DEG), a member of KfW Banking Group, has been financing and structuring the investments of private enterprises in developing and transition countries for more than 40 years. It is one of the largest European finance institutions that promote the private sector.

The Albanian-American Enterprise Fund (AAEF) was founded by the US government with the aim of supporting the development of the private sector in Albania. It offers financing and management assistance to private Albanian companies.

WHAT IS NEW AT TIRANA INTERNATIONAL AIRPORT?

Opening of the new passenger terminal designed with an initial annual capacity of approximately one million passengers. The terminal was inaugurated on 21 March 2007. This masterpiece, designed by the Malaysian architect Hin Tan, houses eight souvenir and duty-free shops, bars, restaurants and cafés. There is a restaurant in both departures and arrivals, while just outside the terminal the covered Piazza bar with traditional Albanian stone façade offers a very pleasant and relaxing view of the building and its surrounding. The new terminal satisfies the most sophisticated of demands and makes a major contribution to the urban transformation of Tirana, Albania's capital.



Tirana International Airport

The new building offers a wide range of services, matching best international practices. Passengers are processed securely and quickly through the new terminal to enjoying the services that are available, a variety of shops and also comfortable seats in a pleasant environment, while waiting for their flight.

Construction of the new air cargo terminal with import-export and customs facilities such as freezer, cooler and dangerous goods facilities. This new cargo center has a capacity of 4,500 tons of freight per year.

New seven-kilometer access road. On 16 March 2007, four months ahead of schedule, the new access road was inaugurated, shortening the distance between the Airport and Tirana city center by eight kilometers. The new, two-lane single carriageway cuts significantly the journey time to the Airport and thus contributes to decreasing fuel consumption and environmental pollution.

New car parking area. In addition, a 1.5-kilometer-long new circulatory road and new car parking facilities were both completed in March 2007.



ENVIRONMENT AND QUALITY MANAGEMENT SYSTEM

As the most important hub of air transportation in Albania, Tirana International Airport SHPK is committed to growing in a sustainable way, securing economic and social benefits associated with the Airport's role within the local and regional economy. At the same time, TIA is committed to adopting pro-active, world best practice measures to reduce environmental impacts.

TIA has developed, approved and is implementing an Integrated Environment and Quality Management System (EQMS). This EQMS is oriented to ISO standards 14001:2004 and 9001:2000. It comprises policies, procedures and manuals that TIA is implementing to achieve environment and quality objectives.

In order to start operating effectively and to adhere strictly to the new EQMS, a comprehensive implementation meeting took place on 30 January 2007 with the participation of all TIA executives and senior management.

Quality, Environment, Health and Safety Department

In June 2006, TIA established within its organization a new Department for Quality, Environment, Health and Safety (QEHS). This department provides environmental management knowledge and support to all Airport departments and takes responsibility for ensuring that environmental, health and safety, and quality requirements are met.

The department is responsible for the Environment and Quality Management System that maintains and continually improves service quality at the Airport, compliance with environmental standards, compliance with occupational health and safety requirements, and for measuring, monitoring, recording and reporting on these issues.

The QEHS department conducts also environmental audits and internal operational inspections, in order to ensure that procedures and practices are being followed and respected. It also undertakes performance monitoring to check the fulfillment of objectives in compliance with the Concession Agreement, the Quality Policy and the Environment, Health and Safety Policy, in order to take corrective and preventive actions if necessary in cases of non-conformity.

Quality Policy

Following the Environment, Health and Safety Policy, signed on 4 April 2006, TIA set up a Quality Policy, signed on 12 September 2006, aiming at ensuring high international standards of facilities, safety, security and comfort focusing on customer satisfaction.

Environment, Health & Safety and Social Action Plan

TIA has prepared and is implementing a Five-year Environment, Health & Safety and Social Action Plan 2005-2010 which is updated every year and amended in the framework of the Environmental Management System in accordance with ISO 14001.

This plan comprises all appropriate programs and actions to be undertaken, targets to be achieved, time schedules for implementation and the respective departments or persons responsible for implementation, for all management issues.

Environment and Quality Management Manual

TIA has developed and adopted an Environment and Quality Management Manual, approved in October 2006, as a guiding document and administrative tool to ensure that environmental, quality targets and service standards are met and that full and continuous compliance is achieved.

Service level agreements

The Service Level Agreements prepared by TIA for all the organizations and persons providing services at the Airport include the standards specified in the Concession Agreement, relevant applicable laws and conventions, industry good practices, a clear statement of performance standards and service fees and responsibilities of each organization operating at the Airport. It also includes TIA's Environment, Health and Safety Policy, and Quality Policy related objectives and targets, the Environment, Health and Safety Guideline for Third Parties, Business Standards, Ethics Guidelines, etc.

The Environment, Health and Safety Guideline for Third Parties is added as an annex to agreements with concessionaires and other Third Parties acting at Tirana International Airport.

As a matter of principle, all departments and business units make a contribution towards achieving maximum environmental sustainability in work practices.

WASTE MANAGEMENT

According to the Environment, Health & Safety and Social Action Plan a Waste Management Concept, aiming at minimizing waste through recycling, has been developed and is already being implemented.



TIA's Waste Management Concept is based on the following principles:

- minimization of waste
- recycling and regeneration
- restriction of incompatible mixing of waste
- implementation of waste management best practices
- safe and environmentally sound waste collection, storage, transportation and disposal at an authorized receptor
- promotion of a safe, healthy working environment and safety of the general public
- conservation of natural resources
- training

The types of waste that TIA generates are classified according to the Albanian Catalogue of Wastes based on the Decision of the Council of Ministers No. 99, dated 18 February 2005, "On the approval of the Albanian Catalogue of Wastes". Waste is differentiated as waste for recycling and waste for disposal.

TIA's Waste Management Concept

The new terminal provides passengers and Airport users with a system of recyclable and non-recyclable waste sites at which three separate waste bins are provided, one each for plastics, cans and other waste, while for the whole Concession Area such bins are provided for plastics, cans, paper or cardboard, wood and other waste.

Specialized companies licensed by the Albanian authorities who operate in compliance with official standards and regulations are contracted so that recyclable waste and non-recyclable waste are collected, transported and either recycled or disposed of.

Hazardous waste and substances that TIA generates are temporarily stored according to the requirements of Albanian Law No. 9537, dated 18 May 2006, "On administration of hazardous wastes".

Training and awareness raising are considered as very important for a proper waste management and it was with this intention that in April 2007, TIA organized the workshop “Waste and Water Management at Tirana International Airport”. The workshop was organized with the support of HOCHTIEF AirPort and Düsseldorf Airport. TIA’s staff, maintenance and security subcontractors, waste collection service provider and food and beverage concessionaires were invited to and participated in this workshop along with local authorities.

This workshop was held to present concepts and practices regarding environment-friendly waste and wastewater treatment in use at airports. The workshop focused on the necessity to elaborate a waste minimization programme in terms of economic benefits for TIA, and this is already being implemented.

AIR QUALITY MANAGEMENT

The main air pollutants from the airports and the other activities associated with it that might impact human health and the environment are ozone, sulfur dioxide and nitrogen oxides.

In compliance with the environmental legislation and TIA’s environmental permit, the Airport conducted air quality monitoring in the Concession Area for the following pollutants: PM10, SO₂, CO, O₃ and NO₂. Monitoring was carried out by the laboratory of the Albanian Environmental and Forests Agency. The results showed that both Albanian and European Union standards are met by TIA.

WATER MANAGEMENT

Based on the required water quality monitoring procedures, TIA is ensuring protection and conservation of surface and ground water and their sources, compliance with water standards and the prevention of negative impacts on the environment.

Water quality

With the opening of the new passenger terminal TIA is supplied with potable water by new wells drilled in the Concession Area. The water is treated in a potable water facility close to the new wells before being pumped into the Airport’s new potable water system.

In spring 2007, TIA carried out monitoring of water quality. Two samples were taken and analyzed, the first from the main water tank and the second from the taps in the terminal. Analysis was carried out by a certified German laboratory.

The parameters were monitored according to Albanian Standards: drinking water monitoring refers to Albanian Standards for Potable Water (STASH 3904:1997), which are based on EU Directive 98/83/EC and WHO Standards. The results of the analysis showed that all parameters meet those standards, apart from water hardness which was higher than the respective standard. As a result, TIA immediately undertook measures to rectify this situation and a water-softening device was purchased and installed.

Waste waters

One major challenge for TIA was the construction of a Waste Water Treatment Plant (WWTP). In compliance with the Concession Agreement and the Environment, Health & Safety and Social Action Plan, TIA constructed and, in July 2007, put into operation a WWTP for the Airport. Waste water from the passenger terminal, operations and administration buildings, as well as from aircraft, are collected and directed to the WWTP, where it is mechanically and biologically purified before final discharge.

Over a seven-week period, from the start of operations of the WWTP, TIA monitored the quality of the waste water. Samples were taken periodically and analyzed by the laboratory of the Environmental and Forests Agency in Tirana. Monitoring of all parameters is undertaken in compliance with the respective legislation and the environmental permit for the construction and operation of the WWTP, issued by the Ministry of Environment, Forests and Water Administration. The results of the seven week testing were satisfactory and the standards are being respected.



View of recently built Waste Water Treatment Plant

Environmentally Friendly De-icing Services

TIA has provided for aircraft the use of biologically degradable de-icing agents. Even though it is necessary only on a few days in winter to use such de-icing agents, TIA is using these environmentally friendly de-icing agents for both aircraft and the operations areas, preventing the risk of pollution of the environment. These de-icing agents are stored in appropriate facilities that fulfill all required safety standards.

NOISE

Excess noise is categorized as a major environmental pollutant. As a result, aircraft engines have been continuously improved since the early 1970s. Noise level measurements carried out at TIA in January 2007 showed that its operations meet international standards.

The noise monitoring was carried out with the support of the environmental experts of Hamburg Airport. On 4 and 5 January 2007, in accordance with TIA's environmental permit and Albania's environmental legislation, noise levels were measured. The analysis encompassed the different types of aircraft operating at TIA and the daily number of movements. The maximum noise levels recorded at both ends of the runway ranged from 62 to 92 dB (A), depending on the type of aircraft, with a daily average of less than 60 dB (A). The conclusion of the two-day monitoring was that noise levels at TIA comply with European legislation.

NATURAL ENVIRONMENT

Landscaping and gardening

Tirana International Airport is committed to promoting a more pro-active initiative in preserving its natural environment. Consequently, it has provided proper development and maintenance of landscaping and gardening on its premises, in compliance with the respective legal requirements and international standards.

The Airport has upgraded and maintained the natural environment of the airfield with the aim of creating an operational environment conducive to the prevention of erosion, fires and accidents.

Part of the upgrading was the construction of a secondary drainage system connected to the new main drainage system.



Landscape view
at Tirana International Airport

Wildlife hazard control

TIA has developed a wildlife hazard control program, controlling bird and other animal activities that might pose an aircraft collision hazard. Constant monitoring takes place for the presence of birds on the airfield.



Upgrading works
in the airfield

ENVIRONMENT AND QUALITY TRAINING AND AWARENESS

One of the main factors that contribute to a better performance at Tirana International Airport is the process of training. TIA aims to provide for its staff as many training opportunities as possible. Thus, the training needs for the staff are identified, considered and made available according to the job requirements and responsibilities. Particular attention has been paid to trainings needed for the implementation of an effective Environment and Quality Management System.

A Kick-Off workshop, "Implementation of an Environment and Quality Management System at Tirana International Airport", was held in January 2007, aiming at the effective implementation of the Environment and Quality Management System. A follow-up workshop, "Waste and Water Management at Tirana International Airport", was held in April 2007.

TIA staff and third-party representatives have participated in training courses organized by ICAO, IATA and ACI on subjects such as handling of hazardous materials and dangerous goods, safety for ground handling operations, use and maintenance of an aircraft de- and anti-icing vehicle, first aid, fire brigade and airport civil emergency exercises.

HEALTH AND SAFETY

TIA has established a First Aid Unit to provide rapid-response medical services to passengers and other Airport users. One very important task is awareness raising and provision of advice to employees regarding the problems of health and safety at work, in order to prevent accidents and work-related illnesses, as well as to promote the entire issue of health protection and safety.

TIA makes sure that its staff are provided with Personal Safety Equipment in accordance with European standards. As a result of the constant work of TIA in the field of health and safety, no major accidents have been recorded at Tirana International Airport.

Emergency Preparedness and Response

Tirana International Airport has reviewed and finalized manuals and procedures concerning airport operations safety and has established an Airport Emergency Plan, which was approved by the Directorate General of Civil Aviation (DGCA) on 23 February 2007.

TIA tested its capacities to handle emergencies during an Airport Civil Emergency Exercise held on 14 June 2007. This testing, which was performed after six months of training of the Fire and Rescue Department, was assisted and supervised by German experts from Düsseldorf and Mönchengladbach airports.

Representatives from the Government of Albania attended the exercise, which was supervised by PAMECA (Police Assistance Mission of the European Community to Albania) and the managers of all airline companies operating at the Airport. Fire, rescue and first aid services were all involved in the exercise, which was highly successful and productive in terms of emergency services coordination.

At the end of this year, a full scale emergency exercise in collaboration with governmental authorities is scheduled to take place at the Airport.

No Smoking Policy

Tirana International Airport, in compliance with Law No. 9636, dated 6 November 2006, “On the protection of health from smoking products” has implemented a No Smoking Policy, in accordance with its Environment, Health and Safety Policy, with the aim of creating a friendly and healthy environment for passengers and people employed at the Airport.

TIA applies a strict “No Smoking” policy throughout the new terminal. There are, however, two designated areas in the Airport where smoking is allowed: one in the café outside the new terminal, and the other in the departures area, in a separate room near the bar, designed to protect non-smokers.



SOCIAL INITIATIVES

Social and community projects

In the First Environment and Social Bulletin TIA informed its readers about the launch of a request for proposals in early October 2006 for a tourism development plan for the community of Preza. This had been identified by TIA as an advantageous project expected to facilitate the improvement of the quality of life of nearby residents and the economic growth of the area. Since then, a plan has been prepared by an experienced British consultancy firm, Goulds Properties UK Limited. TIA invested 17,000 Euros in the preparation of the plan. With the Airport’s assistance, meetings were held between the consultancy firm and the local authorities, as well as with respective ministries and institutions, in order to discuss the project in detail.



In the grounds of Preza Castle

The tourism plan comprises different alternatives for the future use of Preza castle and the development of its surrounding countryside, with the aim of transforming the area into a great cultural asset of regional and national significance. Along with Kruja and Petrela, this will re-establish the importance of the three castles that surround the city of Tirana. Preza castle, of Roman origin, is perched at the top of a hill near the Airport and is easily reachable from the Tirana-Durrës highway. To the west of Preza village in very attractive countryside lie two reservoirs, and their surrounding valleys offer serene beauty and tranquility. It is an ideal location for outdoor activities: canoeing, swimming, diving, fishing, walking and climbing.

The Preza tourism development plan was handed over to the Mayor at a ceremony organized in the commune on 16 May 2007, in which representatives from TIA and governmental and local institutions participated.

Meetings with local community and authorities

TIA has based its everyday activities on an open and continuous dialogue with the local community and authorities. As set out in the Environment, Health and Safety Policy, TIA is fully committed to minimizing any negative impact on the local environment and communities deriving from its operations and enlargement. TIA is prepared to ensure that the environmental, health and safety standards are met in all areas of concern.

Discussions and consultations with local community authorities started at the beginning of the Concession Period during the Airport Master Plan preparation and approval. These consultations were further developed during preparation of a Draft Regulation on issuance of a construction site permit and building permit within the restricted zone and the development zone.

Considering awareness raising regarding environmental issues as highly important representatives from local authorities are invited to participate in meetings and trainings. Furthermore, TIA's experience and potential support regarding waste management of the Concession Area will be readily available to local authorities and the whole neighborhood.

New job opportunities

Tirana International Airport SHPK is not only an important economic player in the greater Tirana region, it is also one of the largest employers. TIA has created new job opportunities for the local population: about 35 per cent of its employees are inhabitants from nearby areas (Rinas, Kruja, Nikël, Preza, Qerekë).



Children tour Airport

Guided tours of the Airport play an important role in communicating environmental issues by introducing airport operations to visitors. In this vein, on 22 March 2007, some 250 children from schools in Tirana and Rinas participated in the celebrations to mark the departure of the first flight from TIA.

Promotion of Preza village

TIA is playing an important role in the development of the neighboring areas. On 16 May 2007, along with the ceremony of the hand over of the Preza tourism development plan, the local authorities in collaboration with TIA opened an exhibition with traditional products made in Preza. Children from Preza, most of whom represented their village in traditional costumes, were the real protagonists of the day.



Schoolboy in traditional costume at ceremony at Preza Castle. The ceremony was held on 16 May 2007 to mark the completion of the local tourism development plan

Events in the local area and at the Airport

Inauguration of the new terminal



Ribbon cutting to mark the opening of the new terminal at Tirana International Airport on 21 March 2007. From left to right: Mr. Michael Granoff, Chairman of the Albanian American Enterprise Fund, Her Excellency the former Ambassador of the United States of America Ms. Mercie Rice, His Excellency the former Ambassador of the Federal Republic of Germany Mr. Hans Peter Annen, Albanian Prime Minister Prof. Dr. Sali Berisha, CEO of Hochtief AirPort and Chairman of TIA Dr. Reinhard Kalenda, former CEO of TIA Dr. Constantin von Alvensleben and Dr. Michael Bornmann member of Executive Board of DEG



The day after the opening ceremony, the new passenger terminal commenced operations, on 22 March 2007, in the presence of some 250 children, adding greatly to the day's festivities. Operations from the new terminal began with the departure of the first flight at 14:20 hours, an Airbus 319, operated by Austrian Airlines, which flew from Tirana to Vienna

Visit by President George W. Bush

TIA ensured the safe and smooth arrival and departure of one of the largest aircraft in the world, a Boeing 747-200B. With the successful conclusion to President Bush's visit, on 10 June 2007, the Airport took another step to reaching the very top European standards, showing that it is able to handle the largest jets in the world. Apart from accommodating the arrival of this special aircraft and its passengers, TIA was able to ensure normal operation for the 22 scheduled flights: no flight was delayed or cancelled despite the presence of large numbers of security forces and the exceptional procedures that had to be followed.



Air Force One, official aircraft of the U.S. President parking on 10 June 2007 on apron at Tirana International Airport

Mother Tereza memorial

The Airport, which is named after the famous nun Mother Tereza, inaugurated on 13 September 2007 a memorial to the great humanitarian. The memorial is six meters high and weighs two tons.



The memorial of Mother Tereza was erected on 13 September 2007 in the middle of the roundabout at Tirana International Airport

KEY FIGURES

Year 2006

Passengers	906,103
Aircraft Movements	15,850
Cargo	2,110 tons

Financial data

Turnover	EUR 19.5 million
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Employees

Airport company personnel	approx. 230
Personnel of companies at the Airport	approx. 700
Total number of employees	approx. 930

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