

## Terms of Reference - RDC

### Background

The Incorporation of the Ports will see the combined organisation of Jersey Airport and Jersey Harbours, now commonly known as 'Ports of Jersey', remain a 100% States-owned Company but governed by a Board of Directors and regulated as such. By incorporating the businesses, not only would this enable a more commercial and responsive business, but it would also bring financial returns to the States in terms of taxes, Parish rates and dividends.

The Minister for Economic Development first announced to the States Assembly in September 2011 his intention to look at incorporating the two businesses. At the same time, he also announced the integration of the two States trading entities into one combined organisation, which was successfully completed March 2012. The agreement in principal for Incorporation of the Ports was endorsed by the States October 2012.

The Incorporation of the Ports has been broken down into key work-streams one of which is the development of the Business Case supporting the rationale for incorporation. Included in the Business Case are a number of key assumptions running until 2032 which require independent review for accuracy and reasonableness. One of these assumptions is aviation volumes for Jersey Airport

### Project Brief

As part of the incorporation process, the business case for Ports of Jersey is to account for forecast assumptions on passenger and aircraft movements for the life of the model until 2032.

Jersey Airport has produced internal forecasts for Airport passenger and aircraft movements until 2032 and is now seeking external professional validation on this work and to produce forecast aircraft and passenger movements based on three scenarios:

- Scenario A - Best case
- Scenario B - Likely case
- Scenario C - Worse case

### Project Purpose

The purpose of this process is to validate Airport volume assumptions contained within the financial model which is an enabler to the generation of the strategy and direction of Jersey Airport.

### Project Timeline:

The review is expected to be complete early September 2013.

### Aviation Forecasts for all Three Scenarios

- Passenger Forecasts
- Commercial ATM Forecast
- Commercial Corporate ATM Forecast

### RDC Aviation are asked to:

- Review the internal forecast aviation volumes for Jersey Airport to 2032
- Provide independent feedback on the current forecasts.
- Provide independent forecasts for the life of the model to 2032 for all three scenarios.

### Positive and or Negative Influencing Factors

- Airport Capacity
- Economy, local, UK and International
- Tourism
- Low
- Competition
- Fuel, future trends in oil prices
- Environmental