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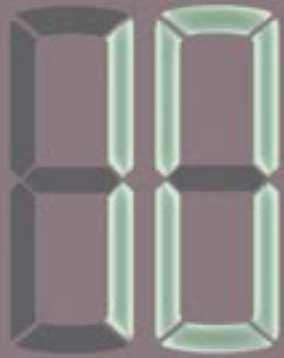
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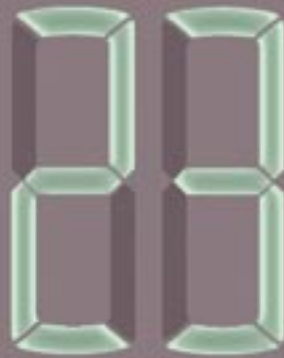
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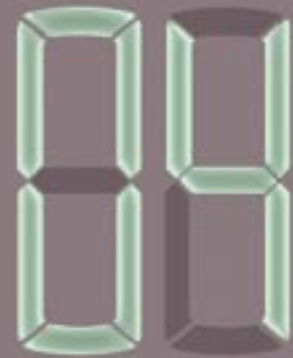
High-speed trains impact  
Europe's airlines



MONTHS




DAYS



HOURS

# COUNTDOWN TO BEIJING

■ By Lynne Clark | *Ascend Staff*



Beijing's travel and transportation industries, including airlines, airports, hotels, ground services and government agencies, are gearing up for next year's Olympic Games.



In the Chinese culture, certain numbers are believed by some to be lucky based on the Chinese word in which the number name sounds similar. Because of the supposed auspicious properties of certain numbers, some people spend large sums of money for lucky numbers for their phones, addresses and bank accounts.

Chinese officials are banking on the number eight — which in Chinese sounds similar to the words for fortune, prosper and wealth — to lend its mystical qualities to making the XXIX Olympiad an unparalleled success. Held in Beijing, the “One World, One Dream” Games will begin Aug. 8, 2008, at precisely 8:08 p.m. The country will play host to participants in 28 sports, 38 disciplines and 302 events during the 18-day competition, taking place at venues across the country including Beijing, Qingdao, Tianjin, Shanghai, Shenyang, Qinhuangdao and Hong Kong.

When China won its Olympic bid in 2001, it seemed to outsiders that it would take more than luck to accomplish the ambitious plans to bring the “ancient” city up to modern standards expected by an estimated 800,000 foreign and 1 million domestic visitors. One year away, is it ready?

### Beijing Capital International Airport

Fifteen years ago, air travel in China was characterized by dark, dingy and smoky air terminals, long lines, no food service, and bus rides to board aircraft parked on remote tarmacs. Even the country’s main airport, Beijing Capital International Airport, serviced only an average 100 flights a day.

Today, it’s the second-busiest airport in Asia and ninth-busiest worldwide. In 2006, it served 48,501,102 passengers and moved 1,028,908 metric tons of cargo. It is home to the world’s largest airport terminal, the newly constructed Terminal 3. The dragon-shaped superstructure stands seven stories high and spans 2.4 miles. If all goes as planned, 35,000 workers will have erected Terminal 3 in a record-breaking rate of just more than two years. Terminal 3 will provide the airport an additional 66 jetways, 120 gates and a number of remote parking bays.

Terminal 3 is a lavish example of China’s commitment to becoming an aviation power in 20 years. The General Administration of Civil Aviation, or CAAC, the top regulator for civil aviation in China, is spearheading this great effort. Chinese Minister of Civil Aviation Yang Yuanyan has made China’s aviation ambitions clear on various occasions.

“China will migrate from an ‘aviation giant’ to a world-class ‘aviation power’ in 20 years,” Yang said at the China Civil Aviation Development Forum held in Beijing last May.

To help it achieve aviation power status, the CAAC’s air traffic control plan for the 2008 Games call for many other improvements to Beijing Capital International Airport. These include upgrading existing facilities as well as building two new radar navigators and a series of signal processing systems for communication and weather observation. The plan also calls for new air routes linking China with Mongolia and the Republic of Korea. In addition, new routes linking Beijing and Shanghai and south China’s Guangzhou city will open soon to alleviate busy air traffic between Beijing and east China.

### Testing, Testing

The Beijing Olympics in 2008 and Shanghai World Expo in 2010 are expected to attract an unprecedented number of overseas visitors to China. To make sure the country is prepared, the CAAC is holding two rehearsals aimed to give airports, airlines and air traffic control the knowledge to work together and support each other better.

The first rehearsal in late June involved eight major airlines, the Beijing Capital International Airport and the Northeast China Air Traffic Control Bureau.

Overall, the airport and airlines received “satisfactory performance” marks for guaranteeing flight safety.

Beijing Capital International Airport got high marks also for good traffic management around terminals. Air China, Hainan Airlines and Shenzhen Airlines scored best among the eight Chinese airlines on service, etiquette and the level of English spoken by their flight attendants.

On the list for improvements were better allocation of carousels for delivering luggage and improved visibility from the airport terminal buildings. Also, the airport was called upon to improve emergency plans due to large-scale weather-related flight delays already reported this summer.

“The capacity to deal with emergencies should be given particular attention in next year’s practice when more airports will be involved,” said Yang Guoqing, CAAC deputy director, in a July 7 edition of *People’s Daily Online*.

The Beijing Capital International Airport has also recently tested its three runways in the configuration designed for the Olympics. The CAAC has contracted with the Boeing Company to conduct a study of the operating mode for the three runways and comparing it with the Atlanta International Airport.

Computer simulation modeling and analysis will help maximize the efficient operation of the two old and one newly constructed runways.

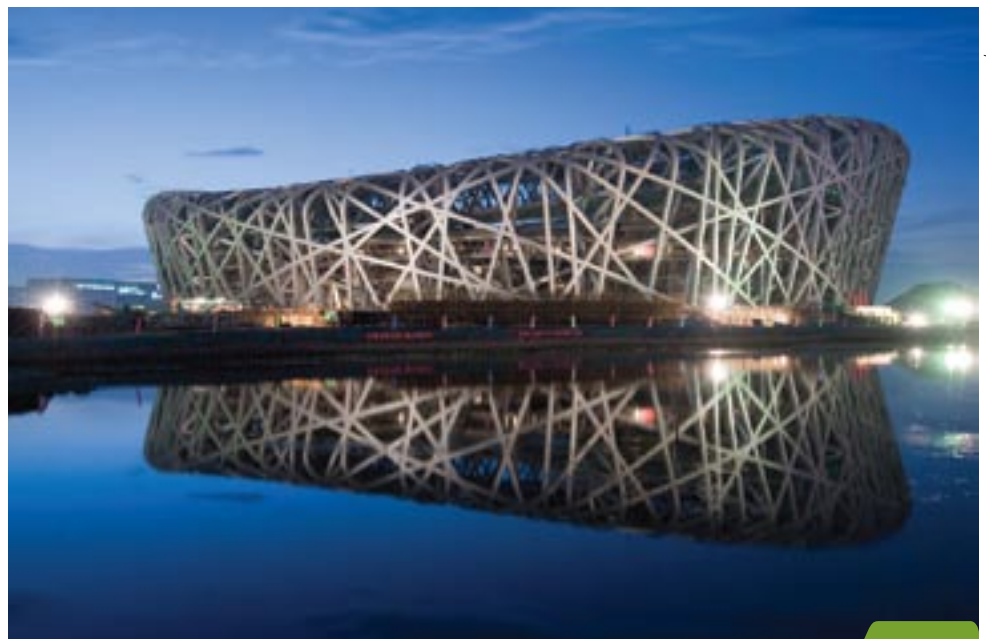


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The 2008 Summer Olympics, which is expected to drive significant business for the travel and transportation industries, will begin in August at the Beijing National Stadium in Beijing, People’s Republic of China.



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The National Aquatics Centre for the 2008 Olympic Games in Beijing is the designated venue for swimming, diving and synchronized swimming competitions. With the anticipation of thousands of spectators, the centre offers 6,000 permanent seats and 11,000 temporary seats.

### Vertical Air Space

Last year, flight delays in China topped passengers' complaint list. Industry insiders said air traffic control was a major reason for the delays. Under pressure from the CAAC, the state-run air traffic control department was ordered to come up with a plan to make better use of the airspace, increase air traffic flow and reduce flight delays.

In May, the CAAC announced that later this year China will reduce the vertical air space between aircraft. Called reduced vertical separation minimum, or RVSM, it shortens the space between aircraft from 2,000 feet (610 meters) to 1,000 feet (305 meters), allowing the number of layers of aircraft flying between 29,000 feet (8,841 meters) and 41,000 feet (12,500 meters) to be increased from seven to 13.

"We can make better use of the airspace, increase air traffic flow and reduce flight delays," said Wang Changshun, CAAC's deputy director, in a May issue of China Daily. "It is good news for travelers who will have to spend less time sitting in cabins waiting for aircraft to take off."

Adoption of the measure means that local airlines will have to equip their aircraft with specially certified altimeters and autopilots.

### Tardy Airlines Targeted

The CAAC is pursuing another measure to set up an air control region in

Beijing before the end of this year, with terminals shared by both the military and the civil aviation department. The International Air Transport Association, which helped the Athens, Greece, and Sydney, Australia, organizers with air traffic control during these recent Games, said it would do the same with Beijing.

Also receiving attention prior to the Olympics are habitually tardy airlines. In late June, Beijing's Capital International Airport issued a notice that said domestic flights missing arrival times by more than 50 percent of the time or accumulating more than 20 departure delays will be listed and publicized every month and issued a yellow warning, according to the China Daily.

For its part, the airport has committed to improving monitoring systems and ground services. A plan to shorten take-off intervals, including rearrangement of boarding gates, has been implemented, and the airport's computer system has been updated. Also, two inspection lanes will be added to speed passenger clearance and more customs officers fluent in foreign languages have been hired.

### Olympic-Sized Security

Beijing Capital International Airport officials turned to planners at Hartsfield-Jackson Atlanta International Airport for advice on security and operations plans. Some 30 Chinese aviation officials met

in Atlanta, Georgia, last year for a conference on how to prepare for the Olympics. Of particular concern was security.

"The art of airport security is having force without presence," said Mario Diaz, the Atlanta airport's deputy general manager during the conference. "Security was not in the face of the passengers and did not include armed soldiers."

Based on talks with Atlanta officials, Beijing airport authorities consulted with security experts in Sydney and Israel. In addition, they have invited security experts including the president of the European Aeronautic Defense and Space Co. EADS N.V., to come to Beijing and offer advice on improving security for the 2008 Games. Based on their findings, the Beijing airport plans to increase its security staff to 5,000 and will employ an estimated 800 police officers.

### Skies Busy Over China

Backed by the country's burgeoning economy, expanded U.S.-Chinese bilateral agreements and the pre-Olympics effect, aviation news has buzzed with rumors of new alliances, aircraft purchases, routes and bidding wars.

Beginning March 28, United Airlines began daily flights to Beijing following its win of the coveted direct link to the city. The win was a victory in a hard-fought battle among Northwest Airlines, Continental Airlines and American Airlines. Battles are likely to resume based on an expanded civil aviation agreement reached in May by U.S. Secretary of Transportation Mary Peters and Yang Yuanyuan. The agreement more than doubles the number of daily passenger services between the United States and China by 2021.

Starting this year, the new agreement will allow for 13 new daily services operated by U.S. carriers to and from China within five years. One new daily service will be added in 2007 and 2008, four new daily services in 2009, three more daily services in 2010, and two new daily services in 2011 and 2012 for a total of 23 per day. Under the current agreement, U.S. airlines today can operate only 10 daily services into Beijing, Shanghai and Guangzhou.

In addition, this agreement will allow the United States to designate five U.S. carriers to operate to China. The deal also will provide U.S. cargo carriers with virtually unfettered access to Chinese markets by lifting all government-set limits on the number of cargo services and cargo carriers serving the two countries by 2011.

Peters also stated that, as part of the agreement, U.S. and Chinese officials have committed to resume negotiations in



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Guests visiting the National Grand Theater during the 2008 Olympic Games in Beijing must pass a security check similar to those conducted at the airport, with bag scanners and walk-through metal detectors.

■ China Eastern Airlines Corp. Ltd. recently reached an agreement allowing Singapore Airlines to buy a stake in the mainland carrier. Buying into China Eastern Airlines will give Singapore Airlines a sizeable share of the domestic travel market in China, in which China Eastern Airlines has a 40 percent share. Additionally, Singapore Airlines will have access to China Eastern Airlines' fleet of 202 aircraft and intensive domestic and international networks from China.

### Olympic Hotels and Hot Venues

Early this year, Beijing Olympic Games organizing committee signed with 113 star-grade hotels and 253 non-star grade hotels in Beijing to provide accommodations for next year's Olympic Games. As soon as the information of these signed hotels was published, the majority of the rooms were booked, according to a June issue of China Hospitality News. Up to 70 percent of the 113 star-grade hotels will be used to house Olympic officials, government officials, sponsors and referees. The remaining 30 percent will be available to individual bookers. Despite the limited supply of Olympic hotels, individual tourists can choose to stay at serviced apartments or rent a house from Beijing citizens, many of whom have already realized this big opportunity to make money.

Organizers announced in June that the rowing and shooting venues are complete and 10 more will be complete by the end of the year. Many of the venues, including an 80,000-seat stadium, 14 gyms and other sports facilities, an athlete's village and an international exhibition center will be located at the Olympic Park, providing world-class sports, recreation and civic facilities for the people of Beijing long after the 2008 Games.

"These investments will not only ensure that Beijing's readiness and infrastructure to host the 2008 Games are second to none, but will also permanently improve the quality of life of Beijing's 12 million citizens," said Liu Jingmin, vice mayor of Beijing and spokesman for the Beijing 2008 Olympic Games bid committee. "The Olympic bid is already helping to create a better, greener and more livable Beijing. We invite the people of the world to see the new Beijing." ■

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2010 to establish a timetable to achieve the mutual objective of full liberalization.

Following are just a few of the many developments in the skies over China spurred by new bilateral agreements and economic opportunities:

Oct. 1, using a 211-seat Boeing 767-300. The Shanghai-Toronto service also increased daily service during summer peak and will continue as a three-day-a-week service for the 2007-2008 winter schedule.

**"We can make better use of the airspace, increase air traffic flow and reduce flight delays."**

— Wang Changshun, deputy director for the Civil Aviation Administration of China

- Dragonair announced in June that it would strengthen its services to a number of major destinations in mainland China, with Chongqing and Xian seeing a rise in frequencies to daily, while services to Fuzhou will double to 14 a week. The number of flights to Bussan — Dragonair's latest destination, launched in January — recently rose from three a week to daily.
- Air Canada doubled its daily Beijing-Vancouver service and increased its Shanghai-Toronto non-stop flights in July. The added Beijing-Vancouver daily flight operated between July 2 and

- Qantas Airways announced plans to launch twice weekly Melbourne-Shanghai service beginning in March, with two-class Airbus A330 aircraft fitted with Qantas Airways Skybeds in business class, operating from Shanghai on Mondays and Fridays. Also in March, the carrier will offer 10 return services a week to China — five between Sydney and Shanghai, two between Melbourne and Shanghai, and three between Sydney and Beijing. It will also offer two codeshare services with China Eastern Airlines.