

# Yes We Can

*Delhi's new airport terminal is highly significant for the aviation sector*

The numbers being thrown around regarding New Delhi's Terminal 3 at Indira Gandhi International airport – where the first international flight landed yesterday – are impressive. The world's sixth largest terminal built at a cost of \$3 billion, spread over four kilometres, with a capacity of 34 million passengers annually – it goes on. But the most relevant statistic is that it was built in 37 months. That happens to put it exactly on schedule. And it also explains why the terminal's real importance lies in what it signifies for the Indian aviation sector and infrastructure capacity building in the country in general.

By hewing so closely to projected timelines and targets, it has become one of India's first big infrastructure projects that can be touted as a major success internationally. When inaugurating the terminal, Prime Minister Manmohan Singh said that the aviation sector has the capacity to absorb \$120 billion of investment by 2020. The success of this project, if leveraged effectively, can play a major role in incentivising that investment, both from domestic sources and foreign.



But in order to leverage it, a few more measures are necessary. To generate enough traffic to have an effective return on the massive investment, it needs to become a hub with various feeder routes funnelling passengers to it, who can then take direct flights to global destinations. Doing this is truly feasible only with domestic carriers. But at the moment, Jet and Air India both have hubs abroad. With other airlines such as Spicejet, IndiGo and GoAir also set to become international carriers over the next few years, the concept of T3 as an international aviation hub

must be incentivised so that Delhi can be mentioned in the same breath as, say, Dubai or Singapore. Allowing foreign carriers to have a stake up to 26 per cent in domestic airlines – something the government is looking at – is one factor here. It could give the latter the financial muscle needed for developing the routes necessary for T3's success as a hub.

Airports play much the same role today that seaports did in earlier centuries. The cumulative effect of international passenger and cargo flows as well as reputation can turn the host city into a global one. It can create jobs and spur investment and growth in multiple sectors. Little wonder that T3 has gained such significance. Let's hope it keeps its promise, making it easier to build similar airports in other Indian cities.