



Cambodian airport project includes new city

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By The Associated Press

PHNOM PENH, Cambodia (AP) — A South Korean company contracted to build a new airport serving visitors to Cambodia's famed Angkor temples says its \$1 billion project will also encompass a new city and industrial estate.

NSRIA Co. Ltd. in a statement received Thursday said its planned New Siem Reap International Airport and linked developments represent Cambodia's "largest national project" and Korea's first-ever export of its airport development and operation expertise.

The statement, which expands upon partial information released by the Cambodian government and in the Korean press, said its concession for the project spans 65 years — covering five years of construction and 60 years of operation — after which it can be extended.

NSRIA is Cambodian joint venture whose main investors are two South Korean companies, Lees A&A Co. Ltd. and Camko Airport Co. Ltd.

The statement said the project will include an adjacent "Special Economic Zone," a dry port and a 15.4 square mile (40 square kilometer) city.

South Korea in recent years has become a major investor in Cambodia, ranking number two after China by some measurements. However, some ambitious Korean-funded real estate developments in Phnom Penh, the capital, have stalled.

The new airport will be able to handle Boeing 747s, making it the country's first capable of handling direct long haul flights from Europe and North America, said the statement. The area is currently served by a modern but small airport.

The airport will be located 25 miles (40 km) east of Angkor Wat, the statement said, alleviating concerns about potential noise and vibration damage to the centuries-old temples at Angkor, Cambodia's main tourist attraction.

There is concern that the temples, already damaged by warfare, looting and the ravages of weather, could be harmed by a greater influx of tourists.

Construction is scheduled to begin in mid-2011, with operations to start in late 2015. At the end of the \$500 million first phase, the airport will have the capacity to handle 4 million passengers a year, and will be able to handle 15 million after expansion.

Cambodia had 2.3 million visitors this year, with about half of them visiting the temples, according to Kong Sophearak, statistics director for the Tourism Ministry.

The statement said the special economic zone will provide an alternative for South Korean companies to investing in China and Southeast Asian countries like Vietnam where labor costs are rising from low levels.