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## AirAsia must move to Terminal 1, says Najib

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**KOTA KINABALU:** "They have exceeded the time frame. They have to go," said Prime Minister Datuk Seri Najib Razak about AirAsia's resistance to shift operations to Kota Kinabalu International Airport's (KKIA) Terminal 1.

Najib, who was here to launch the Terminal 1 building yesterday, said the low-cost carrier was "not doing justice to the people" if it did not move, as Terminal 2 was operating over its capacity.

AirAsia had been involved in a disagreement with Malaysia Airports Holdings Bhd (MAHB) since it was asked to move to Terminal 1 in 2011, with the latest deadline set at Aug 1 this year.

The passenger capacity for Terminal 2 is two million passengers per year, but it handled 3.6 million passengers last year.

Najib said by synergising operations under one terminal, which had better facilities, tourists would have a good first impression of the country.

"The first contact tourists have with the country is at the airport. We need to paint a good picture, whether we are a first- or third-world country.

"This includes Immigration and Customs facilities. Do we make them feel at home or welcomed in Malaysia through their experience



**Prime Minister Datuk Seri Najib Razak at the launch of Terminal 1 of Kota Kinabalu International Airport yesterday. With him are Deputy Prime Minister Datuk Seri Dr Ahmad Zahid Hamidi (fourth from left), Transport Minister Datuk Seri Liow Tiong Lai (third from left) and Sabah Chief Minister Datuk Seri Musa Aman (second from right). Pic by Lano Lan**

In KKIA? Taxi services must also be of standard. We need everything to work together."

He said AirAsia could lose out on the RM10 million incentive for marketing and promotions as promised by MAHB.

During the launch, Najib said the

airport management had pledged the incentive to the Sabah Tourism Board for marketing purposes, with the condition that all airlines moved operations to Terminal 1. Only AirAsia is operating from Terminal 2.

Transport Minister Datuk Seri Liow Tiong Lai said Terminal 1 would

enable more airlines to fly to Sabah.

"Last year, KKIA handled 6.79 million passengers, with 3.19 million passengers in Terminal 1 alone. With the upgrading, KKIA has the capacity to serve nine million passengers per year. A 50 per cent increase compared with Terminal 2."

Liow said the development of KKIA would improve connectivity in the region and facilitate access to rural areas in Sabah.

"This, in turn, will provide job opportunities and boost economic development."

MAHB managing director Datuk Badlisham Ghazali said the move was part of efforts to boost the number of arrivals, which had been declining over the past two years because of airline tragedies and global economic conditions.

Badlisham said MAHB hoped the Transport Ministry would issue firm instruction to ensure AirAsia moved to Terminal 1.

On plans for Terminal 2 once AirAsia shifted operations, he said it would be used for cargo and general aviation operations.

"This includes parking bays for private planes. Commercial airlines should operate at Terminal 1, so we can maximise Terminal 2 for economic purposes."

He clarified that an upcoming meeting with AirAsia was to discuss ways in which to grow the aviation market for Malaysia, and not to thrash out a legal dispute.

"I would like to deny reports saying so."

"Any matter leading to legal items is off the table (for discussion), as we have already responded."