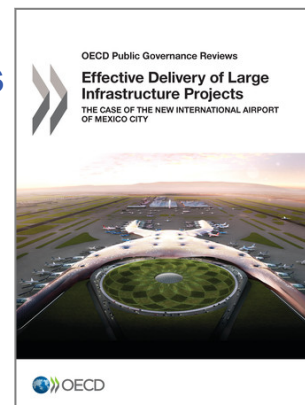


OECD *Multilingual Summaries*

Effective Delivery of Large Infrastructure Projects

The Case of the New International Airport of Mexico City

Summary in English



Read the full book on: [10.1787/9789264248335-en](https://doi.org/10.1787/9789264248335-en)

The New International Airport of Mexico City (Nuevo Aeropuerto Internacional de la Ciudad de México, NAICM) project responds to a 20 year-old need to expand the capacity of Mexico City's International Airport (AICM). Currently the largest infrastructure project in the country, it aims to position Mexico as a regional hub and improve its competitiveness.

The Airport Group of Mexico City (Grupo Aeroportuario de la Ciudad de México S.A. de C.V., GACM) received a mandate from the Government of Mexico to design, build, and open the NAICM by 2020. GACM is an enterprise with majority state participation, part of the quasi-state public administration.

This report provides the GACM with a comprehensive assessment and analysis of the project and offers recommendations in four critical dimensions: governance, procurement, integrity and communication. It also provides an action plan for addressing the recommendations designed in collaboration with GACM and including the corresponding managing unit in charge of its implementation.

Governance is of vital importance in such megaprojects, not only to keep them on time and on budget, but also to avoid corruption and mismanagement. GACM's governance model is that of a public institution; a more corporatised structure would allow GACM to make efficiency and operational gains. GACM's organisational structure was designed in line with principles of austerity and public spending discipline. However, it faces serious capacity and human resources constraints, which become evident when benchmarking against other airport projects. A project of this magnitude requires co-ordinated action among different public institutions and several levels of government. In addition, good governance of NAICM calls for systematic stakeholder engagement. Risk assessment and management, for example, should include civil society and benefit from its expertise.

Procurement in infrastructure projects, although offering advantages, is a very sensitive activity due to the amount of resources involved and the close interaction between the public and private spheres. To make the most of its potential, the GACM should seize existing opportunities to adapt standard processes to the magnitude and complexity of the project.

The choice of procurement as the delivery mode for NAICM, as opposed to publicprivate partnership or concession, was a strategic one shaping the distribution of risks. Public procurement in infrastructure limits the risk of unsustainable long-term relationships with economic operators based on over-optimistic assumptions. Yet, it reduces the suppliers' ownership in the project, which could be mitigated by effective contract management. In a second strategic decision, GACM decided to phase the main construction activities into a series of 21 procurement packages, in order to meet an extremely ambitious timeline. The aim is to encourage the participation of Mexican companies, establish clear rules from the start, identify the largest number of qualified participants, and ensure transparency. This model also offers the possibility to tailor each procurement strategy to meet market capabilities and appetites, and deliver the best value for money, not only to GACM and the Mexican Government, but to society as a whole. Defining tender specifications commensurate with the complexity of the works and appropriate award criteria, and ensuring a transparent, thorough analysis of submissions is also crucial to both achieving efficient results and reinforcing citizen trust.

Worldwide experience suggests that infrastructure projects are particularly prone to corruption. The construction of Mexico's new airport is not exempt from this risk. A comprehensive strategy should be put in place to prevent corruption and mismanagement during the different phases of the project. Despite measures by the Mexican Government in early 2015 to promote integrity in the public sector and reinforce the fight against corruption, more needs to be done within GACM. Not doing so puts the credibility and effectiveness of the project at risk. For example, GACM could better promote openness and enhance its culture of integrity by setting common standards and norms of conduct, investing in training and guidance. In addition, GACM could establish tailored conflict-of-interest policies for public officials, bidders, and suppliers; create conditions for internal reporting of wrongdoing; and develop tools and mechanisms such as standard bidding documents, integrity monitors, and "red flags". Furthermore, establishing and empowering the Internal Control Office will help clarify the risk environment in which the project operates and provide the necessary tools to protect the project from those risks through, for example, an accurate risk map. Finally, GACM could improve the transparency of all its procurement activities by proactively publishing on its webpage all the relevant information such as annual procurement programmes, tender procedures (solicitation documents, minutes of the clarification meetings, and of the opening of tenders), contract awards history, modification to contracts, and formal complaints.

Given the potential long-term benefits of this project, building broad social and political support should be a priority, and can only be achieved through an effective communications strategy. Developing sound communication strengthens the foundations for good governance by promoting open government, increased accountability and the active engagement of civil society. A common weakness in many projects is the lack of a coherent and effective communications strategy linking the needs, expectations, and concerns of the project's different stakeholder interests. Besides controversy, symptoms of underfunded communication functions include ad hoc approaches and a lack of upfront communication and strategic planning. Unlike most government agencies, GACM's organisational structure does not include a dedicated communication role and a comprehensive strategy is still needed to change negative perceptions among several stakeholders.

NAICM is at the core of the current administration's (2012-18) infrastructure plan and public opinion is vastly in favour of the project. An adequate governance model, effective and efficient management of procurement, integrity safeguards to reduce opportunities for corruption, and a comprehensive communications strategy are all critical elements of successful megaprojects. Not honouring the project's time and budget commitments would imply huge costs for the country. Conversely, successful development would greatly improve the competitiveness of the country and the wellbeing of its citizens. Major infrastructure projects such as the NAICM are highly visible and provide a unique opportunity for governments to implement an infrastructure governance framework promoting an innovative, completely accountable and "clean" approach that optimises the spending of public resources and benefits the public interest.

© OECD

Reproduction of this summary is allowed provided the OECD copyright and the title of the original publication are mentioned.

Multilingual summaries are translated excerpts of OECD publications originally published in English and in French.

They are available free of charge on the OECD Online Bookshop www.oecd.org/bookshop

For more information, contact the OECD Rights and Translation unit,

Public Affairs and Communications Directorate at: rights@oecd.org or by fax: +33 (0)1 45 24 99 30.

OECD Rights and Translation unit (PAC)

2 rue André-Pascal, 75116

Paris, France

Visit our website www.oecd.org/rights



Read the complete English version on OECD iLibrary!

© OECD (2015), *Effective Delivery of Large Infrastructure Projects: The Case of the New International Airport of Mexico City*, OECD Publishing.

doi: 10.1787/9789264248335-en