



Project Data Sheet

Project 43141-023

Project Name	Civil Aviation Development Investment Program - Project 1
Project Number	43141-023
Country / Economy	Papua New Guinea
Project Status	Closed
Project Type / Modality of Assistance	Loan

Loan 2588-PNG: Civil Aviation Development Investment Program - Project 1

Ordinary capital resources	US\$ 25.00 million
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Source of Funding / Amount

Loan 2589-PNG: Civil Aviation Development Investment Program - Project 1

Asian Development Fund	US\$ 50.00 million
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Loan 2590-PNG: Civil Aviation Development Investment Program - Project 1

Asian Development Fund	US\$ 20.00 million
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Strategic Agendas	Inclusive economic growth
Drivers of Change	Gender Equity and Mainstreaming Governance and capacity development Private sector development
Sector / Subsector	Transport / Air transport
Gender	Effective gender mainstreaming

Description

The program involves upgrading and rehabilitation of airports identified under project 1: (i) Wewak, (ii) Hoskins, (iii) Gurney, (iv) Mt. Hagen, and (v) Jackson's domestic airport. The first tranche will finance the following under project 1: (i) Improvements in pavements and fencing identified as requiring emergency works to comply with ICAO safety and security standards; (ii) Support for (a) engineering design, preparation of bid documents, and procurement by the NAC; and (b) preparation by the NAC of investment proposals for subsequent projects and tranches for ADB approval; and (iii) Consulting services to NAC for the supervision of (a) airport improvement contracts for the five project 1 airports, and (b) long-term maintenance contracts for these five airports. In addition to the five airports, two others (Kavieng and Goroka) will have new security fences installed.

Project Rationale and Linkage to Country/Regional Strategy	Civil aviation (i) supports the socioeconomic development of the country by providing safe, efficient, reliable, sustainable, and affordable aviation services and infrastructure; (ii) gives all weather access to the country and increases the mobility of communities; and (iii) serves important community needs by making noncommercial destinations more accessible. Capacity constraints and deteriorating infrastructure, however, threaten the safety certification of the airports and place these socioeconomic objectives at risk. The CAA's well articulated sector development plan (Civil Aviation Authority. 2008. Strategic Investment Plan. Port Moresby) addresses the risks, but the agency needs help in carrying out the plan and meeting obligations. External funding to rehabilitate and upgrade the national airports will support the Government's Medium Term Development Strategy (MTDS) objectives of economic growth, rural development, poverty reduction, and human resource development.
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Impact	Economic growth and poverty reduction in project areas
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Project Outcome

Description of Outcome	Safer, more efficient, and more accessible all-weather air transport services in the project area
Progress Toward Outcome	Remaining civil works contracts for Mt. Hagen Terminal and Hoskins Airport Upgrade completed. Both facilities were inaugurated in Q4, 2015.

Implementation Progress

Description of Project Outputs	<p>A. Reformed Institutions: Sustainable and focused operational units established for airports, air traffic services, property development, and regulatory oversight.</p> <p>B. Improved Infrastructure: 1. Air-side infrastructure meets safety and security certification requirements. 2. Air-side infrastructure and land-side facilities meet future operational and capacity requirements. 3. Airport maintenance practices improved.</p> <p>C. Improved Operations: 1. Equipment for communications navigation and surveillance equipment modernized to meet air traffic management requirements. 2. Fire safety and rescue equipment meets operational requirements.</p>
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Status of Implementation Progress (Outputs, Activities, and Issues)	<p>A. Restructuring of former CAA is completed. Three separate entities - National Airports Corporation, PNG Air Services Ltd and Civil Aviation Safety Authority - have been established. The three institutions are fully operational.</p> <p>B. In March 2012, the Security fencing construction work in Kavieng was completed. The Port Moresby airport apron extension contract signed in May 2012 was completed in September 2013. NAC signed the contract for security fencing work at Hoskins, Goroka, Wewak and Gurney airport in August 2012. All physical works were completed in September 2013. The contract for Hoskins Airport Upgrade of the runway was signed by NAC on the 22 April 2013. NAC issued possession of site and paid mobilization advance to the contractor in June 2013. Construction completed Q3, 2015.</p> <p>NAC signed the contract for Mt. Hagen terminal in April 2013. NAC issued possession of site and paid mobilization advance to the contractor in June 2013. Construction works were completed in Q3, 2015.</p> <p>C. NAC is formulating initial work for asset management to be implemented during tranche 2 of the MFF.</p> <p>PNG Air Services Ltd commissioned the Port Moresby Instrument Landing System (ILS) in April 2011.</p> <p>ADB approved the contract award for the three fire equipment in February 2012. NAC signed the contract with the selected bidder in April 2012 and commissioned the 3 Fire equipment in April 2013.</p>
Geographical Location	Nation-wide, Goroka Airport, Gurney Airport, Hoskins Airport, Jacksons International Airport, Kavieng Airport, Mount Hagen Kagamuga Airport, Wewak

Safeguard Categories

Environment	B
Involuntary Resettlement	B
Indigenous Peoples	B

Summary of Environmental and Social Aspects

Environmental Aspects	Measures taken as identified in the Initial Environmental Examination.
Involuntary Resettlement	Consultation with parties likely to be affected ongoing.
Indigenous Peoples	None.

Stakeholder Communication, Participation, and Consultation

During Project Design	<p>An initial extensive program of consultation has taken place. During the project preparatory technical assistance fact-finding stage, a stakeholder analysis was carried out to identify the major important stakeholders, their interest in the proposed program, their perceptions of current problems related to safety and security associated with airport operations, passenger terminal logistics, and civil aviation services, and the resources they could bring to the achievement of goals and objectives of the program. Meetings have been held at the national level with Civil Aviation Authority (CAA), Ministry of Transport (MOT), the Department of National Planning and Monitoring, the Department of Treasury, Air Niugini Airlines, Airlines of PNG, PNG Air Services Ltd., PNG Airports Ltd., and the Australian Agency for International Development (AusAID) and its Transport Sector Support Program (TSSP).</p>
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During Project Implementation

There is continuing dialogue and consultation with all stakeholders through the Project Steering Committee Meetings held semi-annually. Regular monthly meetings are also held between the Executing Agency and PIU staff of ADB Country Office parallel to consultations held at higher level and lower levels of the Government bureaucracy associated with the project.

Business Opportunities

Consulting Services	BECA International was engaged for the Design and Supervision consultants contract to undertake detailed design and supervision - The contract was awarded and signed on the 28 June 2011. BECA specialists commenced work on the 11 of July 2011. BECA engagement on the project ended in December 2015.
Procurement	<p>1. Jackson Domestic Airport Parking Apron - Procurement Committee approved contract April 2012. Contract signed May 2012. Contractor commenced work in July 2012 completed the works in September 2013.</p> <p>2. Security Fences - Kavieng Security Fencing contract package awarded and signed in April 2011. Fencing works completed and taking over ceremony held in June 2012. Contract for other security fencing packages (Gurney, Wewak, Hoskins, Goroka) approved in February 2012, contract signed in August 2012 and construction work completed in September 2013.</p> <p>3. Equipment - POM ILS contract completed and commissioned on 19 April 2011. ILS became fully operational on the 20 April 2011 . Port Moresby 3 FireTrucks contract approved on 3 February 2012. Contract signed on 27 April 2012. Shipment of 3 Fire equipment arrived in March 2013 and are commissioned.</p> <p>4. Hoskins Airport Upgrade - NAC issued bids for Hoskins Airport Upgrade of the runway on 02 March 2012 and bids closed on 11 May 2012. PC approved award of contract on 18 January 2013. No objection letter to award of contract issued to NAC on 21 January 2013. Contract was signed in April 2013.</p> <p>5. Mt. Hagen Terminal Building - NAC issued bids for Mt. Hagen terminal construction on 15 February 2012 and bids closed on 16 May 2012. PC paper approved contract Feb 12, 2013. Contract was signed in April 2013.</p>

Responsible ADB Officer Hill, David J.

Responsible ADB Department Pacific Department

Responsible ADB Division Papua New Guinea Resident Mission (PNRM)

Executing Agencies *Civil Aviation Authority of Papua New Guinea*

Timetable

Concept Clearance	28 May 2009
Fact Finding	18 May 2009 to 03 Jun 2009
MRM	15 Jul 2009
Approval	01 Dec 2009
Last Review Mission	-
PDS Creation Date	08 Oct 2010
Last PDS Update	30 Mar 2016

LoanÂ 2588-PNG

Milestones

Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
01 Dec 2009	28 Jan 2010	22 Mar 2010	30 Jun 2013	31 Dec 2015	15 Jul 2016

Financing Plan

Loan Utilization

	Total (Amount in US\$ million)	Date	ADB	Others	Net Percentage
Project Cost	42.00	Cumulative Contract Awards			
ADB	25.00	17 Jun 2022	24.61	0.00	100%
Counterpart	17.00	Cumulative Disbursements			
Cofinancing	0.00	17 Jun 2022	24.61	0.00	100%

LoanÂ 2589-PNG

Milestones

Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
01 Dec 2009	28 Jan 2010	22 Mar 2010	30 Jun 2013	31 Dec 2015	15 Jul 2016

Financing Plan

Loan Utilization

	Total (Amount in US\$ million)	Date	ADB	Others	Net Percentage
Project Cost	50.00	Cumulative Contract Awards			
ADB	50.00	17 Jun 2022	46.40	0.00	100%
Counterpart	0.00	Cumulative Disbursements			
Cofinancing	0.00	17 Jun 2022	46.40	0.00	100%

LoanÂ 2590-PNG

Milestones

Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
01 Dec 2009	28 Jan 2010	22 Mar 2010	30 Jun 2013	31 Dec 2015	15 Jul 2016

Financing Plan

Loan Utilization

	Total (Amount in US\$ million)	Date	ADB	Others	Net Percentage
Project Cost	20.00	Cumulative Contract Awards			
ADB	20.00	17 Jun 2022	18.68	0.00	100%
Counterpart	0.00	Cumulative Disbursements			
Cofinancing	0.00	17 Jun 2022	18.68	0.00	100%

Status of Covenants

Category	Sector	Safeguards	Social	Financial	Economic	Others
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Rating - Unsatisfactory - - - -

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