



# Report and Recommendation of the President to the Board of Directors

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Project Number: 54311-001  
December 2020

## Proposed Loan and Administration of Loan Air Pacific Limited Fiji Airways COVID-19 Liquidity Support Facility (Fiji)

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Asian Development Bank

## **CURRENCY EQUIVALENTS**

(as of 1 December 2020)

Currency unit	–	Fijian dollar/s (F\$)
F\$1.00	=	\$0.4827
\$1.00	=	F\$2.0716

## **ABBREVIATIONS**

ADB	–	Asian Development Bank
COVID-19	–	coronavirus disease
DFC	–	United States International Development Finance Corporation
EHS	–	environmental, health, and safety
GDP	–	gross domestic product
IATA	–	International Air Transport Association
ICAO	–	International Civil Aviation Organization
LEAP	–	Leading Asia's Private Infrastructure Fund

## **NOTES**

(i) The fiscal year (FY) of the Government of Fiji ends on 31 July. "FY" before a calendar year denotes the year in which the fiscal year ends, e.g., FY2021 ends on 31 July 2021.

(ii) In this report, "\$" refers to United States dollars, unless otherwise stated.

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## PROJECT AT A GLANCE

<b>1. Basic Data</b>		<b>Project Number:</b> 54311-001	
<b>Project Name</b>	Fiji Airways COVID-19 Liquidity Support Facility	<b>Department/Division</b>	PSOD/PSIF2
<b>Country</b>	Fiji, Republic of		
<b>Borrower</b>	Air Pacific Limited		
<b>Portfolio at a Glance</b>	<a href="https://www.adb.org/Documents/LinkedDocs/?id=54311-001-PortAtaGlance">https://www.adb.org/Documents/LinkedDocs/?id=54311-001-PortAtaGlance</a>		
<b>2. Sector</b>		<b>Subsector(s)</b>	
✓ Transport	Air transport		<b>ADB Financing (\$ million)</b>
			40.00
		<b>Total</b>	<b>40.00</b>
<b>3. Operational Priorities</b>		<b>Climate Change Information</b>	
✓ Accelerating progress in gender equality		GHG reductions (tons per annum)	0
✓ Fostering regional cooperation and integration		Climate Change impact on the Project	Low
		<b>ADB Financing</b>	
		Adaptation (\$ million)	0.00
		Mitigation (\$ million)	0.00
		<b>Cofinancing</b>	
		Adaptation (\$ million)	0.00
		Mitigation (\$ million)	0.00
<b>Sustainable Development Goals</b>		<b>Gender Equity and Mainstreaming</b>	
SDG 5.4		Effective gender mainstreaming (EGM)	✓
SDG 8.5		<b>Poverty Targeting</b>	
		General Intervention on Poverty	✓
<b>4. Nonsovereign Operation Risk Rating</b>			
<b>Obligor Name</b>		<b>Obligor Risk Rating</b>	<b>Facility Risk Rating</b>
Air Pacific Limited			
<b>5. Safeguard Categorization</b> Environment: C    Involuntary Resettlement: C    Indigenous Peoples: C			
<b>6. Financing</b>			
<b>Modality and Sources</b>		<b>Amount (\$ million)</b>	
<b>ADB</b>		<b>40.00</b>	
Nonsovereign LIBOR Based Loan (Regular Loan): Ordinary capital resources		40.00	
<b>Cofinancing</b>		<b>40.00</b>	
Leading Asia's Private Infrastructure Fund (LEAP) (Full ADB Administration)		25.00	
<b>Others<sup>a</sup></b>		<b>243.00</b>	
<b>Total</b>		<b>308.00</b>	
<b>Currency of ADB Financing:</b> US Dollar			

<sup>a</sup> Derived by deducting ADB financing and Cofinancing from Total Project Cost.

## I. THE PROPOSAL

1. I submit for your approval the following report and recommendation on a proposed loan of up to \$40,000,000 to Air Pacific Limited, trading as Fiji Airways, for the Fiji Airways COVID-19 Liquidity Support Facility Project in Fiji. The report also describes the proposed administration of a loan of up to \$25,000,000 to be provided by the Leading Asia's Private Infrastructure Fund (LEAP),<sup>1</sup> and if the Board approves the proposed loan, I, acting under the authority delegated to me by the Board, approve the administration of the LEAP loan.

2. The loan, to be guaranteed by Fiji, will cover Fiji Airways' fixed costs during the operational shutdown, and the working capital requirements for a 2021 ramp-up and restoration of its flight services. Since March 2020, the flight operations of Fiji Airways have been severely interrupted by global travel restrictions because of the coronavirus disease (COVID-19) pandemic. The project supports Fiji Airways' effort to sustain its business through this crisis and return to profitable operations. Fiji Airways is the South Pacific's leading airline with a strong safety record, a new aircraft fleet, and a history of profitable operations. It provides essential transport for Fiji and other small island developing states in the South Pacific, and is a foundation for economic and social development in the region.

## II. THE PROJECT

### A. Project Identification and Description

3. **Project identification.** Fiji Airways, Fiji's national flag carrier airline, is the Pacific's largest regional airline, accounting for 65% of international seat capacity to Fiji and 60% of interregional seat capacity, connecting the South Pacific to Australia, New Zealand, the United States, and Asia. It provides the majority of international seat capacity to Kiribati and Tuvalu (fragile and conflict-affected situation countries), a substantial proportion of capacity to Samoa, Tonga, and Vanuatu, as well as most domestic flights connecting the Fijian islands. It also provides access to basic commodities and social services by importing essential goods and allowing the local population to connect to other parts of the world. It is therefore a fundamental transport infrastructure for the Fijian and regional economies, which depend on tourism and exports.

4. Fiji Airways contributes to regional coordination and integration. Because Fiji is a large and important Pacific regional distribution center, the carrier facilitates regional emergency response and recovery efforts, including recovery from periodic regional cyclones. Fiji Airways also plays a critical role in providing access to Fiji's health care facilities for people from other Pacific countries, notably Kiribati and Tuvalu, and to tertiary care outside the region, particularly in Asia, Australia, and New Zealand.

5. Prior to the pandemic, Fiji Airways had experienced strong passenger and revenue growth and was profitable for 8 years through 2019. The airline has a new aircraft fleet and a strong safety record, with no aircraft accidents resulting in aircraft losses or passenger fatalities.<sup>2</sup>

6. **Impact of COVID-19.** The unprecedented global crisis caused by COVID-19 has crippled the aviation and tourism industries. Travel restrictions imposed by governments worldwide to halt the rapid spread of the disease, coupled with consumer reluctance to travel, have crushed international travel demand, resulting in most airlines grounding most of their aircraft.

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<sup>1</sup> Financing partner: Japan International Cooperation Agency.

<sup>2</sup> As defined by the International Civil Aviation Organization (ICAO), Annex 13.

7. Fiji Airways has been affected by COVID-19 since the beginning of 2020, starting with weak demand in Asian markets; extending to core markets in Australia, New Zealand, and the United States; and culminating in the government-imposed shutdown on 22 March 2020 of all regularly scheduled Fijian international and domestic flights. As a consequence, Fiji Airways suspended international and regional passenger flights until the end of December 2020. The biggest question now is how long the COVID-19 impact will last and whether the airline has enough cash reserves to tide it through. Against this backdrop, the Asian Development Bank (ADB) was requested to provide liquidity support to Fiji Airways to meet its operational cash requirements until normal flight operations can resume.

#### 8. **Project design.**

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9. Fiji Airways resumed domestic flights in April 2020 and is now flying regularly scheduled domestic flights at 50% normal capacity. It also instituted regular international cargo service flights, including current weekly operations to Sydney; Auckland; Los Angeles; Hong Kong, China; and Singapore. Its cargo services assure continued supply of medical and other critical imports to the South Pacific as well as exports of fresh produce, seafood, and garments. It has started to rehire cabin crew to train and prepare for a resumption of international flights. Fiji Airways coordinated recovery and logistics planning with the Government of Fiji, Airports Fiji, and Fijian hotels. They all are completing preparations for a return to international service at an appropriate time between the fourth quarter of 2020 and the second quarter of 2021 with a “Travel Ready” program targeted at New Zealand and Australia that includes pre-departure health screening, online check-in, “wellness” staff on each flight, adapted in-flight procedures, “corridor” customs processing and transport in Fiji, dedicated Fijian resort packages by nationality, and a marketing campaign. This effort included work with ADB on coordinating COVID-19 recovery programs and assistance, including technical assistance to Fiji Airports in airport planning and aviation security.<sup>3</sup>

10. **Borrower.** Fiji Airways is predominantly a passenger airline (passengers accounted for 83% of revenues in 2019), and its strategy is to be the leading airline connecting the South Pacific, where it served 19 direct destinations before the outbreak of COVID-19.

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Its business model is to provide a quality and reliable Pacific regional air service based on its modern, fuel-efficient fleet, which includes A350s and Boeing 737 MAX 8s. As stated before (para. 5), it has a strong safety record with no aircraft accidents resulting in passenger deaths or aircraft hull losses.

11. Following the appointment of a new chief executive officer in 2015, Fiji Airways embarked on a program of quality service, fleet renewal, and network expansion, boosting passengers by 27% over 5 years, to 1.7 million in 2019, and opening up new direct weekly routes connecting the Pacific to North America (San Francisco), Australia (Adelaide), and Asia (Singapore and Tokyo). In December 2018, Fiji Airways became a OneWorld connect partner and in mid-2019 attained the Skytrax 4-Star quality rating.

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<sup>3</sup> ADB. [Regional: Pacific Economic Management \(Phase 3\)](#).

12. ADB conducted integrity due diligence.<sup>4</sup> Fiji Airways, its shareholders, and its management do not appear to constitute a significant or potentially significant integrity risk as there are no unresolved adverse media or relevant information related to them. ADB's review of Fiji Airways does not give ADB cause to believe that it is being used for money laundering, terrorism financing, tax secrecy, tax evasion, or tax fraud. Tax integrity due diligence was not required.

13. **Guarantor.** The project will benefit from a sovereign guarantee provided by Fiji covering the total principal amount of the ADB loan; it was approved by the Parliament of Fiji on 26 May 2020. This gives significant support to the project, since the borrower's revenue-generating ability was severely curtailed and remains uncertain because of the ongoing COVID-19 crisis.

14. Fiji is one of the most developed economies in the Pacific, and tourism has been the main driver of economic activity and foreign direct investment, contributing gross domestic product (GDP) per capita of \$6,141 in 2019. The economy is projected to contract by 19.8% in 2020<sup>5</sup> and to grow by 1.0% in 2021 under COVID-19 (based on a gradual revival of international travel from the second quarter of 2021). Tax cuts to boost economic activity and tourism, reduced government revenue as the economy contracts, and increased spending to counter COVID-19 impacts are projected to widen the fiscal deficit to 20.2% of GDP in fiscal year (FY) 2021 (FY2019: -3.6%, FY2020: -8.2%). Public debt as a ratio of GDP was 49.3% at the end of FY2019 and is projected to reach 65.6% of GDP in FY2020, and 83.4% of GDP in FY2021. To mitigate this, Fiji is increasing its engagement with development partners, led by ADB, to access lower-cost financing accompanied by technical assistance. It is also working closely with the International Monetary Fund, which carries out regular country surveillance and continues to assess Fiji's public debt as being sustainable.<sup>6</sup>

## B. Development Impacts, Outcome, and Outputs

15. **Impacts.** The project is aligned with the following impact: Fiji's status as a vibrant and modern regional and international hub for people and cargo movement enhanced, as suggested by the 5-year and 20-year National Development Plan.<sup>7</sup>

16. **Outcome.** The project will have the following outcome: international and domestic air transport movements of passenger and goods restored and sustained.<sup>8</sup>

17. **Outputs.** The project will have the following outputs: (i) Fiji Airways' liquidity crisis caused by COVID-19 avoided, (ii) workers' livelihood secured and gender equality enhanced, and (iii) gender equality of the work environment enhanced.

## C. Alignment with ADB Strategy and Operations

18. **Consistency with ADB strategy and country strategy.** The project is consistent with ADB's Strategy 2030 because it fosters regional cooperation and integration. By supporting Fiji Airways, a core transport pillar in the South Pacific, ADB will help preserve connectivity and access

<sup>4</sup> ADB. 2003. *Enhancing the Asian Development Bank's Role in Combating Money Laundering and the Financing of Terrorism*. Manila.

<sup>5</sup> ADB. 2020. *Asian Development Outlook Update: Wellness in Worrying Times*. Manila (updated on 15 September).

<sup>6</sup> International Monetary Fund. 2020. *Assessment Letter for the Asian Development Bank and Asian Infrastructure Investment Bank*. Washington, DC.

<sup>7</sup> Government of Fiji, Ministry of Economy. 2017. *5-Year and 20-Year National Development Plan*. Suva.

<sup>8</sup> The design and monitoring framework is in Appendix 1.

to air transport for Fiji and Pacific small island developing states. The project also promotes private sector-led growth in Fiji and, through the gender measures captured in the agreed gender action plan, gender equality. It is categorized as *effective gender mainstreaming*. The project mobilizes an ADB interdepartmental team to integrate well-established knowledge and contacts in Fiji with a private sector financial structure.

19. The project complements PARD's long-term, close relationship with the Government of Fiji as its leading multilateral partner. ADB's country partnership strategy, 2019–2023 for Fiji highlights the importance of promoting private sector investment and growth, including by promoting domestic and regional connectivity through transport infrastructure, and specifically highlighting the need for enterprises that are partly or fully owned by the state to access finance on commercial terms where feasible, including through potential ADB nonsovereign operations. The transaction also complements the \$200 million policy-based loan for subprogram 3 of the Sustained Private Sector-Led Growth Reform Program, which was approved by the ADB Board of Directors in July 2020, and is built on reforms to improve fiscal management, the performance of state-owned enterprises, and the business and investment climate.

20. **Consistency with sector strategy and relevant ADB operations.** The project is in line with ADB's Sustainable Transport Initiative, through which ADB intends to substantially expand the scale, influence, and effectiveness of its support for regional cooperation.<sup>9</sup> The initiative also emphasizes private sector participation as an integral part of mainstreaming sustainable transport in ADB's developing member countries.

21. **Lessons from previous operations.** The project will be ADB's first nonsovereign financing in Fiji, and its first to an airline. The project benefits from PARD's leading experience in Fiji as well as ADB's experience in structuring and implementing air transport infrastructure such as the Mactan Cebu International Passenger Terminal Project (Philippines).

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22. **State-owned enterprises.** Since 2012, Fiji Airways has developed into a successful, well-managed, and partially privatized company with an established history of profitable operations, independently audited by PricewaterhouseCoopers. It has demonstrated its ability to compete on an equal footing and without subsidy against leading international airlines such as Air New Zealand, Qantas, and Virgin Australia, serving as an example in the Pacific region for a well-managed state-owned enterprise. ADB's assistance, reflecting government and international support to the global air industry during this COVID-19 crisis, will help prepare Fiji Airways' return to profitable operations in the post-pandemic global economy. Fiji Airways already reflects the reforms that Fiji is promulgating with regard to its state-owned enterprise sector.

#### D. Project Cost and Financing Plan

23. **Project scope.**

[CONFIDENTIAL INFORMATION DELETED]

#### E. Implementation Arrangements

24. Table 2 summarizes the implementation arrangements.<sup>10</sup>

<sup>9</sup> ADB. 2010. *Sustainable Transport Initiative – Operational Plan*. Manila.

<sup>10</sup> Details of Implementation Arrangements (accessible from the list of linked documents in Appendix 2).

**Table 2: Summary of Implementation Arrangements**

Aspects	Arrangements
Regulatory framework	As a signatory to the ICAO Convention on International Civil Aviation, Fiji has an obligation to promulgate regulations and standards in accordance with the ICAO Standards and Recommended Practices. These are reflected in Fiji's Civil Aviation Acts (1977), which are administered by Fiji's Department of Civil Aviation under the Office of the Solicitor-General. The department is responsible for managing bilateral and multilateral air services agreements. It also oversees the Civil Aviation Authority of Fiji, which is responsible for the technical regulation of aviation in Fiji. Fiji Airways is subject to regulation by the Fijian Competition and Consumer Commission for consumer ticket pricing. As a member IATA, Fiji Airways is bound to the IATA Operational Safety Audit Program. Fiji Airways has code-sharing arrangements with 14 other airlines, which also require reciprocal independent audits.
Management	Fiji Airways is managed by an internationally experienced team of chief executive, chief operations officer, chief financial officer, and general counsel; and 8 executive managers. Fiji Airways promotes gender equality, recently reinforcing the number of women in senior management (7 out of 28).
Operational arrangements	
<b>[CONFIDENTIAL INFORMATION DELETED]</b>	
Safety management system	According to the audit results conducted by IATA, all employees have received training in the safety management system principles. A healthy reporting culture was observed, and Fiji Airways is fully committed to the continual improvement of the safety management system.

IATA = International Air Transport Association, ICAO = International Civil Aviation Organization.

Sources: Asian Development Bank and Fiji Airways.

## F. Projected Financial and Economic Performance

**[CONFIDENTIAL INFORMATION DELETED]**

### III. THE PROPOSED ADB ASSISTANCE

#### A. The Assistance

25. ADB's assistance consists of (i) a secured corporate loan of up to \$40 million from ADB's ordinary capital resources and (ii) a parallel loan of up to \$25 million, to be provided by LEAP and administered by ADB.

**[CONFIDENTIAL INFORMATION DELETED]**

#### B. Value Added by ADB Assistance

26. ADB's participation in the project will add substantial value in the following ways:

- (i) Its assistance will play a key role in Fiji Airways' financing efforts, supported by the Government of Fiji, to ensure that Fiji Airways transitions through the COVID-19 crisis and emerges with the capability to resume its key role in transport infrastructure for Fiji and other Pacific countries.
- (ii) **[CONFIDENTIAL INFORMATION DELETED]**
- (iii) ADB will contribute to promoting gender equality at Fiji Airways by enhancing women's participation in technical and managerial roles as well as developing a policy to tackle and mitigate gender-based violence. The project achieves *effective gender mainstreaming* categorization.

- (iv) [CONFIDENTIAL INFORMATION DELETED]
- (v) With ADB's engagement, Fiji Airways agreed to implement a corrective action plan to improve the management of environmental risks in its premises, and to improve the implementation of existing plans and procedures.

### C. Risks

[CONFIDENTIAL INFORMATION DELETED]

## IV. POLICY COMPLIANCE

### A. Safeguards and Social Dimensions

27. In compliance with the requirements of its Safeguard Policy Statement (2009) for general corporate finance, ADB categorized the project as *C* for environment, involuntary resettlement, and indigenous peoples.<sup>11</sup> This categorization is based on the understanding that (i) ADB's proceeds will not be used by Fiji Airways to upgrade, purchase, manufacture new or decommission existing aircraft, open new routes, or acquire land; and (ii) funds will be used only to fill the company's liquidity gap and restore flight operations. Therefore, impacts in addition to those associated with normal pre-pandemic operations are not envisaged. Key environmental impacts and risks associated with Fiji Airways' operations include air emissions, noise, occupational and public health and safety (including the spread of COVID-19), and wastewater and waste generation associated with routine flight operations, and aircraft and building maintenance activities performed directly by the company (including refueling of ground vehicles, minor maintenance, and cleaning of aircrafts and hangars).

28. ADB performed a risk-based environmental and social management system audit and corporate audit against the requirements of ADB's Safeguard Policy Statement and the environmental, health, and safety (EHS) guidelines of the World Bank Group for airlines. Fiji Airways has a dedicated safety, security, and quality team to manage the EHS aspects of its operations and systems. It has an occupational health and safety policy, an environmental policy, and uses the Rolls-Royce Safety Management System solution to record EHS risk assessments, and incidents and associated reports, and monitor performance indicators. Management systems, plans, and procedures follow the requirements of the Civil Aviation Authority of Fiji, International Air Transport Association (IATA), and OneWorld standards. IATA performs biannual operational safety audits of Fiji Airways' operations. The "Travel Ready" program follows World Health Organization advice along with recommendations by IATA and the International Civil Aviation Organization (ICAO).

29. Fiji Airways monitors fuel consumption and carbon dioxide emissions. Fiji Airways has emissions reduction targets to reduce potential climate change impacts. It files annual reports under IATA's FRED+ (fuel reporting and emissions database) platform, and will prepare the first CORSIA (carbon offsetting and reduction scheme for international aviation) report in 2020 as a voluntary initiative. Fiji Airways has internationally compliant standard operating procedures for noise abatement and, with Airports Fiji, rolled out management measures to prevent bird collisions. It also implemented plans for emergency procedures, and for handling and control of dangerous goods, or hazardous waste materials. Aircraft disinfection is performed in line with Australian and New Zealand biosecurity procedures.

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<sup>11</sup> ADB. [Safeguard Categories](#).

30. ADB's corporate audit also concluded that Fiji Airways' management system and plans address the impacts and risks associated with the company's normal pre-pandemic operations. The institutional capacity and commitment of the company to manage the project's social and environmental impacts are deemed adequate.

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31. Fiji Airways will observe ADB's prohibited investment activities list and will comply with the Safeguard Policy Statement. It will comply with national labor laws and, pursuant to ADB's Social Protection Strategy (2001), will take measures to comply with internationally recognized core labor standards.<sup>12</sup> It will report annually to ADB on (i) its and its contractors' compliance with such laws and standards, and (ii) the measures taken. Information disclosure and consultation with affected people, if needed, will be conducted in accordance with ADB requirements.<sup>13</sup>

32. **Effective gender mainstreaming.** Fiji has made a number of specific international and national commitments to gender equality, but gender inequality remains rooted in traditional norms, customs, and models of decision making that are perpetuated by discriminatory practices, legislative and policy biases, and unequal access to resources and services. The gender gaps in labor force participation in Fiji are also significant: in 2015, most men aged 15 and above (81%) were employed or actively looking for work, compared with less than half of women (46%).

33. [CONFIDENTIAL INFORMATION DELETED]

Fiji Airways operates a company-wide anti-sexual harassment policy. Following ADB's Policy on Gender and Development (1998), it has incorporated measures to promote gender equality and women's empowerment in its business activities. Key features of the gender action plan are to (i) increase the number of women in technical roles; (ii) train female cadets for the first time in its new Fiji Airways Aviation Academy; (iii) increase the number of women in management roles; (iv) develop and implement a gender inclusion policy to increase the proportion of women recruited, retained, and promoted, particularly in technical and management roles; and (v) develop and implement a family violence policy. Fiji Airways will submit periodic reports on its implementation of gender measures to ADB.

## **B. Anticorruption Policy**

34. Fiji Airways was advised of ADB's policy of implementing best international practice relating to combating corruption, money laundering, and the financing of terrorism. ADB will ensure that the investment documentation includes appropriate provisions prohibiting corruption, money laundering, and the financing of terrorism, and remedies for ADB in the event of noncompliance.

## **C. Investment Limitations**

35. The project will be ADB's first nonsovereign transaction in Fiji and the first in the airline industry. The proposed loan is within the medium-term, country, industry, group, and single exposure limits for nonsovereign investments.

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<sup>12</sup> ADB. 2003. *Social Protection*. Manila (adopted in 2001).

<sup>13</sup> Summary Poverty Reduction and Social Strategy (accessible from the list of linked documents in Appendix 2).

**D. Assurances**

36. Consistent with the Agreement Establishing the Asian Development Bank (the Charter),<sup>14</sup> ADB will proceed with the proposed assistance upon establishing that the Government of Fiji has no objection to the proposed assistance to Fiji Airways. ADB will enter into suitable finance documentation, in form and substance satisfactory to ADB, following approval of the proposed assistance by the ADB Board of Directors.

**V. RECOMMENDATION**

37. I am satisfied that the proposed loan would comply with the Articles of Agreement of the Asian Development Bank (ADB) and recommend that the Board approve the loan of up to \$40,000,000 from ADB's ordinary capital resources to Air Pacific Limited, trading as Fiji Airways, for the Fiji Airways COVID-19 Liquidity Support Facility Project, with such terms and conditions as are substantially in accordance with those set forth in this report, and as may be reported to the Board.

Masatsugu Asakawa  
President

10 December 2020

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<sup>14</sup> ADB. 1966. Agreement Establishing the Asian Development Bank. Manila.

## DESIGN AND MONITORING FRAMEWORK

<b>Impact the Project is Aligned with</b>			
Fiji's status as a vibrant and modern regional and international hub for people and cargo movement enhanced (5-year and 20-year National Development Plan) <sup>a</sup>			
<b>Results Chain</b>	<b>Performance Indicators</b>	<b>Data Sources and Reporting Mechanisms</b>	<b>Risks and Critical Assumptions</b>
<b>Outcome</b>  International and domestic air transport movements of passenger and goods restored and sustained	By 2023:  a. Number of international passengers carried by Fiji Airways  b. Number of domestic passengers carried by Fiji Airways sustained  c. Volume of cargo transported by Fiji Airways sustained  <b>[CONFIDENTIAL INFORMATION DELETED]</b>	Company's annual development effectiveness monitoring report	Prolonged COVID-19 crisis further extends travel restrictions.
<b>Outputs</b>  1. Fiji Airways' liquidity crisis caused by COVID-19 avoided  2. Workers' livelihood secured and gender equality enhanced	By 2023:  <b>[CONFIDENTIAL INFORMATION DELETED]</b>	Company's annual development effectiveness monitoring report	Prolonged national emergencies or force-majeure events restrict the company's operations beyond expectations.

Results Chain	Performance Indicators	Data Sources and Reporting Mechanisms	Risks and Critical Assumptions
3. Gender equality of the work environment enhanced	3a. Gender inclusion policy on how to increase the proportion of women recruited, retained, and promoted (particularly in technical and management roles) developed and integrated into guidelines (2020 baseline: no policy) (OP 2.3.2) <sup>b</sup>  3b. A family violence policy developed and implemented (2020 baseline: no policy) (OP 2.2.3) <sup>b</sup>		

#### Key Activities with Milestones

**Outputs 1–2: Fiji Airways liquidity crisis caused by COVID-19 avoided, workers' livelihood secured, and gender equality enhanced.**

[CONFIDENTIAL INFORMATION DELETED]

**Output 3: Gender equality of the work environment enhanced**

[CONFIDENTIAL INFORMATION DELETED]

#### Inputs

ADB: up to \$40 million (ordinary capital resources loan)  
 Leading Asia's Private Infrastructure Fund: up to \$25 million

ADB = Asian Development Bank, COVID-19 = coronavirus disease, OP = operational priority, Q = quarter.

<sup>a</sup> Government of Fiji. Ministry of Economy. 2017. *5-Year and 20-Year National Development Plan*. Suva.

<sup>b</sup> **Contribution to Strategy 2030 Operational Priorities**

Expected values and methodological details for all OP indicators to which this project will contribute results are detailed in Contribution to Strategy 2030 Operational Priorities (accessible from the list of linked documents in Appendix 2). In addition to the OP indicators tagged in the design and monitoring framework, this project will contribute results for OP 7.1.2: Measures to improve the efficiency and/or productivity of cross-border connectivity supported in implementation (number).

Source: Asian Development Bank.

**LIST OF LINKED DOCUMENTS**

<https://www.adb.org/Documents/RRPs/?id=54311-001-4>

1. Sector Overview
2. Contribution to Strategy 2030 Operational Priorities
3. Country Economic Indicators
4. Summary Poverty Reduction and Social Strategy
5. Gender Action Plan

[CONFIDENTIAL INFORMATION DELETED]