

Air Transport Annual Report 2011



The World Bank Group
IBRD, IDA, IFC and MIGA

Abbreviations

ADS-B /-C	Automatic Dependent Surveillance – Broadcast /– Contract
ATC	Air Traffic Control
ATM	Air Traffic Management
BOT	Build-Operate-Transfer
BOO	Build-Own-Operate
BOOT	Build-Own-Operate-Transfer
BTO	Build- Transfer - Operate
CAA	Civil Aviation Authority
CASDR	IFC Advisory Services Department (WBG)
CES	Charles E. Schlumberger, Lead Air Transport Specialist (WBG)
CINTS	IFC Infrastructure Department, Transport Division (WBG)
COCESNA	Central American Air Traffic Control Organization
DME	Distance Measuring Equipment
GNSS	Global Navigation Satellite System
EASA	European Aviation Safety Agency (agency of the European Union)
EC	European Commission
ECSSD	Europe and Central Asia Sustainable Development Unit
ESW	Economic Sector Work
FEU	Finance Economics and Urban Department
FAA	Federal Aviation Administration of the United States of America
GASS	Global Aviation Strategy Summit
IATA	International Air Transport Association
IASA	International Aviation Safety Assessment (FAA)
IBRD	International Bank for Reconstruction and Development (WBG)
ICAO	International Civil Aviation Organization (UN Agency)
IDA	International Development Association (WBG)
IFC	International Finance Corporation (WBG)
ILS	Instrument Landing System
IOSA	IATA Operational Safety Audit
MIGA	Multilateral Investment Guarantee Agency (WBG)
PPPA	Public Private Partnership Agreement
PPP	Public-Private Partnership
RWY	Runway
TA	Technical Assistance
TWITR	Transport Unit of the Transport Water ICT Department (WBG)
US DOT	US Department of Transportation
USOAP	Universal Safety and Security Oversight Audits Program (ICAO)
VOR	VHF Omni-directional Radio Range
WBG	World Bank Group

Cover page : The World Bank finances a variety of projects and studies across its five regions focusing on institutional strengthening, capacity building and infrastructure

Pictures (left to right): Young woman working on a light aircraft at Kpong Airport in Ghana; Operator linking St Vincent, Nevis, Grenada and the Grenadine Islands; Terminal TB3 of Cairo International Airport, Egypt.

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MIDDLE EAST AND NORTH AFRICA (MNA)

Country	Project ID Code	Project Full Name	Description (Aviation Component)	WGB Commitment (Million US\$)		Product Line	Status as of end-June 2011
				Project Total	Aviation Component		
Egypt	P101201	Cairo Airport Development Project TB-2	Rehabilitation and expansion of Terminal Building 2	280	280	IBRD loan	Active

LATIN AMERICA AND CARIBBEAN REGION (LAC)

Country	Project ID Code	Project Full Name	Description (Aviation Component)	WGB Commitment (Million US\$)		Product Line	Status as of end-June 2011
				Project Total	Aviation Component		
Bolivia	P122007	National Roads and Airport Infrastructure Project	Regional integration strengthening and airport infrastructure development	109.5	6.0	IDA credit	Active
Grenada, St. Vincent & Grenadines	P117871	Regional Disaster Vulnerability Reduction APL1	Improvement of emergency response capability	20.92	5	IDA loan	Active
Haiti	P120895	Infrastructure and Institutions Emergency Recovery Project	Repair of Port-au-Prince airport's departure terminal	65	3	IDA grant	Active

LATIN AMERICA & CARRIBEAN REGION (LAC)

Bolivia - National Roads and Airport Infrastructure Project (P122007)

The National Roads and Airport Infrastructure Project was approved by the Bank on the 5th of May 2011 and is expected to be effective in early January 2012. One of the components of the project is the improvement of the airport in Rurrenabaque. The overall investment for the airport is estimated at US\$6.0 million, of which US\$2.08 million correspond to investment related to safety and security.



RURRENABAQUE AIRPORT IN BOLIVIA

The airport handles about 31,000 passengers annually, nearly solely through flights from La Paz. The project aims, through better infrastructure and key equipment, to enhance the safety and security of the airport and improve conditions for operational reliability. This will allow flight operation under conditions which now prohibit landings and departures.

The project specifically supports Phase 2 of the Rurrenabaque Airport Improvement Program, through the carrying out of the necessary civil works and supervision activities for the construction of a new taxiway, apron, control tower, operations building, rescue and fire fighting buildings, an access road, and a passenger terminal; and the acquisition and installation of aviation control, rescue and firefighting equipment. Furthermore support will be provided for the carrying out of the necessary audits under the Project.

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Grenada - Regional Disaster Vulnerability Reduction APL1 (P117871)

Grenada's Maurice Bishop International Airport (MBIA) is the gateway to provide emergency relief locally as well as regionally. It is the alternate airport for Trinidad and Tobago, Barbados, and St. Vincent and the Grenadines, and provides air traffic support in emergency situations to the island of Saint Vincent. The continued operation of the airport is therefore critical to the region as well as to Grenada.

The airport authority has identified critical investments that are required both to maintain an adequate emergency response capability and to comply with operational standards as required by the International Civil Aviation Organization (ICAO). Aging emergency response equipment and deficiencies in operational equipment have been cited during recent ICAO airport certification inspections and must be addressed to maintain the operational certification. Absent investment in these purchases, Grenada and the region risk a downgrading of its airport certification. A downgrade in operational certification would prohibit most commercial aircraft from using the facility, crippling communications and tourism activities.

The equipment identified under the project addresses the major deficiencies noted, allowing the airport to comply with ICAO requirements, and improving operational resilience and response capacity to disaster impacts.

As part of this project a variety of equipment will be purchased mitigating the risk of natural disasters. The equipment is anticipated to be fully operational by 2014.

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Haiti - Infrastructure and Institutions Emergency Recovery (P120895)

As one of the poorest countries in the Western Hemisphere, Haiti has demonstrated high vulnerability to a significant number of economic and social crises, as well as to several exogenous shocks over the past decades. The country's situation changed dramatically on 12 January 2010, when Haiti was struck by a catastrophic earthquake. The epicenter was located 25 km west the capital and over 52 aftershocks followed. Over 200,000 lives have been lost, and about three million people directly affected. Over 250,000 buildings collapsed or were severely damaged, crippling the country's fragile, but slowing emerging economy, as well as severely damaging most of its key infrastructure.

Immediate relief efforts following the earthquake were mounted by the international community. The World Bank announced support of US\$100 million on 13 January 2010, and sent two missions to Haiti in the following weeks. In April 2010, TWITR (CES) participated in an identification missions to review Haiti's air transport sector. The country's air transport sector has proven to be a key element for conducting the humanitarian relief efforts. The capital's airport, Port-au-Prince (PAP), was the only operational entry point to deploy relief personnel, equipment and materials. While the runway and apron were not affected during the quake, preexisting cracks and damages of the



TOUSSAINT LOUVERTURE WAS DAMAGED SIGNIFICANTLY DURING THE EARTHQUAKE

pavement represent a danger to aircraft. Major structural damage occurred to the terminal building, which needs reconstruction, and to the control tower, which needs to be replaced. In addition, the lighting systems and power supply are insufficient for night operations, and navigational aids (ILS/VOR) do not have a backup system. Nevertheless, airline operations were able to resume on 19 February 2010, and passengers are handled in a temporary arrival and departure hall, both of which need to be replaced with a more serviceable facility.

ICAO and the Haitian authorities estimated the overall cost to rehabilitate the country's air transport infrastructure at US\$255 million, which includes US\$25 million of air navigation services, and US\$230 million for the airport reconstruction. The airport component is composed of a new terminal building (estimated at US\$80 million), land acquisition (estimated at US\$50 million), and airport infrastructure, such as runway resurfacing, power, fencing, lighting system, crash and rescue equipment, and operational maintenance equipment (estimated at about US\$100 million).

The Bank's board approved the Haiti Infrastructure and Institutions Emergency Recovery Project on 09 March 2010, consisting of a US\$65 million grant. Its objective is to support Haiti in its early recovery efforts, through selected interventions aiming at helping to rebuild key institutions and infrastructure. The project will finance the rehabilitation of key aviation infrastructure by an initial grant of US\$3million, which includes (i) reconstruction of ground - air communications tower, (ii) repair and/or replacement of two VOR (PAP, OBN), and verification of ILS (IMG), (iii) repair of runway lights at PAP, (iv) financing of associated cost for air traffic controllers training, and (v) construction of a runway end safety area on RWY10 at PAP.

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EXTERNAL RELATIONS

International Civil Aviation Organization (ICAO)

The International Civil Aviation Organization (ICAO) is the specialized air transport agency of the United Nations. The WBG and ICAO enjoy a longstanding, strong, and cooperative relationship on various air transport issues. ICAO has provided safety and security audits and supervision services for the Bank's projects in West and Central Africa and has assisted the Bank in identifying needs and priorities of air transport projects in various countries.

As in the previous year, the Bank participated in the High-Level Meeting of the ICAO Assembly, held on September 28-October 8, 2010 in Montreal. The Assembly was attended by a record 1,588 participants from 176 Contracting States and 40 international organizations. During the Assembly, Contracting States engaged in discussions on various issues and a new ICAO Council was elected for a three-year term.



ICAO ASSEMBLY MEETING

The Bank team focused on three main topics: aviation and climate change, aviation safety, and aviation security, and followed other issues such as policy and facilitation. The Bank team also held numerous bilateral meetings with client countries and organizations, as well as partner states and organizations to discuss current and potential new projects and research.

During the Assembly, ICAO, IATA, the US Department of Transportation (US DOT), and the European Commission (EC) also signed a memorandum of understanding to create a framework and path forward to launch the Global Safety Information Exchange. IATA confirmed that the four organizations will start their cooperation by pooling and selecting the most relevant information for improving safety by risk reduction from each organization's data collection. The Bank will continue to coordinate its air transport development efforts in the domain of safety with ICAO, IATA, the US DOT, and the EC.

In addition, the Bank maintained regular contact and meetings with ICAO officials during FY11. In July 2010 Charles Schlumberger accepted an invitation by ICAO to give a presentation on the Bank's air transport project activities at the high-level meeting of COCESNA (Central American Air Traffic Control Organization) in Antigua. The meeting, which was attended by the President of ICAO, several Vice-Ministers of Transportation, and the Director Generals of Civil Aviation of the Central American States, discussed various needs and issues of the Central American air transport sector. COCESNA, which has had an excellent track and safety record over fifty years in providing air traffic control services, is considering various options for modernizing its ATC infrastructure.

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Global Aviation Strategy Summit (Vancouver, BC, 20-21 Sept 2010)

ICAO, the World Bank, and Routes jointly held the Global Aviation Strategy Summit (GASS) in Vancouver, Canada on September 20-21, 2010. The event, which marks the Bank's only regular exchange with ICAO and the aviation community at large, was the sixth in an annual series of such events and the third event where Routes was associated as a partner. The GASS was co-located with the 16th World Route Development Forum at the Vancouver Convention Centre. Fundamental themes of concern to the air transport industry were addressed in sessions covering topics such as the aviation industry today, the environmental challenges and opportunities for the aviation industry, aviation as an economic development catalyst, and airports and airlines as drivers of urban renewal and economic development. The event, which was moderated by BBC reporter Aaron Heslehurst, resulted in dynamic interactions between the speakers, industry leaders, and other participants. The moderators prepared a set of conclusions for each topic which can be found at the GASS website (<http://legacy.icao.int/GaSS2010/>).



PANEL AT GLOBAL AVIATION STRATEGY SUMMIT 2010

The Bank's acting Director for Transport, Marc Juhel, provided an opening presentation, and Charles Schlumberger participated in the panels on the Environmental Challenges and Opportunities for the Industry, and on Security Issues. In addition, he moderated a session on Tourism Authorities at the third annual Tourism and Air Services Summit, which was held the day prior to the 16th World Route Development Forum at the same location.

The next GASS took place during the 17th World Route Development Forum in Berlin, Germany, on October 2-4, 2011.

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ICAO/McGill Worldwide Conference: Air Transport: What Route to Sustainability? (26-27 Sept 2010)

Charles Schlumberger and Diyun Wang participated in the ICAO/McGill Worldwide Conference on 'Air Transport: What Route to Sustainability?' which was held at the Hilton Bonaventure Hotel in Montreal, during the two days that preceded the ICAO Assembly.

Four fundamental themes of concern to the Assembly and global aviation were addressed: (i) the state of the aviation industry, (ii) security and facilitation, (iii) aviation and the environment, and (iv) strategies and the way forward. CES organized and moderated the panel "Protection of the Environment: Technological & Operational Solutions." Documentation and conclusions from the event can be found on the official website (<http://www.icao.int/ICAO-McGill2010/Docs.htm>).

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