

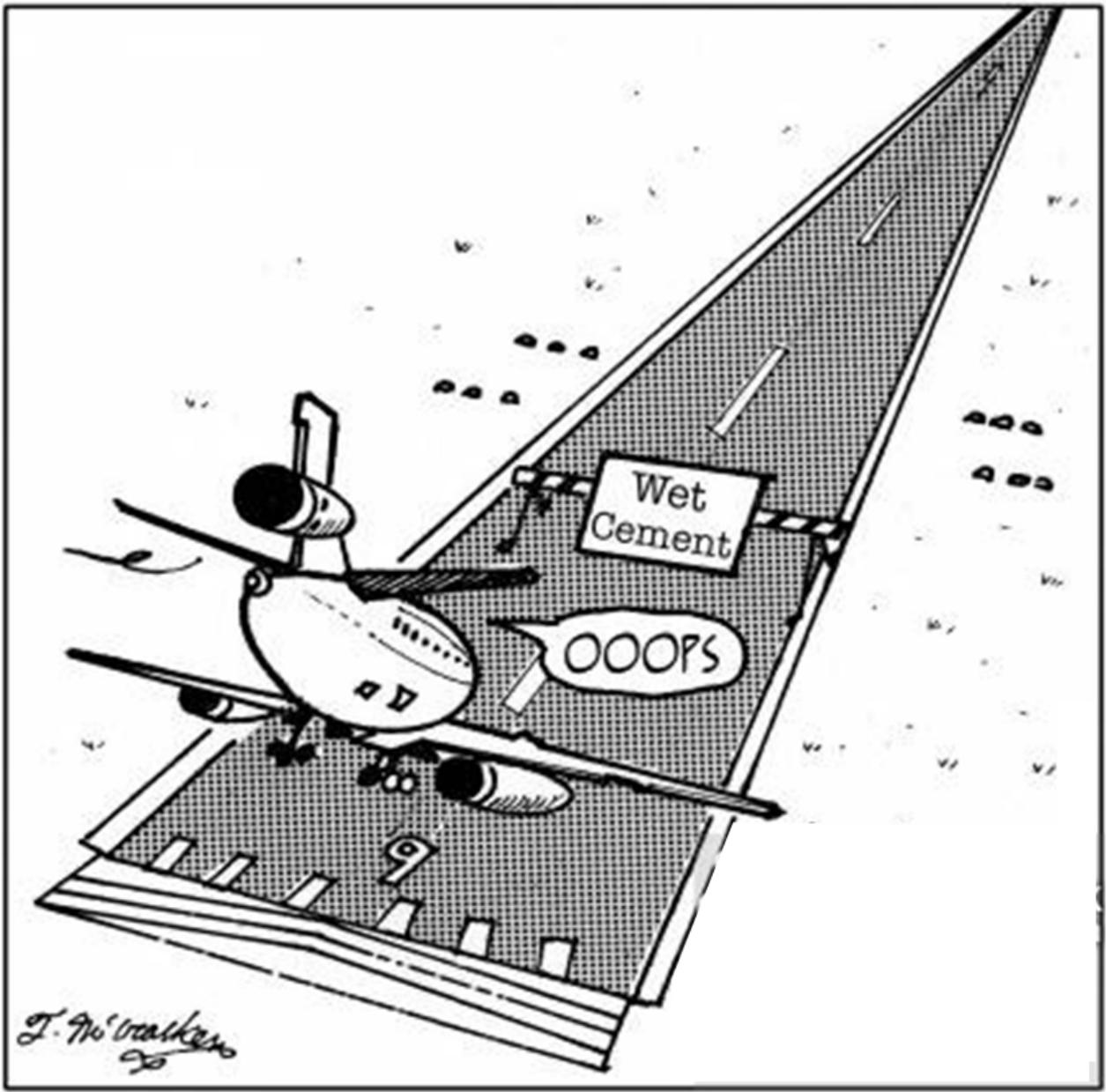
HOW CAN THE WORLD BANK SUPPORT YOU? FUNDING MECHANISMS AND SOLUTIONS

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WORLD BANK GROUP
Transport & ICT

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THE WORLD BANK GROUP



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Transport & ICT

THE TWIN GOALS

1



End extreme poverty

Reduce the percentage of people living on less than \$1.90 a day to 3 percent by 2030

2

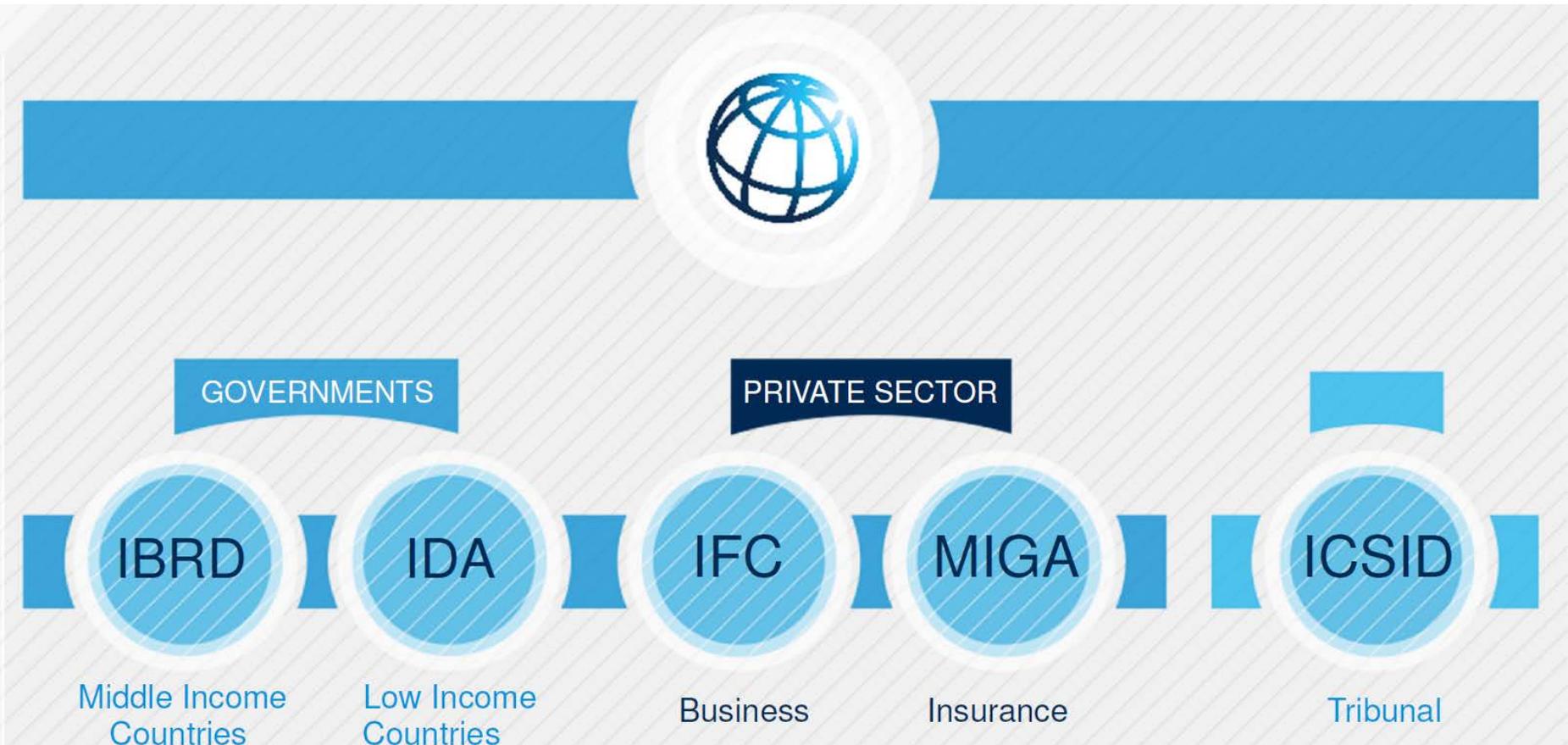


Promote shared prosperity

Improve the living standards of the bottom 40 percent of the population in every country



WBG INSTITUTIONS



TRANSPORT & DEVELOPMENT



ENHANCING CONNECTIVITY

- WBG is the largest provider of development finance for transport
- The transport strategy is based on the principles of *“safe, clean, and affordable”*
- Air transport activities include operational projects technical assistance, research, and collaboration with partners
- Cross-practice WBG initiatives are encouraged e.g. Tourism solutions working group

AIR TRANSPORT AT THE WORLD BANK

A BRIEF HISTORY



1950s

WBG provides loans to airlines to undertake fleet modernization (e.g., KLM, Qantas, and Air India)

1970s - 1980s

“Standalone” airport infrastructure projects in various developing countries

1990s

Policy advice, some capacity building (liberalization, privatization of carriers, regulatory oversight)

Current

Infrastructure (airports, ATC), financing (IFC), policy advice, regulatory oversight (safety & security), sector research



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AIR TRANSPORT PORTFOLIO

AT A GLANCE

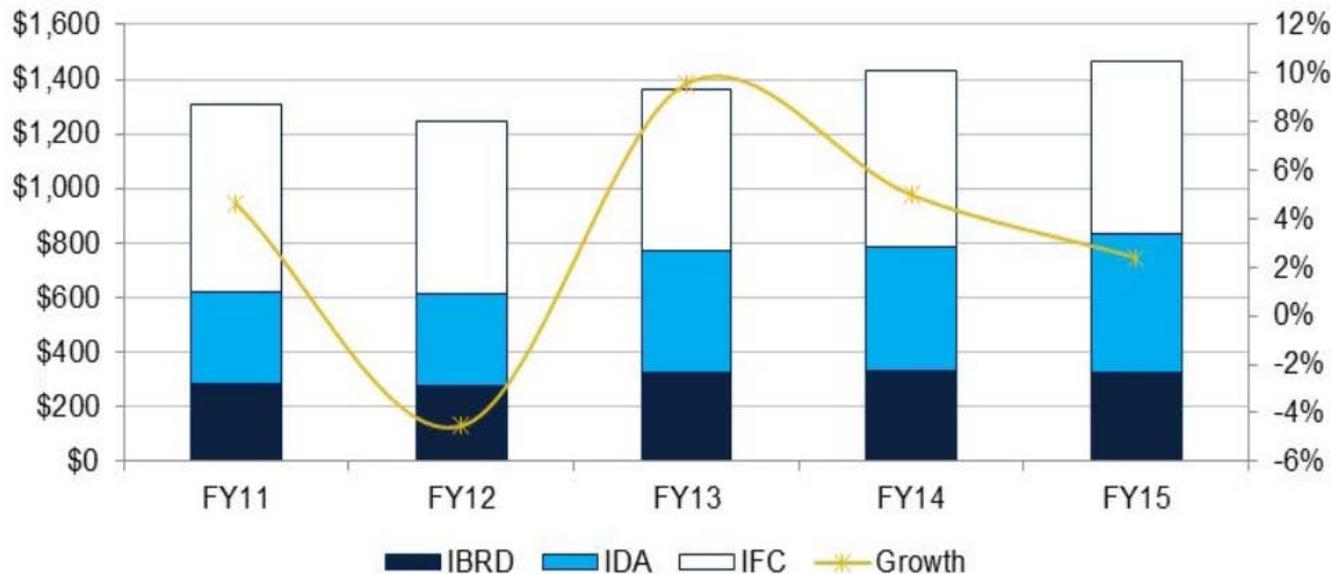
FY15 WBG
AIR TRANSPORT
PORTFOLIO

\$1.47B

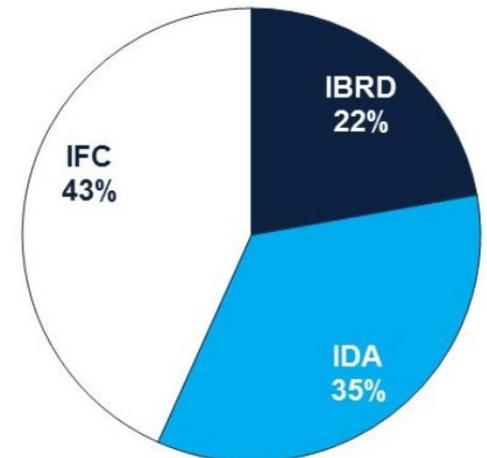
GROWTH
FROM FY14:



FIVE-YEAR TREND



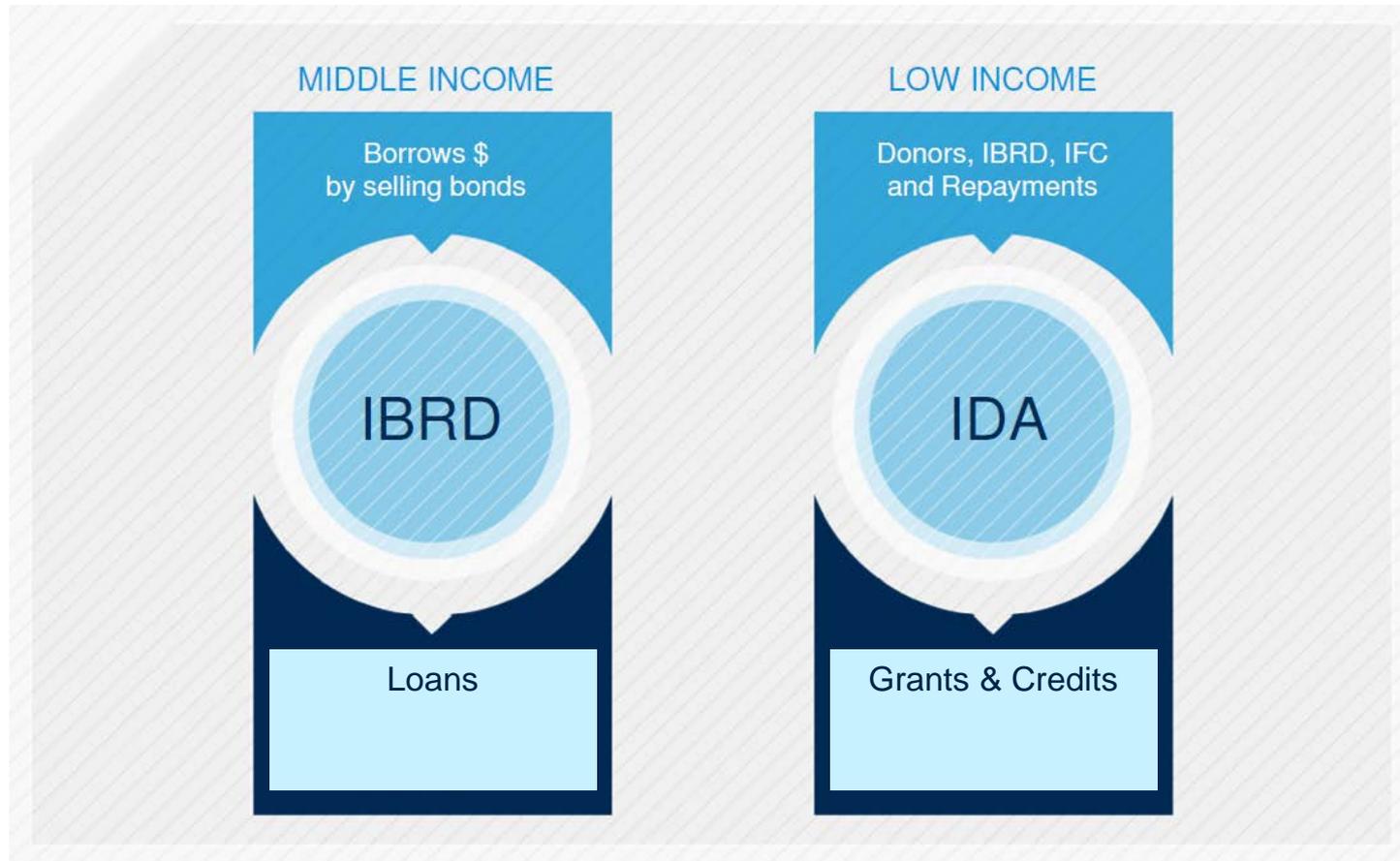
FY14 BREAKDOWN BY INSTITUTION:



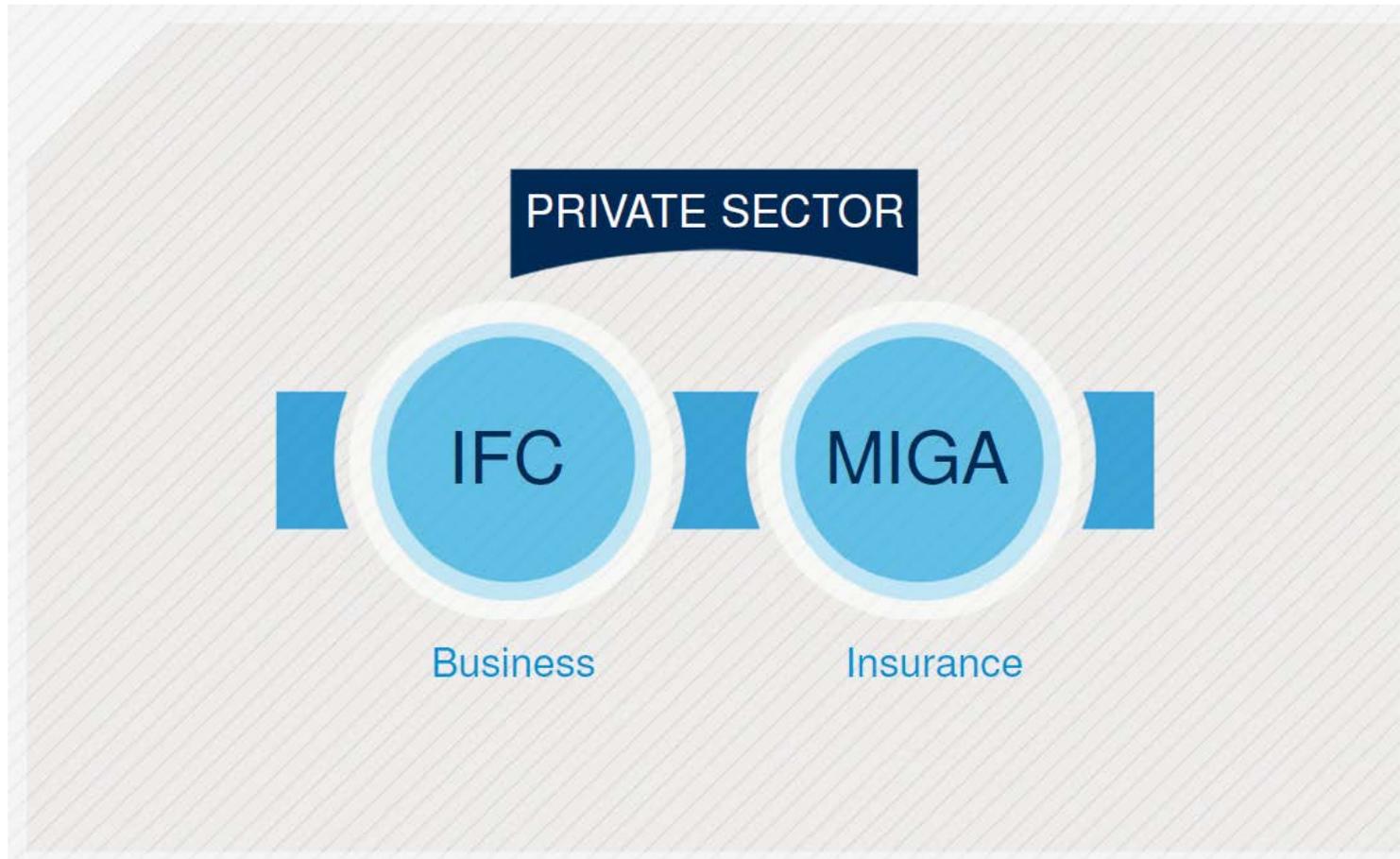
FINANCING MECHANISMS



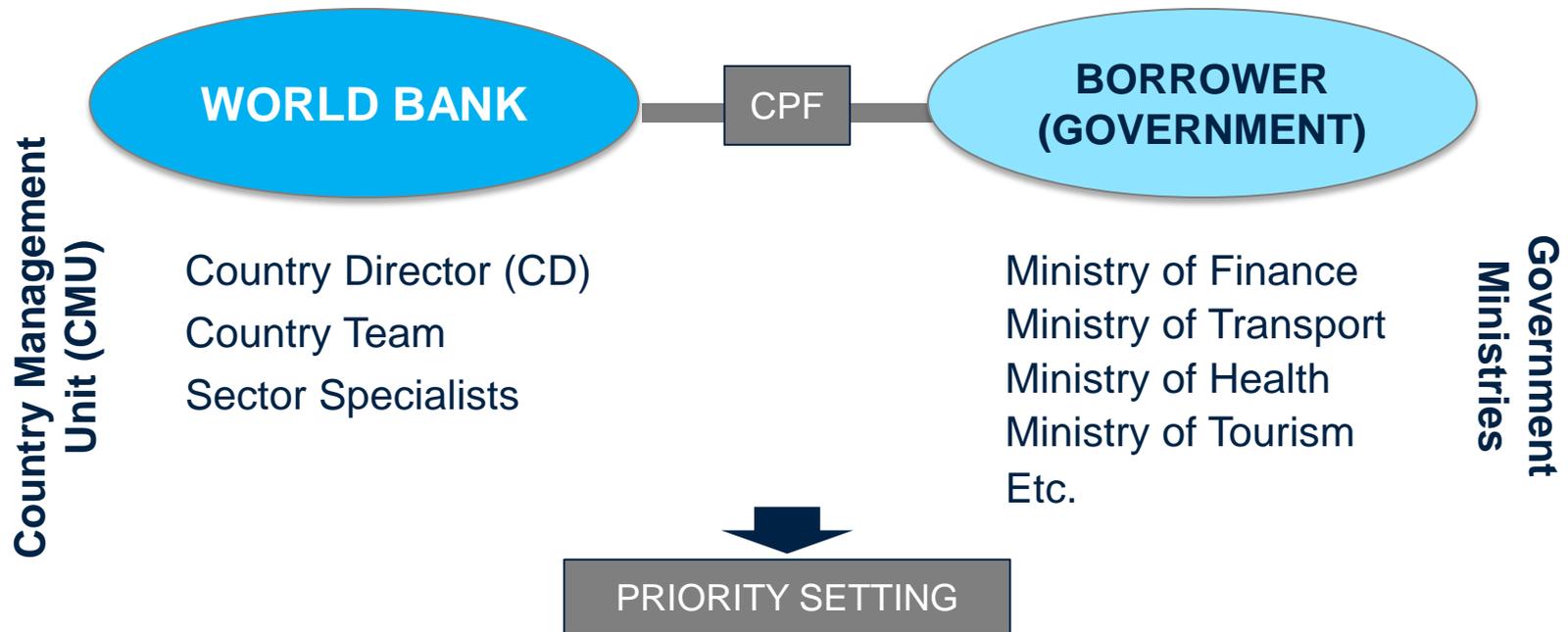
PUBLIC SECTOR FINANCING



PRIVATE SECTOR FINANCING



COUNTRY-WBG ENGAGEMENT



- This is the stage when the DG of CAA and MoT need to propose WB projects
- To receive funding, the Air Transport sector needs to be identified and included in the Country Partnership Framework (**CPF**)

PROJECT LIFECYCLE



- The **Systematic Country Diagnostic (SCD)** identifies key challenges and critical constraints to meeting the twin goals
- The **Country Partnership Framework (CPF)** defines WBG's engagement with the country and the development objectives of interventions
- Both government and WBG have important responsibilities throughout the project cycle

PROJECT EXAMPLES



THE PACIFIC ISLANDS

PACIFIC AVIATION INVESTMENT PROGRAM

Phase I: Kiribati, Tonga, Tuvalu,

Phase II: Samoa

Phase III: Vanuatu

- Infrastructure investments
- Technical assistance
- Enhancement of regulatory oversight
- Airport operations and management



WEST & CENTRAL AFRICA

WESTERN AND CENTRAL AFRICA SAFETY AND SECURITY PROJECT

Phase I: Burkina Faso, Cameroon, Guinea and Mali

Phase II: Nigeria; Benin and Senegal

- Training for CAA staff in safety/security to enhance oversight
- Financing of security equipment (e.g. scanning devices)
- Financing of airport works and vehicles

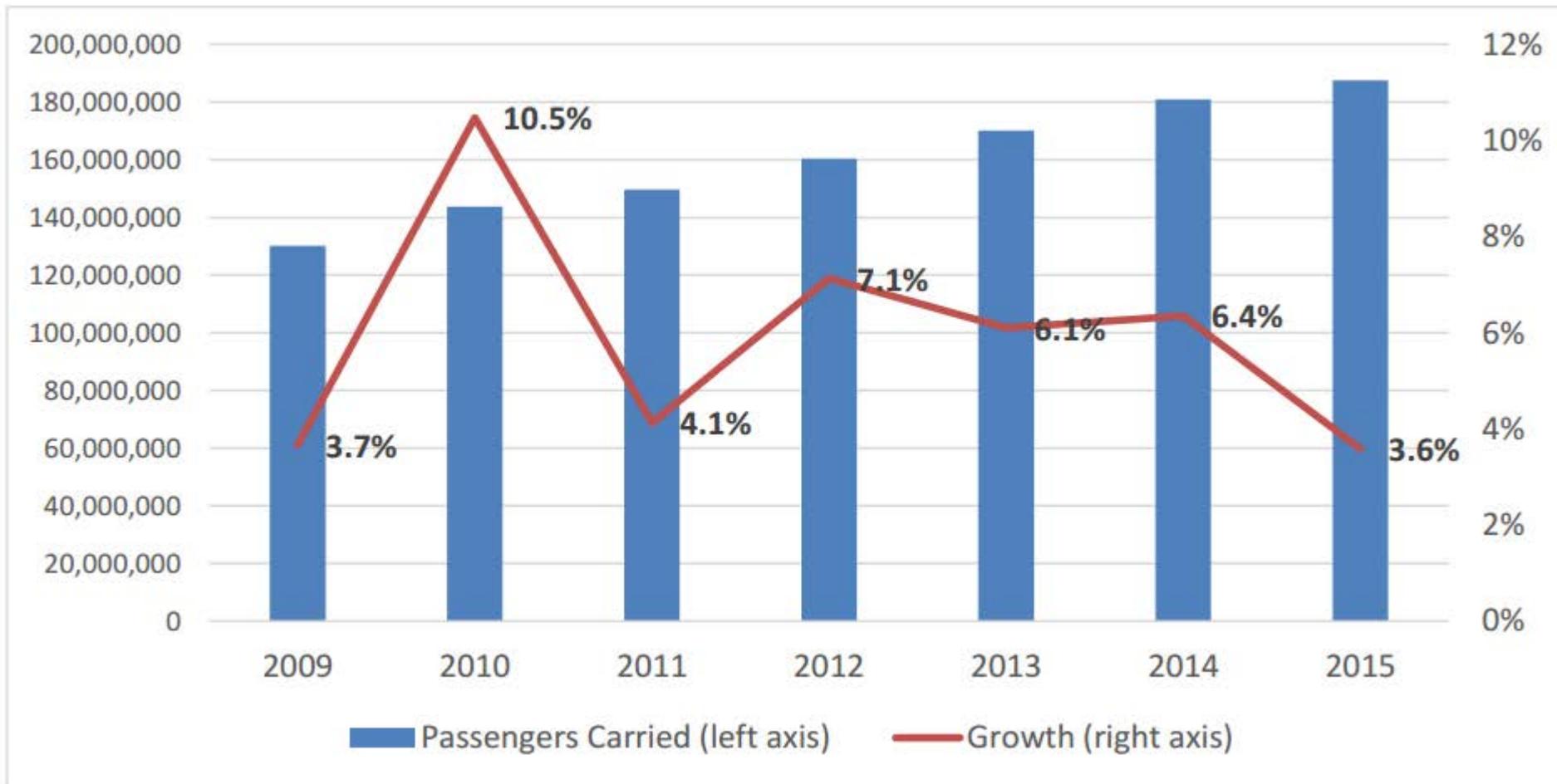


OPPORTUNITIES FOR NACC



OPPORTUNITIES FOR NACC

TRAFFIC TREND



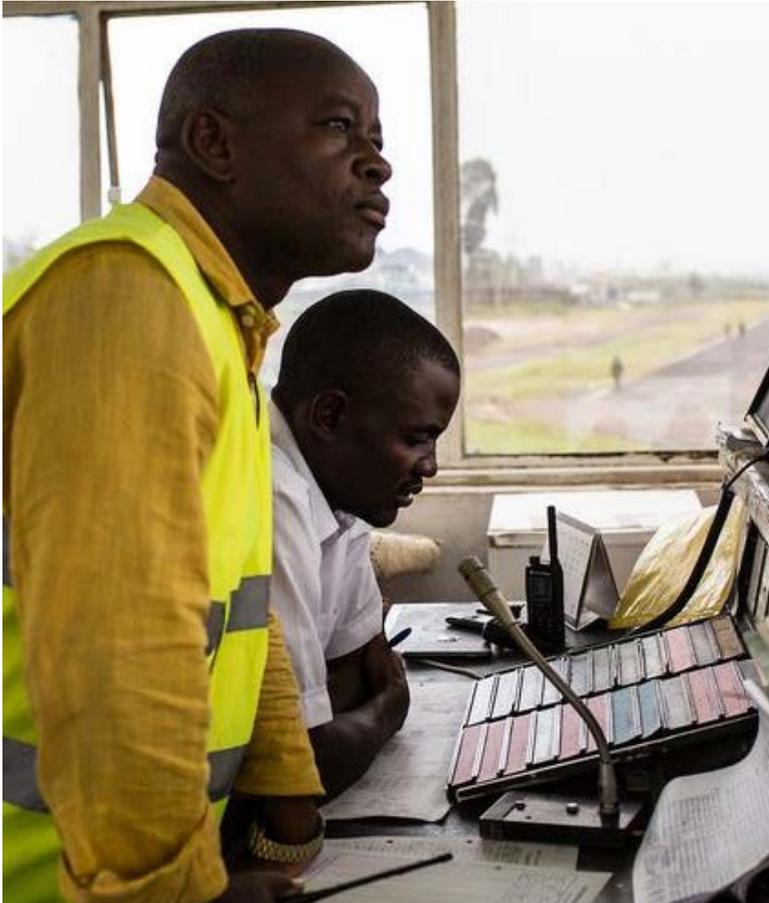
OPPORTUNITIES

AREA	ENABLING MEASURES	➔	WBG SUPPORT
Airport infrastructure	<ul style="list-style-type: none">▪ <i>Capacity expansion</i>▪ <i>Development planning</i>▪ <i>Compliance with safety/security</i>		<ul style="list-style-type: none">▪ <i>Financing infrastructure</i>▪ <i>Preparation of master plan</i>▪ <i>Effective maintenance plans</i>
Air traffic control infrastructure	<ul style="list-style-type: none">▪ <i>Assessment of existing CNS system</i>▪ <i>CNS development program</i>		<ul style="list-style-type: none">▪ <i>Technical support</i>▪ <i>CNS systems and development program</i>
Airport and air traffic control management	<ul style="list-style-type: none">▪ <i>Establish independent entities for airport and air traffic providers</i>▪ <i>Independent regulatory authority</i>▪ <i>Ensure good governance</i>		<ul style="list-style-type: none">▪ <i>Policy and regulatory advice</i>▪ <i>Support to improve airport operations & management</i>

OPPORTUNITIES

AREA	ENABLING MEASURES	➔	WBG SUPPORT
Labor force	<ul style="list-style-type: none">▪ Sufficient training for CAAs, airport staff, air traffic controllers, etc.		<ul style="list-style-type: none">▪ Financing for CAAs▪ Airport/airline staff training▪ Assessments and training plans
Safety and security	<ul style="list-style-type: none">▪ Establish a regulatory/legal framework▪ Creation of independent CAA▪ Preparation of inspection materials; training▪ Infrastructure investments in safety/security		<ul style="list-style-type: none">▪ Technical support to implement safety/security system for effective oversight▪ Financing of regulatory reform and required investments▪ Training
Taxes and charges	<ul style="list-style-type: none">▪ Transparent and holistic approach to determine level of charges		<ul style="list-style-type: none">▪ Technical support to assess and determine appropriate levels

SUMMARY



- WBG air transport investments are selective, and represent a small part of overall portfolio
- Funding of air transport projects are done with a strong developmental focus
- Large standalone WBG projects in aviation are rare and are typically (1) part of a larger transport sector project in the country (e.g. roads); or (2) a regional project
- Funding requests and project proposals need to be discussed at a high level by the client country's government

THANK YOU

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