

FINANCING MECHANISMS FOR SUSTAINABLE AVIATION IN COUNTRIES IN SPECIAL SITUATIONS



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WORLD BANK GROUP
Air Transport

Aviation Partnerships for Sustainable Development
19 July 2017



WORLD BANK GROUP
Air Transport

WORLD BANK GROUP MISSION



AIR TRANSPORT AS A DRIVER FOR DEVELOPMENT

- WBG supports large-scale transformational projects through the three principles of *safer, cleaner and more affordable*

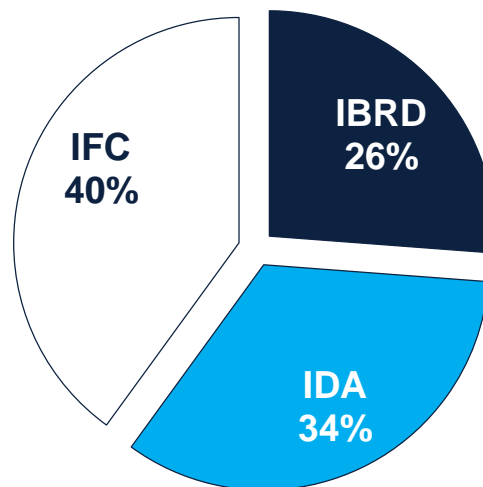
- WBG air transport portfolio in FY16: \$1.24B
- WBG no. of lending and non-lending projects in FY16: 72

IBRD:

- Total aviation lending: \$325.2M
- Lending projects: 2
- Pipeline: 2
- IBRD/IDA non-lending projects: 10

IDA:

- Total aviation lending: \$419.7M
- Lending projects: 22
- Pipeline: 3



IFC:

- Total aviation lending: \$496.5M
- Lending projects: 22
- Non-lending projects: 17

WORLD BANK GROUP AREAS OF ENGAGEMENT

IBRD AND IDA

- Infrastructure financing and economic regulation
- Policy dialogue on liberalization
- Improving safety and security oversight
- Private-Public Partnership (PPPs) of airlines at airports infrastructure



IFC

- Financing of private sector (airlines, airport infrastructure)
- Private-Public Partnership (PPPs) of airlines at airports infrastructure

MIGA

- Risk guarantees for airlines and airport infrastructure

THE “CASCADE” APPROACH

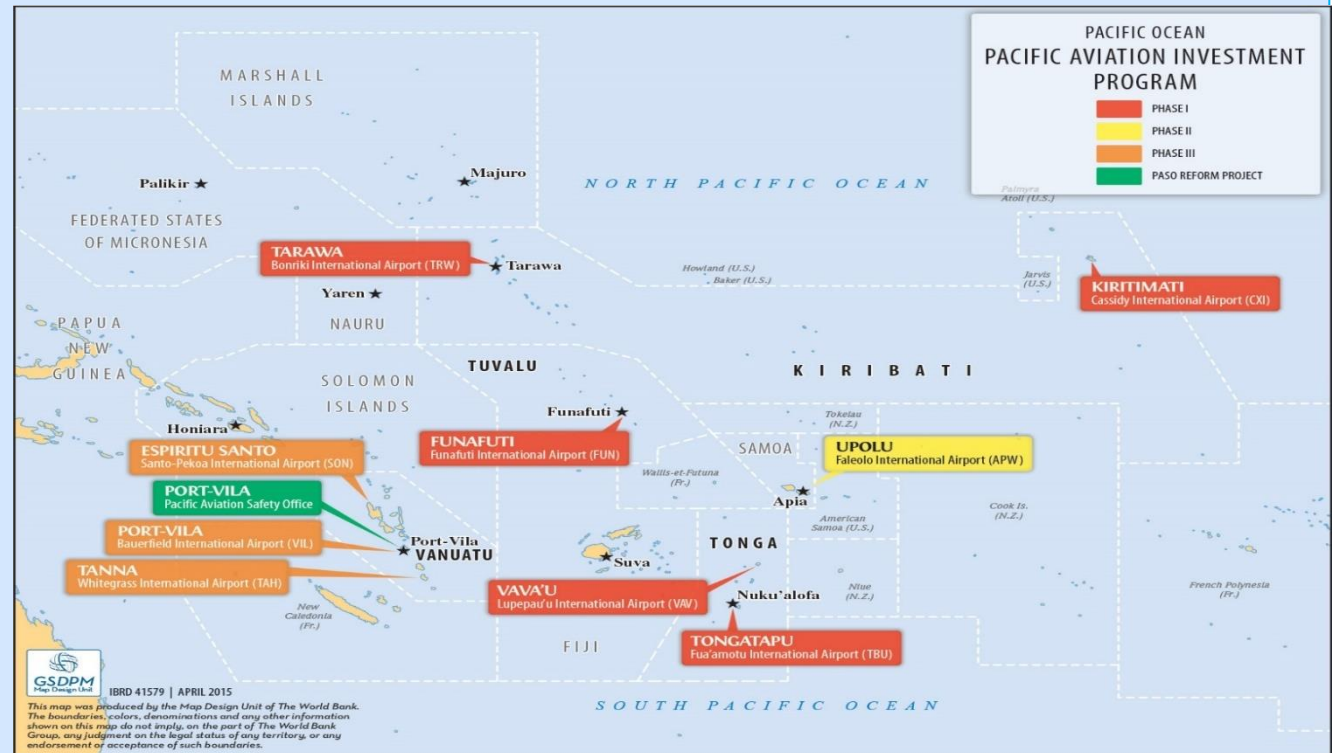


Leveraging Concessional Funding to Support Sustainable Aviation

IDA

The Pacific Aviation Investment Program

- Infrastructure CAPEX
- Policy, strategy, and capacity building
- Technical Assistance



Innovative Approach to Sustainable Financing

Regional Safety and Security Levy

- All international departing passengers
- In ticket price
- Allocated:
 - 60% Regulator
 - 40% Operator
- Disbursement Framework - safety and security activities only

The Pacific Aviation Investment Program



Innovative Approach to Sustainable Infrastructure

The Pacific Aviation Investment Program

Pacific Aviation Infrastructure Maintenance Support Contract

To provide local maintenance practitioners with supplementary technical support and training and to provide a mechanism for completing specialist and emergency repairs, all through a centralised contract and budget.

- Term of 5-10 years
- Develop a consolidated **preventive maintenance plan**
- Annual **corrective maintenance program** including priority, budget and sources of funding
- Periodic **specialist inspections**, calibrations and repairs
- **Emergency response** services (rapid mobilisation of technical support, spares and temporary equipment)
- Coordination of **specialist training** under a provisional budget.
- Access to **online technical support** (Skype/WebEx)

An aerial photograph of a tropical island. The island is covered in dense green forest and has a small settlement of buildings along its coast. The surrounding water is a vibrant turquoise color, indicating a shallow reef flat or lagoon. The text "THANK YOU" is overlaid in the center of the image in a large, white, sans-serif font.

THANK YOU