



Project Information Document (PID)

Appraisal Stage | Date Prepared/Updated: 09-Apr-2020 | Report No: PIDA27496



BASIC INFORMATION

A. Basic Project Data

Country Dominica	Project ID P171224	Project Name Dominica - Caribbean Regional Air Transport Connectivity Project	Parent Project ID (if any)
Region LATIN AMERICA AND CARIBBEAN	Estimated Appraisal Date 08-Apr-2020	Estimated Board Date 28-May-2020	Practice Area (Lead) Transport
Financing Instrument Investment Project Financing	Borrower(s) Ministry of Finance	Implementing Agency Office of the Prime Minister	

Proposed Development Objective(s)

The Project Development Objective (PDO) is to (i) improve operational safety and resilience readiness to natural disasters of air transportation and (ii) strengthen the capacity of key agencies in air transportation operations and airport investment planning in Dominica

Components

DOM and DCF Safety and Resilience Improvements
Technical Assistance & Institutional Strengthening
Project Management
Contingent Emergency Response

PROJECT FINANCING DATA (US\$, Millions)

SUMMARY

Total Project Cost	13.00
Total Financing	13.00
of which IBRD/IDA	13.00
Financing Gap	0.00

DETAILS

World Bank Group Financing



International Development Association (IDA)	13.00
IDA Credit	13.00

Environmental and Social Risk Classification

Moderate

Decision

The review did authorize the team to appraise and negotiate

B. Introduction and Context

Country Context

1. **Given their insularity and geographical location, air transport connectivity and resilience in the Caribbean must be strengthened to cope with high levels of exposure to natural hazards which are exacerbated by climate change.** Past extreme weather events and other natural disasters in the Caribbean Sea (e.g., hurricanes, flooding, earthquakes, and landslides) have demonstrated the region’s lack of sufficiently resilient infrastructure systems that can continue to deliver essential services even when affected by natural disasters. They have further demonstrated the critical importance of climate/disaster resilient transportation systems – especially air transport – when called to provide immediate life-saving response in post-disaster situations and to contribute to a speedy economic recovery. Such connectivity is likely to be more and more crucial given that climate change is expected to increase the frequency, intensity and impacts of extreme weather events in the region, including hurricanes, storm surges and flooding.

2. **Dominica has low regional connectivity, highly vulnerable to natural disasters and the shock of the coronavirus pandemic has dramatically altered the panorama of OECS countries.** From 2008 to 2018, Dominica experienced a 73% decline in global connectivity and a 74% decline in regional connectivity. Despite extensive air service marketing efforts, passenger traffic levels at Douglas Charles (DOM), Dominica’s main airport, have been relatively flat for many years and only nine destinations were served non-stop in May 2019. Passenger traffic declined 24% in the fiscal year (2016) impacted by Tropical Storm Erika and 30% in the fiscal year (2018) impacted by Hurricane Maria. COVID19 and local containment measures have paralyzed the tourism sector and affected employment in hotels and related services.

Sectoral and Institutional Context

3. **While COVID19 is expected to have a visible impact on air transportation, its safety and resilience will be a critical factor for the country’s economic recovery.** The immediate impact of COVID19 on air transportation is already visible globally but will have stronger impact in a tourism-depend country like Dominica. The decrease in regional air transportation in the Caribbean has been dramatic, with several Caribbean airports, closing commercial passenger traffic. As a result, the main regional airline (LIAT) connecting most Caribbean islands suspended all flights to 10 Caribbean countries (including Dominica, Guyana, Grenada and St Lucia). This has a direct and major negative impact on tourism. However, air transportation will be critical for Dominica’s economic recovery and given its dependence on tourism, having safe and reliable air transportation will support a faster return to growth.



4. **Dominica airports are managed by the Dominica Airport and Port Authority (DASPA) with the civil aviation authority delegated to the Eastern Caribbean Civil Aviation Authority (ECCAA).** DASPA is a statutory body with the responsibility for operating Douglas Charles and Canefield airports. ECCAA is the OECS institution responsible for regulating aviation safety and security within the OECS Member States in accordance to international standards. ECCAA will be an indirect project beneficiary through involvement in the regional training activities and could contribute to greater consistency across countries, including those not participating in CATCOP.

5. **In April 2019, Dominica joined the International Civil Aviation Organization (ICAO) as its 193rd Contracting State,** following its official adherence to the Convention on International Civil Aviation (the Chicago Convention). Joining ICAO is the first step towards compliance, and Dominica now has access to ICAO global guidance and support to develop aviation policies, strategies, and capacity. These are expected to increase aviation quality and safety, and thereby play an important role for the recovery and further development of Dominica's tourism sector – and thus contribute to Dominica's economic recovery. In February 2019, Dominica signed the updated CARICOM Multilateral Air Services Agreement (MASA) committing to more thoughtful and strategic investments focused on improving air transport services in the Caribbean region and facilitating the economic viability of regional air carriers.

6. **In addition, the GoCD has recently prepared a master plan for a new, higher-capacity airport in a location with greater climate / disaster resiliency** (e.g., it is proposed to be located at a higher elevation). The intent is this new airport would become Dominica's primary airport, replacing DOM which has high flooding risk and cannot accommodate direct flights from the US or Europe. A modest level of targeted investments in DOM – especially investments that could be transferred to a new airport – was deemed appropriate by the GoCD.

C. Proposed Development Objective(s)

7. The Project Development Objective (PDO) is to (i) improve operational safety and resilience readiness to natural disasters of air transportation and (ii) strengthen the capacity of key agencies in air transportation operations and airport investment planning in Dominica.

8. The proposed project is part of a regional series of projects, the Caribbean Regional Air Transport Connectivity Project (CATCOP), together with Haiti, St Lucia, and Grenada. Regional benefits will include spill-over effect for countries participating in CATCOP, including improved capacity of countries to accommodate diverted flights and emergency landing, improved capacity of countries to support post-disaster relief flights, and improved collaboration and coordination of civil aviation.

9. Progress towards achievement of the Project Development Objective would be measured through the following key indicators:

PDO1: improve operational safety and resilience readiness to natural disasters of air transportation

- (i) Modernization of air navigation systems and oversight; and
- (ii) Daily availability of DCF for emergency aircraft operations.

PDO2: strengthen the capacity of key agencies in air transportation operations and airport investment planning

- (i) Revised Airport Master Plan available to support Government decision on airport investment



- (ii) Regional capacity building program on air traffic control and management prepared and endorsed

D. Project Description

10. The Project would comprise four components: Component 1 – DOM and DCF Safety and Resilience Improvements; Component 2 – Technical Assistance and Institutional Strengthening; Component 3- Project Management; and Component 4 – Contingent Emergency Response. Total Project cost is estimated at US\$13 million.
11. **Component 1: DOM and DCF Safety and Resilience Improvements (US\$5 million).** This component would enhance the safety and resilience of Dominica’s existing two airports and support Dominica’s efforts to comply with ICAO SARPs and abide by the POS Declaration. It would finance, *inter alia*: (a) installation of an Instrument Landing System (ILS) for DOM Runway 27, (b) deployment of Automatic Dependent Surveillance – Broadcast (ADS-B) for DOM and DCF, (c) repairs and modernization of select DOM Crash, Fire, and Rescue (CFR) equipment, (d) re-equipping the DCF Air Traffic Control Tower (ATCT), (e) installation of an energy-efficient runway lighting system at DCF, and (f) installation of a GNSS (Global Navigation Satellite System) non-precision instrument approach for DCF.
12. **Component 2: Technical Assistance and Institutional strengthening (estimated cost US\$7 million).** This component would support Dominica’s air transport sector through regional and Dominica-specific technical assistance. The following activities would be financed, *inter alia*: (a) regionally-coordinated training related to air traffic control skills, Crash Fire Rescue (CFR) skills, climate / disaster resilience best practices, wildlife management best practices, and gender diversity best practices; (b) ICAO SARPs compliance screening to identify critical safety gaps; (c) provision of independent expert airport planning support (including preparation of a Master Plan refinement study for the planned new airport), (d) gap analysis of institutional capacity for DASPA and the Department of Civil Aviation, and (e) preparation of a design for rehabilitating DCF’s 35-year old runway and improving its drainage. Most training activities would be implemented in coordination with other CATCOP countries and ECCAA and would be conducted at the same location to enhance synergies associated with the regional approach. The training program would be co-financed by all the CATCOP projects and the Project would cover costs associated with Dominica’s participation.
13. **Component 3 – Project Management (US\$ 1 million):** The component will assist the Office of the Prime Minister in its project management activities, in particular, the dedicated project implementation unit (PIU) which will be responsible for overall management, supervision, fiduciary control, and monitoring and evaluation (M&E) of the Project. The component will finance hiring of the PIU’s technical specialist and short-term consultants to provide support in technical, safeguards, and procurement.
14. **Component 4: Contingent Emergency Response (US\$0 million).** This Component will provide immediate response to an eligible emergency. As such, in the event of such eligible emergency (as defined in the CERC Annex to the Project Operations Manual, and at the request of the government, the Component would finance emergency activities and expenditures through the reallocation of funds from the Project



Legal Operational Policies

	Triggered?
Projects on International Waterways OP 7.50	No
Projects in Disputed Areas OP 7.60	No

Summary of Assessment of Environmental and Social Risks and Impacts

15. **The Environmental and Social Risk Classification of the project is Moderate under the World Bank Environmental and Social Framework.** Six Environmental and Social Standards (ESSs) of the World Bank Environmental and Social Framework (ESF) are relevant for the project. The implementing agency has carried out a preliminary Environmental and Social Assessment (ESA) of the project based on the current available information. The preliminary ESA confirms that project activities are expected to be limited to existing sites (occurring within the demarcations of the existing airports and communications tower facilities which are already developed lands), limited in number, likely reversible in nature, and can be mitigated with measures that are readily identifiable and technically and economically feasible. Technical assistance (TA) under Component will be done in accordance with paragraphs 14–18 of ESS1 for these activities as relevant and appropriate to the nature of the risks and impacts. The ESA includes a Labor Management Plan (LMP) and three separate Environment and Social Management Plans (ESMPs) for the airports and off-site ADS-B towers, as well as a Monitoring Plan. The ESA also incorporates an Environmental and Social Management Framework for Contingent Emergency Response (CERC) component. The preliminary ESA will be updated during the detailed design stage. The client also prepared the Stakeholder Engagement Plan (SEP) and draft Environmental and Social Commitment Plan (ESCP). In addition to the proposed World Bank funded CATCOP project, the Government of Dominica is also planning to initiate a separate project to develop a new international airport at a different location. It was determined that the new airport project would not be considered as associate facilities.

E. Implementation

16. The project will be implemented by the Office of the Prime Minister through a dedicated Project Implementation Unit (PIU) that will be set-up. The unit will be responsible for overall coordination, project management during preparation, drafting of key documents (including safeguards, procurement plan and project operations manual), consultation, and project implementation (incl. monitoring & evaluation). A full-time project manager, technical specialist, procurement specialist, and financial management specialist will be recruited or assigned to the PIU. A short-term airport technical consultant, procurement consultant and safeguards consultant will be financed by the project to provide additional support to the PIU on specific issues.

17. A Steering Committee will be created, with the objective of facilitating coordination, help address any constraints during implementation and policy-related issues. The Steering Committee should include senior level representatives (Permanent Secretary level) of the following Ministries: (i) Office of the Prime Minister (ii) Ministry of Finance, (iii) Ministry of Public Works and the Digital Economy, (iv) Ministry of Energy, and (v) Ministry of Tourism, International Transport and Maritime Initiatives.



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APPROVAL

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