

**COMBINED PROJECT INFORMATION DOCUMENTS / INTEGRATED  
SAFEGUARDS DATA SHEET (PID/ISDS)  
ADDITIONAL FINANCING**

**Report No.:** PIDISDSA16109

**Date Prepared/Updated:** 23-Feb-2016

**I. BASIC INFORMATION**

**A. Basic Project Data**

<b>Country:</b>	Samoa	<b>Project ID:</b>	P157241
		<b>Parent Project ID (if any):</b>	P143408
<b>Project Name:</b>	Samoa Aviation Investment Project Additional Financing (P157241)		
<b>Parent Project Name:</b>	Samoa Aviation Investment Project (P143408)		
<b>Region:</b>	EAST ASIA AND PACIFIC		
<b>Estimated Appraisal Date:</b>	24-Feb-2016	<b>Estimated Board Date:</b>	30-Mar-2016
<b>Practice Area (Lead):</b>	Transport & ICT	<b>Lending Instrument:</b>	Investment Project Financing
<b>Sector(s):</b>	Aviation (92%), Public administration- Transportation (8%)		
<b>Theme(s):</b>	Regional integration (46%), Trade facilitation and market access (46%), Other public sector governance (6%), Natural disaster management (2%)		
<b>Borrower(s):</b>	Ministry of Finance		
<b>Implementing Agency:</b>	Samoa Airport Authority		
<b>Financing (in USD Million)</b>			
<b>Financing Source</b>			<b>Amount</b>
BORROWER/RECIPIENT			1.24
International Development Association (IDA)			16.62
Total Project Cost			17.86
<b>Environmental Category:</b>	B - Partial Assessment		
<b>Appraisal Review Decision (from Decision Note):</b>	The review did authorize the team to appraise and negotiate		
<b>Other Decision:</b>			
<b>Is this a Repeater</b>	No		

<b>project?</b>	
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**B. Introduction and Context**

**Country Context**

Samoa is a small Pacific Island Country (PIC) comprised of the islands of Upolu, which hosts the capital Apia, Savai'i, and seven smaller islands. More than 75 percent of its population of 186,000 lives on Upolu, with 20 percent in Apia. Samoa's inhabitants are 90 percent Polynesian, around seven percent are Euronesian, and the balance are either European or of mixed Asian-Polynesian descent.

Samoa is located in the "cyclone belt" near the earthquake generating "Tonga Trench". The majority of the population (some 80 percent) lives on a narrow coastal strip surrounding the two main islands. Since 1990, there have been five extreme cyclone events (hurricane strength), four of which caused massive damage, and a major tsunami. In general, Samoa's small and compact surface area (total of 2,820 sq. km) makes it particularly vulnerable to natural disasters and the impact of each event is likely to affect a large proportion of the country and population.

Gross national income per capita (current US\$) in 2012 was US\$3,260. In 2012 the service sector contributed some 63.2 percent to the country's gross domestic product (GDP), and the primary sector (agriculture) contributed 9.9 percent of GDP. In spite of its small size relative to GDP, one third of Samoa's employment base is in agriculture. Although it has the smallest Pacific exclusive economic zone, fishing is also an important source of employment and livelihoods. Remittances, averaging around 24 percent of GDP over the last 10 years, are a key contributor to economic livelihoods.

At more than 20 percent of GDP, tourism makes a significant contribution to Samoa's economy. With the exception of 2009 and 2010, when arrivals dropped slightly due to the impacts of the September 2009 cyclone, international tourism arrivals have increased steadily over the past decade, and were 38 percent higher in 2011 than in 2000. The vast majority of these visitors arrive by air. In 2011, accommodation and restaurant services directly engaged almost six percent of the employed population in the island of Upolu, and almost four percent in Savai'i. Visitor demand for agricultural, fishing and other food products, crafts, internal transport and other services underline the importance of tourism to the country and its people, and thus of efficient and functional aviation services to facilitate tourism.

**Sectoral and institutional Context**

Aviation plays a vital economic and social role in Samoa's development. Most visitors, tourists and the crucial VFR (visiting friends and relatives) segment, rely predominantly on air transport. Furthermore, air connectivity is essential to meeting Samoa's educational and medical needs, and enables effective regional integration with its Pacific neighbors. Its geographic distance from main markets means that efficient air services are integral to the Government of Samoa's (GoS) drive to increase exports, especially those of low volume and high value that depend on fast delivery.

Air transport in Samoa suffers from the challenges facing all smaller PICs: long routes with thin traffic and low freight levels constrain airline and airport profitability, placing high demands on professional management and regulations in an environment where highly specialized human

resources are not readily available.

Samoa's remoteness, limited size, coastal settlement patterns and susceptibility to a host of natural disasters, make aviation crucial for effective disaster risk management, particularly in the delivery of relief aid. In emergency situations, air transport can effectively and efficiently bring in humanitarian cargo and aid workers to reach cut-off communities. Aircraft and helicopters also have the advantage of being able to survey large areas, scan affected zones for victims and assess damage on the ground. Ensuring the availability of resilient and appropriate air transport infrastructure is therefore critical.

Three national airlines currently operate scheduled and non-scheduled domestic and international air services: Polynesian Airlines; Virgin Samoa (which is a joint venture between GOS, Virgin Blue, Aggie Grey's Hotel, and Virgin Australia); and the privately owned Samoa Air. In addition, Air New Zealand, Fiji Airways (formerly Air Pacific) and Inter Island Airways have been granted Foreign Air Operator Certificates for flights to and from Samoa.

The Samoa Airport Authority (SAA) operates Faleolo International Airport, the main international gateway, and the Asau and Maota airports on Savai'i. In addition, SAA is currently in the process of acquiring another small international airport, Fagali'i, located in Apia, previously owned and operated by the state-owned airline Polynesian Airlines that primarily provided short-haul services to American Samoa, as well as a limited number of domestic flights. Aerodrome upgrades at Faleolo International Airport were completed in 2000 under the IDA-financed Samoa Infrastructure Assets Management Project (SIAM) to comply with International Civil Aviation Organization (ICAO) operational standards. The level of SIAM investment was anticipated to meet a 10-year service life before further rehabilitation would be required, and this 10-year life has now been exceeded.

### **C. Proposed Development Objective(s)**

#### **Original Project Development Objective(s) - Parent**

The project development objective is to improve operational safety and oversight of international air transport and associated infrastructure.

#### **Key Results**

Project outcomes will be monitored through four indicators: (i) Regulatory Certification of Safety and Security at Faleolo Airport; (ii) State requirements for safety, measured by Universal Safety Oversight Audit Programme (USOAP) reaching global ICAO average ; (iii) Modernization of air traffic management, as measured by installation of Automatic Dependent Surveillance-Broadcast (ADS-B) and a Very Small Aperture Terminal (VSAT) system; and (iv) Implementation of a regional safety and security levy for departing international passengers.

### **D. Project Description**

The project is investing in key international aviation infrastructure (on the airside only), navigational and communication equipment, as well as providing technical assistance and support capacity development for regulatory oversight, and operation and management of Samoa's aerodromes.

In December 2011 IDA approved the Pacific Aviation Investment Program (PAIP), a regional,

horizontal Adaptable Program Loan that consists of a series of projects designed to ensure that critical aviation infrastructure meets operational safety requirements, as well as to measures to strengthen regulatory compliance of international air transport of the participating PICs. Major elements of the US\$155 million program focus on the upgrading of airport infrastructure and aeronautical equipment, and the strengthening of policy and regulatory capacity. Phase I of PAIP included projects in Kiribati, Tonga and Tuvalu. Samoa entered the program in April 2014 as Phase 2, and IDA has since approved Phase 3 with Vanuatu in March 2015. IDA also approved a Pacific Aviation Safety Office (PASO) Reform Project in September 2013 in support of the regional entity's regulatory mandates.

The Samoa Aviation Investment Project(SAIP) was approved by the Board of Executive Directors on April 8, 2014 and became effective on August 6, 2014, with total IDA grant financing of SDR 16.3 million (US\$25 million equivalent). The IDA funding comprises of a US \$5 million national IDA grant and a US\$20 million regional IDA grant. A counterpart contribution of approximately US\$5 million is in the form of foregone taxes. The Pacific Region Infrastructure Facility (PRIF) is contributing US\$300,000 for the direct engagement of the Pacific Aviation Safety Office in regulatory advisory services. It was originally envisaged that the EIB would contribute US\$8.34 million equivalent in concessional loans and grants, for a total project cost of US\$38.34 million.

In September 2014, the Government of Samoa (GOS) disclosed that it had committed to upgrading the terminal, car park and other infrastructure at Faleolo International Airport and awarded a US\$56 million design-build contract to Shanghai Construction Group to be financed by a China EXIM Bank loan. The terminal investment decision is driven by Samoa's development strategy of attracting a more robust aviation market and enabling a direct economic impact through the Samoan tourism industry. In light of the concurrent implementation timeframes, the terminal building project is considered to be a linked project, as defined by the World Bank policy on Environmental Assessment (OP4.01). The implications for the GoS and World Bank are that management of the environmental impacts associated with the terminal upgrades (expected to include issues such as traffic and pedestrian management, workplace safety, materials sourcing, and other construction related impacts) will need to meet the World Bank's environmental safeguard policies. To meet this requirement, an Integrated Environmental and Social Management Plan will outline requisite mitigation measures for Contractor's Environmental Management Plans for both SAIP and the terminal project. The IESMP will be jointly supervised for both projects to ensure compliance and coordination.

#### Rationale for Additional Financing

As a result of the GOS terminal investment decision, additional civil works are required between the terminal and airside pavement interfaces, including an expansion of the apron and taxiways, reconfiguration of the fuel hydrant infrastructure to accommodate aircraft parking positions, and modifications to airfield drainage.

The effective integration of the airside pavement works under SAIP with the separate landside terminal project will require significant technical coordination. To interface with the terminal building, new pavement assets and operational parameters will require revisions in the apron pavement strength design, as well as apron and taxiways expansion by approximately 9,000m<sup>2</sup> to enable safe aircraft operations. The new terminal interface, which includes passenger air bridges,

also requires a reconfiguration of fuel hydrant infrastructure to accommodate new aircraft parking patterns, and modifications to the airfield drainage. This change to project scope increases the investment cost of airside pavements.

The GOS has requested additional financing on IDA Credit terms in an amount of US\$16.62 million equivalent to ensure that SAIP meets its development objectives. The proposed additional credit and associated level II restructuring would finance the costs associated with modified activities included as part of a project restructuring in response to circumstances that arose during implementation. It enables the Government to use IDA financing for all airside investments. Furthermore, GOS has requested that IDA credit resources be used to meet the capital investment requirements for all SAIP activities, including those that were previously to be financed by the European Investment Bank (EIB).

**Component Name**

Component A: International Airport Infrastructure Investments

**Comments (optional)**

Carrying out of aviation infrastructure investments at the Faleolo airport, including: rehabilitation of airport runways, taxiways, and expansion of the apron; installation of new navigation aids, automatic weather monitoring, safety and security equipment, and air traffic control equipment; upgrading of generator capacity; provision of water storage tanks; and fire rescue equipment.

**Component Name**

Component B: Strengthening Policy and Regulatory Capacity, and Training

**Comments (optional)**

Carrying out of technical assistance and training designed to improve aviation sector management, policy, safety and security oversight; development of a national aviation policy; and safety and security oversight audits.

**Component Name**

Component C: Strengthening airport operations and management capacity

**Comments (optional)**

Carrying out of activities to strengthen airport operations and management capacity, including among other things: studies to assess the current conditions of the aviation sector and airports; development of a strategic business plan; and training on aviation policy, management, and operations.

**Component Name**

Component D: Project Support

**Comments (optional)**

Provision of support required for the project, including, among other things: technical, advisory, and administrative support to the PAIP Technical and Fiduciary Services Unit (TFSU) and the Project Support Team; and annual subscriptions for the operation of the VSAT infrastructure during project implementation.

**E. Project location and salient physical characteristics relevant to the safeguard analysis (if known)**

The current scope of the project is limited to the existing physical footprint of Faleolo Airport, which is situated on, and surrounded by a buffer of Government-owned land. No new land or asset acquisition is envisaged. The impacts are all site-specific and none of them irreversible. The majority of environmental impacts relate to the transport and construction impacts of runway and apron re-surfacing at Faleolo. Impacts during this phase include dust and noise emissions, heavy traffic between the site and the quarry and landfill, disposal of the milled material not reused in the project, management of storm water, and health and safety of workers and bystanders. The land disturbances will all occur within the footprint of the airport; however noise, dust and vibration may be experienced by those living and working on or near the airport and the transport route. Discharges of stormwater will occur to ground and / or via sediment ponds to existing surface drains that lead to the sea.

Detailed design can avoid or mitigate many of the potential impacts, and otherwise there are standard practices and procedures that will satisfactorily mitigate impacts during construction and airport operations are addressed in the Environmental Management Plan (EMP) and have been discussed during consultation.

Aggregates for construction will be sourced from one of six basalt quarries on Upolu Island. Some of the milled surfaces will be recycled into the new surface with the remainder being disposed as fill in an approved landfill or reused by other contractors.

## **F. Environmental and Social Safeguards Specialists**

Ross James Butler (GSU02)

## **II. Implementation**

### **Institutional and Implementation Arrangements**

The recipient will be the Ministry of Finance (MOF). Pursuant to the Project Implementation Agreement, the project will be carried out by the Samoa Airport Authority (SAA), which is a legally autonomous State-owned Enterprise. Other line Ministries (Ministry of Works, Transport and Infrastructure – MWTI; Ministry of Natural Resources and Environment – MNRE; Ministry of Women, Community and Social Development – MWCSO; and potentially others) are directly involved, performing roles and implementing activities within their respective mandates. A National Steering Committee (NSC), comprising these and other key government stakeholders, is overseeing coordination and monitoring of project implementation, as well as advising GoS on any concerns or issues that may arise with regard to project implementation. To complement the existing capacity of SAA during the implementation period, a project support team (PST) is in place to support project activities within the Ministries and SAA. The PST is providing the services of a project manager, a project accountant and a project assistant.

The project is also benefiting from regional implementation arrangements that have already been established and operationalized as part of PAIP. This includes a Program Steering Committee, which includes representatives from the National Steering Committees of participating countries. The TFSU based within Tonga Airports, Ltd. (TAL) is providing additional capacity to support project management, procurement and financial management, including expertise in the areas of planning and budgeting, engineering and equipment specification, contract management, adhering to World Bank safeguards policies, monitoring and evaluation, and reporting requirements. The TFSU will

coordinate directly with SAA to ensure that the proposed additional project activities are implemented efficiently and in accordance with program objectives. A Service Agreement between MOF, SAA and TAL that outlines the roles and responsibilities of TFSU was signed and is under effect as part of the current project.

### III. Safeguard Policies that might apply

Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	Yes	Project impacts primarily relate to the transport and construction impacts of runway and apron expansion/re-surfacing at Faleolo, and the transport of materials from the quarry to site. Impacts will be mitigated through the use of an Integrated Environmental and Social Management Plan (IESMP), from which a contractors Environmental Management Plan will be developed. The IESMP consistent with the Samoa Codes of Environmental Practice 2007.
Natural Habitats OP/BP 4.04	No	
Forests OP/BP 4.36	No	
Pest Management OP 4.09	No	
Physical Cultural Resources OP/BP 4.11	No	All earthworks will be in already disturbed environments. Any chance finds will be handled under procedures in the Environmental Management Plan.
Indigenous Peoples OP/BP 4.10	No	Under the World Bank’s Environmental and Social Safeguard Instruments for the Pacific Island Countries this policy is not ordinarily triggered in Samoa.
Involuntary Resettlement OP/BP 4.12	No	The investment activities are limited to the existing physical footprint of Faleolo Airport, which is situated on, and surrounded by a buffer of Government-owned land. No new land or asset acquisition is envisaged.
Safety of Dams OP/BP 4.37	No	
Projects on International Waterways OP/BP 7.50	No	
Projects in Disputed Areas OP/BP 7.60	No	

### IV. Key Safeguard Policy Issues and Their Management

#### A. Summary of Key Safeguard Issues

<p><b>1. Describe any safeguard issues and impacts associated with the proposed project. Identify and describe any potential large scale, significant and/or irreversible impacts:</b></p>
<p>There are no changes to the current Environmental Category B classification. No significant environmental issues or impacts have been identified. All issues can be managed within standard good practice for construction-related impacts (traffic management, limits to noisy work, waste</p>

<p>management etc.), and in the design phase (drainage, source of aggregates, percentage recycled content of the new surface). No significant cultural, resettlement or gender impacts have been identified. No resettlement is expected and if any resettlement issues emerge, they will be addressed through a resettlement plan developed on the basis of the policies and principles outlined in the Environmental and Social Management Framework developed for the overall Program. Gender sensitivity is assured through participation of the Ministry of Women Community and Social Development in consultations and information dissemination.</p>
<p><b>2. Describe any potential indirect and/or long term impacts due to anticipated future activities in the project area:</b></p>
<p>Improved safety and security will be beneficial to both travelers and residents in the vicinity of the airports. The investments are not expected to directly increase air operations, but may indirectly change the frequency or timing of flights.</p>
<p><b>3. Describe any project alternatives (if relevant) considered to help avoid or minimize adverse impacts.</b></p>
<p>Community consultations will invite consideration of impacts, and suggestions for alternative improved impact management will be incorporated in the EMP.</p>
<p><b>4. Describe measures taken by the borrower to address safeguard policy issues. Provide an assessment of borrower capacity to plan and implement the measures described.</b></p>
<p>In broad terms, Samoa has demonstrated its capacity to manage safeguards having previously implemented the Bank-financed Samoa Infrastructure Assets Management project. For this investment project, the SAA has the capacity to undertake the preparation and implementation of the EMP. For in-country processes, the SAA will submit a Preliminary Environmental Assessment Report to the Planning and Urban Management Agency (PUMA) in the Ministry of Natural Resources and Environment (MNRE). PUMA will advise of any conditions pertaining to Development Consent, and on Government of Samoa consultation and documentation requirements. SAA will ensure that conditions are included in the EMP and that the EMP is binding upon any subcontractor. The SAA is supported by the PAIP Technical and Fiduciary Services Unit (TFSU), with safeguards experience from other PAIP projects. A local consultant, together with the TFSU, assisted with the preparation of the EMP.</p> <p>A Social Assessment was undertaken around the project areas to identify any distinct vulnerable groups amongst Indigenous Peoples, who are the vast majority of the population. Strong levels of public acceptability were ascertained in community consultations in the project areas subject to environmental management and benefit sharing. SAA also undertakes stakeholder consultations through its Facilitation Committee.</p> <p>The project will only consider the use of existing, licensed quarries for sourcing of materials. MNRE has advised that any further use of the Olo Quarry is prohibited due to the pollution risk to potable water supplies. Furthermore, due to the complexities of the linked landside and airside projects, a local safeguards consultant will be hired to support SAA and PUMA in monitoring safeguards issues, including site visits and contractor compliance with the IESMP.</p>
<p><b>5. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people.</b></p>
<p>Institutional stakeholders in safeguards compliance are the implementing agency (SAA), the regulatory authority MNRE and the Ministry of Women, Community and Social Development (MWCSO). Local stakeholders are the communities surrounding the Government owned buffer zones around the airports. Local stakeholders were informed and consulted during the social</p>

assessment, at the time of the preparation of the draft EMP, and at a meeting coordinated by the MWCS D to consult airport neighbors. Stakeholders will continue to be consulted at other times during implementation (for example to announce the start of works, or to advise of traffic management plans during the construction phase). Neighboring communities will be made aware through these media of the procedure for registering any complaints or grievances in relation to the project.

**B. Disclosure Requirements**

<b>Environmental Assessment/Audit/Management Plan/Other</b>	
Date of receipt by the Bank	24-Jan-2016
Date of submission to InfoShop	31-Jan-2016
For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors	
<b>"In country" Disclosure</b>	
Samoa	05-Feb-2016
<i>Comments:</i>	
<b>If the project triggers the Pest Management and/or Physical Cultural Resources policies, the respective issues are to be addressed and disclosed as part of the Environmental Assessment/Audit/or EMP.</b>	
<b>If in-country disclosure of any of the above documents is not expected, please explain why:</b>	

**C. Compliance Monitoring Indicators at the Corporate Level**

<b>OP/BP/GP 4.01 - Environment Assessment</b>	
Does the project require a stand-alone EA (including EMP) report?	Yes [ <input checked="" type="checkbox"/> ] No [ <input type="checkbox"/> ] NA [ <input type="checkbox"/> ]
If yes, then did the Regional Environment Unit or Practice Manager (PM) review and approve the EA report?	Yes [ <input checked="" type="checkbox"/> ] No [ <input type="checkbox"/> ] NA [ <input type="checkbox"/> ]
Are the cost and the accountabilities for the EMP incorporated in the credit/loan?	Yes [ <input checked="" type="checkbox"/> ] No [ <input type="checkbox"/> ] NA [ <input type="checkbox"/> ]
<b>The World Bank Policy on Disclosure of Information</b>	
Have relevant safeguard policies documents been sent to the World Bank's Infoshop?	Yes [ <input type="checkbox"/> ] No [ <input checked="" type="checkbox"/> ] NA [ <input type="checkbox"/> ]
Have relevant documents been disclosed in-country in a public place in a form and language that are understandable and accessible to project-affected groups and local NGOs?	Yes [ <input type="checkbox"/> ] No [ <input checked="" type="checkbox"/> ] NA [ <input type="checkbox"/> ]
<b>All Safeguard Policies</b>	
Have satisfactory calendar, budget and clear institutional responsibilities been prepared for the implementation of measures related to safeguard policies?	Yes [ <input checked="" type="checkbox"/> ] No [ <input type="checkbox"/> ] NA [ <input type="checkbox"/> ]
Have costs related to safeguard policy measures been included in the project cost?	Yes [ <input checked="" type="checkbox"/> ] No [ <input type="checkbox"/> ] NA [ <input type="checkbox"/> ]

Does the Monitoring and Evaluation system of the project include the monitoring of safeguard impacts and measures related to safeguard policies?	Yes [ <input checked="" type="checkbox"/> ] No [ <input type="checkbox"/> ] NA [ <input type="checkbox"/> ]
Have satisfactory implementation arrangements been agreed with the borrower and the same been adequately reflected in the project legal documents?	Yes [ <input checked="" type="checkbox"/> ] No [ <input type="checkbox"/> ] NA [ <input type="checkbox"/> ]

## V. Contact point

### World Bank

Contact: Christopher J. De Serio

Title: Transport Specialist

### Borrower/Client/Recipient

Name: Ministry of Finance

Contact: Mr. Iulai Lavea

Title: CEO

Email: iulai.lavea@mof.gov.ws

### Implementing Agencies

Name: Samoa Airport Authority

Contact: Mr. Hoe Viali

Title: CEO

Email: hoe.jerome@airportssamoa.ws

## VI. For more information contact:

The InfoShop

The World Bank

1818 H Street, NW

Washington, D.C. 20433

Telephone: (202) 458-4500

Fax: (202) 522-1500

Web: <http://www.worldbank.org/infoshop>

## VII. Approval

Task Team Leader(s):	Name: Christopher J. De Serio	
<b>Approved By</b>		
Safeguards Advisor:	Name: Peter Leonard (SA)	Date: 23-Feb-2016
Practice Manager/ Manager:	Name: Michel Kerf (PMGR)	Date: 23-Feb-2016
Country Director:	Name: Franz R. Drees-Gross (CD)	Date: 23-Feb-2016