

TERMS OF REFERENCE

AVIATION MASTER PLAN (GY-T1134)

I. BACKGROUND

- 1.1 Guyana is a country located on the Northeast shoulder of South America, which has difficult connectivity by land with its neighbours: Venezuela, Suriname and Brazil. It is a large country in terms of geographical size - about 214,970 km² - approximately the same as that of Great Britain with 90% of its 767,0851 inhabitants living mainly along a coastal strip 430 km by 16 km. The other 10% of the population, mostly Amerindians, are located on the remaining difficult to access interior. In the interior, transportation is predominately along primitive roads and waterways to the coast, since connectivity through the provision of built infrastructure is limited and very costly to provide, given the lack of scale, due to the low population density and the sparse production areas.
- 1.2 Guyana's location, and its characteristics of physical and economic development, therefore renders it highly dependent upon air transport, both for connections with the rest of the world and for connections between the coastal region and the interior. In term of connections with the rest of the world, Guyana plays an important role in regional integration between Latin American and Caribbean countries, since it is one of the countries that have deep ties with both the Caribbean Community (CARICOM) and the Union of South American Nations (UNASUR). Given Guyana's dual participation, the country is poised to facilitate a connecting role between investors and traders from both communities. In terms of connection between the coastal region and the interior Guyana's economy depends on the export of commodities from the hard to reach interior, which represent almost 60% of the country's GDP. Thus, efficient air transportation is critical to sustain Guyana's competitiveness, and to support production and exports.
- 1.3 The trade openness and the strategic location of Guyana bring challenges for the country. One of the main challenges in the air sector is connecting the country with the non-traditional markets outside of the English Speaking Caribbean and North America. Only two commercial air carries offer international routes, and the country depends solely on foreign airlines to service new markets².
- 1.4 Despite this dependence, and possessing two airports³ in the capital city and nearly 100 aerodromes in the interior serving smaller towns and villages in the hinterland, the sector remains underdeveloped as evinced by Guyana's connectivity index which at 2.46% is the lowest in the region⁴. Also, according to the International Civil Aviation Organization (ICAO) gaps in Guyana's safety oversight as measured by global effective implementation was 44.21% with regard to 8 critical elements. Much of the limitations in Guyana's connectivity however is rooted in the organizational and regulatory underpinnings of the Guyana Civil Aviation Authority (GCAA). The

¹ World Bank 2015.

² [ICAO. Institutional Strengthening of the Civil Aviation Safety Oversight System of Guyana.](#)

³ Cheddi Jagan International Airport, and Eugene P. Correia Regional Airport -: annually, approximately 478,000 international passengers and 6,148,000 kg of cargo move through the Cheddi Jagan International Airport and approximately 43,700 passengers move through the Eugene P. Correia International Airport.

⁴ World Bank Measuring Integration in the Global Air Transport Network June 2011.

regulatory gaps relate essentially to Guyana as a member of the ICAO, operating in breach of a number of its ICAO obligations. This for example has translated into the country losing its FAA International Aviation Safety Assessments Program Category 1 classification. Other deficiencies related to the GCAA are: (i) the qualification and training of technical personnel; (ii) record keeping; (iii) updating of technical manuals; and (iv) the organizational structure necessary to facilitate discharge of its obligations under the Chicago Convention with respect to effective aviation safety oversight.

- 1.5 The Government of Guyana has now recognized that to achieve international standards in the air sector, the country needs: (i) an empowered civil aviation system and a strong organization with the adequate technical personnel to carry out various functions of a national civil aviation authority; (ii) minimum cadre of high-qualified inspectors to manage the safety oversight obligations; and (iii) all actions couched within a long-term holistic civil aviation strategic plan, in order to guarantee sustainability of the actions. Accordingly, by a letter dated October 27th, 2016, the Government of Guyana requested assistance for a technical cooperation aimed at providing client support and capacity building to establish a comprehensive approach for the sustainable development of the sector for improved safety, connectivity and governance through the conduct of a Civil Aviation Master Plan.
- 1.6 The Civil Aviation Master Plan will elaborate a blueprint for the development and management of the Aviation sector that: (i) ensures the sustainability of efforts and enforcement actions in civil aviation; (ii) provides effective coordination mechanisms between the different actors in the sector to achieve a strategy consistent with the Government of Guyana's development priorities; and (iii) ensures improved quality of Civil Aviation Oversight and the structured development of Civil Aviation in Guyana over the next decade.

II. **ACTIVITIES AND DELIVERABLES**

- 2.1 The consultant has to perform the following activities:
- 2.2 The **Inception Report** for the Master Plan for Aviation Policy. The consultant will deliver this report two weeks after the sign of the contract.
- 2.3 **Air Sector Analysis** that considers:
 - (i) Analysis of the current legislation on aviation with the main constraints and weakness taking into consideration the good practices.
 - (ii) Connectivity of Guyana and air market analysis: analysis based on annual international seats, international airports and number of international markets.
 - (iii) The state of the airport infrastructure: detailed diagnosis about the national and international airports, operations rationale and financing. The consultant has to take account the airport resilience on climate change environmental sustainability.
 - (iv) Institutional framework: assessment of bodies responsible for the different functions of the institutional framework (airport and airlines operations, policy).
 - (v) Air service agreements: to determine if the conditions stated in the Air Services Agreements are currently acting as constraints to the development of the regional connectivity. The consultant should analyze in terms of available capacities, airline designation and the grant of fifth, sixth and seventh freedom rights.

- (vi) Analysis of the provision of air services to isolated communities.
- (vii) Safety and security analysis, based on ICAO standards.
- (viii) The environmental impacts of aviation in Guyana (noise and pollution).
- 2.4 The consultant has to take account previous studies financed by the Bank, as the Guyana Shield Connectivity Constraints. For the assessment and recommendations, the consultant could use a SWOT Analysis to identify the main issues that the country has to address.
- 2.5 The consultant will deliver the Analysis Report within 3 months.
- 2.6 Master Plan for Aviation Policy that considers:
 - (i) Change and prospect of the environment of the international and domestic aviation policy.
 - (ii) Objective of aviation policy, strategy plan and plan by each phase.
 - (iii) Matters for developing the domestic air transportation business and strengthening competitiveness.
 - (iv) Matters about efficient development and operations of airport.
 - (v) Matters about protection of airport users and service improvement.
 - (vi) Matters about safety management of air traffic.
 - (vii) Other matters necessary for the promotion of regular air transportation business.
 - (viii) Development of a strategy to provide air essential services to isolated communities.
 - (ix) Road map for future infrastructure and technology policy for air traffic management to enhance air traffic safety, including a range of infrastructure, systems and technology initiatives.
 - (x) The institutional arrangement suitable for the aviation sector, taking into consideration the good practices.
 - (xi) Matters related to investigation of accidents.
- 2.7 The consultant should organize workshops and discussion table with the main aviation institutions and civil society to validate the analysis and socialize the master plan.
- 2.8 The consultant will deliver the Master Plan proposal within 6 months. The final version validated by the Government and IDB will be deliver within 8 months.

III. CONSULTANCY SPECIFICATIONS

3.1 TYPE OF CONSULTANCY

The consultancy will require the services of an international consulting firm with extensive experience in the air sector, focusing in air sector policy. It is essential that the consulting firm demonstrate experience working on such studies in developing countries, particularly in the Caribbean and Latin American region.

3.2 Financing

The cost of the consultancy will include the consultant's remuneration as well as the costs of all incidentals associated with the conduct of the consultancy. The

incidentals include, but are not limited to: surveys, field tests, trips, travel allowances, international calls, local transportation, secretarial expenses, copying and office supplies. The cost of the consultancy will include the consultant's remuneration as well as the costs of all incidentals associated with the conduct of the consultancy. The incidentals include, but are not limited to: surveys, field tests, trips, travel allowances, international calls, local transportation, secretarial expenses, copying and office supplies.

3.3 Duration

The duration of the study shall be 8 months.

3.4 Location

The study shall be carried out in the residence of consultant and Guyana.

3.5 Payments

The payments will be done according to the following schedule:

- (i) 20% upon signing of the contract.
- (ii) 10% upon submission of acceptance Inception Report.
- (iii) 20% upon submission of the Air Sector Analysis.
- (iv) 20% upon submission of the Master Plan Proposal.
- (v) 30% upon approval of the Final Master Plan Proposal.

3.6 Expertise Required

3.6.1 The key experts required for the Consultant's team, and their minimum qualifications and experience are:

3.6.2 Key Expert No. 1: Air Policy Specialist

- (i) Education: Master in the aviation sector.
- (ii) Experience: 15 years of experience in aviation sector in Latin American and Caribbean Countries. If proposed as Team Leader, experience must include being 'Team Leader' in at least 2 projects of a similar nature in developing countries.

3.6.3 Key Expert No. 2: Air Economics Specialist

- (i) Education: MSc. in aviation economics.
- (ii) Experience: 10 years' experience in aviation economics and market analysis.

3.6.4 Key Expert No. 3: Airport management specialist

- (i) Education: MSc. in the Aviation Sector.
- (ii) Experience: 10 years' experience in airport management analysis and concessions.

3.6.5 Key Expert No. 4: Air navigation specialist

- (i) Education: Air navigation technician or air navigation management.
- (ii) Experience: 10 years' experience in air navigation system.

3.6.6 Key Expert No. 5: Air traffic safety and oversight specialist

(i) Experience: 10 years' experience in oversight and ICAO standards.

- 3.7 The language of all reports will be English and all experts shall have a good command of English. The Consultant must specify the qualifications and experience of each key expert to be assigned to the assignment. For each key expert proposed, curriculum vitae of about 4 pages should be provided detailing the relevant experience and qualifications. Members of the consultancy team must have working experience in developing countries.
- 3.8 The Consultant is free to define the individual duration of assignments and recommend changes to the composition of the team. All team members must be present in Guyana when conducting their assignments.

IV. COORDINATION

- 4.1 The GCAA is the executing agency for the Consultancy on behalf of the Government of Guyana. The Consultant shall report to the government and to the IDB project Team Leader.