

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK

SURINAME

AIR TRANSPORT SUPPORT PROGRAM

(SU-T1052)

PLAN OF OPERATIONS

This document was prepared by the following Project Team: Rafael Acevedo-Daunas, Leader (INE/TSP), Christopher Persaud (TSP/CGY), Nicolás Dei Castelli and Giovanna Mahfouz (INE/TSP); Carol Lieveld (CCB/CSU); and Miozotis Florez (LEG/SGO).

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REFERENCIAS ELECTRÓNICAS	
Country Data	http://www.iadb.org/countries/home.cfm?id_country=SU&Language=English
Terms of Reference	http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=2270210

ACRONYMS

FSO	Fund for Special Operations
GOS	Government of Suriname
IDB/Bank	Inter-American Development Bank
JAP	J.A. Pengel International Airport
ICAO	International Civil Aviation Organization
TC	Technical Cooperation
MTCT	Ministry of Transport, Communication and Tourism
SWOT	Strengths, Weaknesses, Opportunities and Threats
NGO	Non-Governmental Organization
ESMP	Environmental and Social Management Plan
TOR	Terms of Reference
INE/TSP	Infrastructure and Environment Sector, Transport Division
TSP/CGY	Transport Division, Country Office Guyana
CCB/CSU	Country department Caribbean, Country Office Guyana
LEG/SGO	Legal Department, Sovereign Guaranteed Operations Division
ESG	Environmental and Social Safeguard Unit
NVLHB	NV Luchthavenbeheer
LVD	Luchtvaartdienst

II. BACKGROUND

A. Background and Justification

- 2.1 Suriname has a landmass of 163,820 km² and is located on the northeastern coast of South America. Its physical geography is divided into three areas: the Coastal Plain, the Savannah Belt, and the Interior. Approximately 85% of Suriname's 500,000 inhabitants live on its 30 km-wide Coastal Plain with approximately 70% of the population concentrated in Greater Paramaribo (which includes the capital, Paramaribo and Wanica).¹ In aggregate terms, Suriname is one of the most scarcely populated countries in South America, with a population density of 2.7 inhabitants per square kilometer. The Interior, which accounts for 80-85% of the total area, is densely forested in most parts and inhabited by dispersed Indigenous and Maroon communities. Many areas in the Interior are only accessible by boat or airplane.²
- 2.2 Air transport in Suriname has two dimensions; international travel and internal travel. There is one airport which accommodates international flights, one for regional and local flights and approximately forty-five for local flights. Most of the local airports are located in the interior of the country and serve the mining and tourism sectors. They also provide critical transport to Indigenous and Maroon communities for the purpose of communication, education and health services, governance and supply of goods. These local airports are an important lifeline for isolated interior villages since there are few roads leading to these areas and water transport is limited in the dry season.
- 2.3 The J.A. Pengel International Airport (JAP) located at Zanderij is the sole international airport with scheduled commercial flights in Suriname. Airport Management Limited (N.V. Lutchavenbeheer) is a public company which operates the JAP. The airport is located 45 kilometers from Paramaribo and it takes approximately one hour by car to get to the airport from Paramaribo. Scheduled passenger flights are made to and from Amsterdam and Miami, while regional flights are made to Curacao, Port of Spain, Georgetown and Belem. In 1998, JAP reported 1763 aircraft movements, 226,527 passengers and 5955 cargo tons.
- 2.4 A Master Plan for JAP was prepared by the International Civil Aviation Organization (ICAO) in January 2000, and included a list of 36 recommendations for the improvement of the airport facilities and equipment, security and staffing. These recommendations were made for the short, medium and long term viability of the airport. Due to the shortage of funding many of the recommendations have not been or only partially been implemented. The Government of Suriname (GOS) is interested in reviewing and updating the Master Plan to incorporate the works completed since 2000 and to identify the priority areas which need improvements.

¹ Water Supply and Sanitation Sector Diagnostic- Klas Ringskog, 2005.

² Suriname's Road to Health Sector Reform, IDB Economic and Sector Study, 2005.

PLAN OF OPERATIONS

AIR TRANSPORT SUPPORT PROGRAM

SU-T1052

I. EXECUTIVE SUMMARY

Beneficiary:	Republic of Suriname		
Team Leader and Members	Rafael Acevedo-Daunas, Leader (INE/TSP), Christopher Persaud (TSP/CGY), Nicolás Dei Castelli and Giovanna Mahfouz (INE/TSP); Carol Lieveld (CCB/CSU); and Miozotis Florez (LEG/SGO).		
Executing agency:	Ministry of Transport, Communication and Tourism (MTCT), through its agencies NV Luchthavenbeheer (NVLHB) and Luchtvaartdienst (LVD).		
Target Beneficiaries:	Ministry of Transport, Communication and Tourism (MTCT)		
Financing:	IDB-Net Income of the Fund for Special Operations (FSO):	US\$	350,000
	Local Counterpart:	US\$	50,000
	Total:	US\$	400,000
Objectives:	To support the improvement of the Air Transport Sector in Suriname. These improvements will enhance accessibility, operations and safety, and facilitate trade both externally and internally. The objective would be achieved through the following components: (i) studies to update the master plan for the J.A. Pengel International Airport, (ii) feasibility studies for upgrading of interior airports; and (iii) studies of the organization of the national air transport sector.		
Execution timetable:	Execution Period:	12 months	
	Disbursement Period:	18 months	
Special contractual conditions:	None		
Exceptions to Bank Policies and Procedures:	None		
Environmental and social review:	The project profile was reviewed by ESG on November 20, 2009, and approved the proposed environmental and social strategy.		
Coordination with Other Donors:	None		

- 2.5 The airports which are located in the interior of Suriname mostly have fair weather runways and little or no facilities to accommodate passengers. Over the years, there has been a trend of increasing trips and currently there are approximately 17 movements a day between the coast and the interior airports taking both cargo and passengers. Flights from the coast to these airports are restricted in the wet seasons due to the poor condition of the runways which make landing and take off dangerous. The closure of these airports during the wet season negatively impacts the supply to the mining and tourism industry as well as the ability of GOS and NGO's to provide medical attention and food supplies during flooding and disasters in the interior settlements.
- 2.6 Given the importance of the interior airstrips to the productive sectors and residents of the interior, GOS plans to rehabilitate and upgrade twenty of the forty-five airstrips. To support this objective, there is a need to assess the feasibility of the planned improvement. The Luchtvaartdienst (LVD) has identified some airstrips that are a priority for the government.

B. Bank Strategy

- 2.7 The Country's Strategy (CS): The Suriname CS 2007–2010 aimed to modernize and transform the economy for Suriname to transcend its problems with historically high volatility and low growth. The strategy focuses on addressing structural weaknesses in the public and private sector and achieving improved social integration through the following pillars: (i) public sector modernization, (ii) private sector modernization, and (iii) integration and sustainable development of the Interior. This Technical Cooperation (TC) directly supports all pillars of the CS by providing support to the modernization of public sector infrastructure, upgrading infrastructure to support the growth of the private sector operated mining and tourism sectors, while physically integrating the country's sparsely interior with the coastland.

III. OBJECTIVES AND DESCRIPTION OF THE TC

A. Objectives

- 3.1 The TC objective is to support the improvement of the Air Transport Sector in Suriname. These improvements will enhance accessibility, operations and safety, and facilitate trade both externally and internally. The objective would be achieved through the following components: (i) studies to update the master plan for the J.A. Pengel International Airport, (ii) feasibility studies for upgrading of interior airports; and (iii) studies of the organization of the national air transport sector.

B. Description

- 3.2 **Component 1: Master Plan for the J.A. Pengel International Airport.** This component will review and update the January 2000 Master Plan J.A. Pengel International Airport updating the scope of the plan and reviewing the existing

operations and infrastructure for new areas to be covered by the Master Plan including impacts of the domestic and international changes in air traffic patterns. The new Plan will identify the institutional, rehabilitation and expansion investments required and will provide a timetable for these investments. As a result of the TC, a detailed ten-year investment plan will be produced. The studies will include: (i) an analysis of the quality of the master plan, looking at traffic, facilities, equipment, capacity and service assessments, and identifying overlooked issues, such as institutional arrangements and utilities for terminals; (ii) an assessment of the implementation status of the recommendations of the master plan and the factors affecting implementation; (iii) an analysis of the financial structure of the airport, identifying tariffs and other revenue generating activities, and conducting a benchmarks study of similar airports in the region (iv) an update of cargo and passenger traffic data and forecasts, considering growth impacts on tourism, commerce and business in the region; (v) a review of existing facilities and equipment, and an assessment of capacity and services; (vi) an analysis of required improvements for five-year stages over a twenty year forecast period, leading to providing recommendations and establishing priorities; (vii) an environmental analysis of airport impacts and the design of the Environmental and Social Management Plan (ESMP); and (viii) a vulnerability analysis with proposed adaptation measures.

- 3.3 **Component 2: Feasibility studies for Interior Airports.** This component will fund the preparation of a rapid domestic air sector review, preliminary designs, economic and socio-environmental studies for upgrading of interior airports. The studies will include technical options for the improvement of the airports, the economic and financial viabilities of the options and socio-environmental diagnostic of the impacts of the proposed options, and will consist of: (i) an analysis of the strategic importance of interior airports, consisting of a survey of the twenty airports included in the GOS rehabilitation plans, a facility inventory, an analysis of the financial structure of the airports and a SWOT analysis of these airports; (ii) the definition of the top-priority airports, including the reasons for their selection and the advantages over the airports identified by the LVD, if these differ; (iv) preliminary designs of technical options for the improvement of these airports; (v) an economic and financial analysis of the options; (vi) an analysis of environmental and social impacts; and (vii) a vulnerability analysis with proposed adaptation measures.

- 3.4 **Component 3: Studies of the organization of the national air transport sector.** This component will analyze the organizational structure and the policies governing Suriname's air transport sector, and will provide recommendations toward a more efficient administration and a clear separation of regulation, and operational activities, where appropriate. The studies will include: (i) an analysis of national regional and international regulations and policies affecting air transport in Suriname; (ii) an analysis of institutional arrangements, reviewing and assessing airport operators, air carriers and government agencies; (iii) a diagnosis of economic and operational efficiency, analyzing the impacts of regulations, policies and institutional arrangements; and (iv) recommendations to

improve regulatory and operational activities, and the sustainability of the air transport sector.

IV. COST AND FINANCING

- 4.1 The cost of the TC is estimated at US\$400,000. The Fund for Special Operations will contribute US\$350,000, and GOS will contribute US\$50,000. The expected execution of this TC is 12 months and 18 months for disbursement.

Component	SU-T1052	IDB Total (US\$)	GOS (in kind)	Total (US\$)
1 - Master Plan for J.A. Pengel International Airport	175,000	175,000	25,000	200,000
Direct cost	150,000	150,000		
Indirect cost, trips, travel, etc.	25,000	25,000		
2- Technical and Economic Feasibility, Environmental and Social Analyses	125,000	125,000	25,000	150,000
Direct cost	90,000	90,000		
Indirect cost, trips, travel, etc.	35,000	35,000		
3- Studies of the organization of the national air transport sector	20,000	20,000		20,000
Direct cost	15,000	15,000		
Indirect cost, trips, travel, etc.	5,000	5,000		
Auditing	10,000	10,000	-	15,000
Supervision	20,000	20,000	-	15,000
TOTAL	350,000	350,000	50,000	400,000

V. EXECUTING AGENCY AND EXECUTING MECHANISMS

A. Executing Agency

- 5.1 The nature of these activities is well within the realm of the Ministry of Transport, Communication and Tourism (MTCT) responsibilities, and therefore the MTCT will be the executing agency for the studies of this TC.
- 5.2 The policy statement of the MTCT sets the goal of creating an efficient, sustainable, competitive and secure transport system that will support economic and social development, through the rationalization of state enterprises, the expansion and modernization of infrastructure, and appropriate regulation and legislation.

B. Executing Mechanism

- 5.3 As executing agency, MTCT will provide local transportation, logistical support and facilities such as office space and communication, facilitate access to information, and provide counterpart staff. The MTCT will be the executing agency for this TC and will also be responsible for preparing TORs and selecting consulting firms / individuals. IDB's procurement policy will be used for all purposes.

- 5.4 The Country Office in Suriname will have the basic responsibilities and the Project Team will have the technical responsibility. To aid in the supervision of the study, the Bank will hire a consultant directly, using part of the technical cooperation funds.

C. Program Preparation

- 5.5 The terms of reference for the contracting of the present study are annexed to the Operational Plan, for further information.

D. Execution and Disbursement Period

- 5.6 The execution period for the conclusion of the described study is estimated to be 12 months. The disbursement period will extend for over 18 months. For disbursement purposes, a revolving fund of up to 10% of the Bank's contribution will be established.

E. Procurement and Contracting

- 5.7 Procurement of goods will follow Bank Policy Guidelines, GN-2349-7. The execution of studies will be in charge of specialized consulting firms. The selection and contracting of these firms will follow Bank Policy Guidelines on the Selection and Contracting of Consultants, GN-2350-7. The draft TORs have been prepared and bidding documentation will be finalized by MTCT.

VI. MONITORING AND EVALUATION

A. Technical and basic responsibility

- 6.1 Technical and administrative responsibility for this Program will remain with the IDB Country Office in Suriname, with technical support from INE/TSP.

B. Progress and final reports

- 6.2 Progress on the execution of the project will be monitored through quarterly progress reports submitted by MTCT to the Bank. Given that there will only be one study as part of the TC, the reports produced by the consultant will also be reviewed by the Bank. A draft final report shall be submitted within one month of the last disbursement by the consulting firm for approval by MTCT.

VII. BENEFITS AND RISKS

A. Benefits and Beneficiaries

- 7.1 The direct beneficiaries of this TC will be the GOS and the MTCT. However, program benefits will not be restricted to the above-mentioned but further extended to the productive sectors and the residents of the interior, who will enjoy a better, more reliable transportation system.
- 7.2 Moreover, inasmuch as the project will be aimed at maximizing the economic benefits of air transport and its related activities, the project will directly benefit the national economy and the national population, as a whole.

B. Risks

- 7.3 No major risks are expected from the implementation of the present TC. However, in order to guarantee its effectiveness, appropriate institutional coordination within MTCT must be set in place.

VIII. ENVIRONMENTAL AND SOCIAL STRATEGY

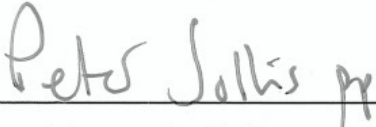
- 8.1 The proposed TC has no environmental or social implications, for it involves the gathering and processing of data and statistical information, as well identifying and quantifying the impact of air transport and other related activities on the national economy. It is a non intrusive methodology that will facilitate decision making processes aimed at improving the efficiency of the aviation sector, generating extensive benefits to the Surinamese economy and its people. Therefore, given the nature of the activities being developed and their expected impact, the proposed TC has been classified as "Category C" following the Bank's Environmental and Social Safeguard guidelines.

IX. RECOMMENDATION

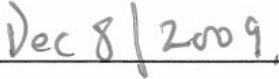
- 9.1 Rafael Acevedo-Daunas, Team Leader (INE/TSP) recommends the approval of this operation and the use of FSO resources for a total amount of US\$350,000.

X. CERTIFICATION

- 10.1 The Grants and Cofinancing Management Unit (VPC/GCM) certifies that US\$350,000 from the net income of the Fund for Special Operations (FSO) is available for the financing of the project activities proposed in this project document.




sry Marguerite S. Berger
Chief
Grants and Cofinancing Management Unit
VPC/GCM

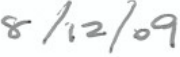


Date

XI. APPROVAL



Agustín Aguerre
Chief/INE/TSP



Date

SURINAME

AIR TRANSPORT SUPPORT PROGRAM

(SU-T1052)

Project Procurement Plan

I. GENERAL INFORMATION

Country	Republic of Suriname
Executing agency	Ministry of Transport, Communication and Tourism (MTCT)
Project name	Air Transport Support Program
Project number	SU-T1052
Brief description of the project's objectives and components	To support the improvement of the Air Transport Sector in Suriname. These improvements will enhance accessibility, operations and safety, and facilitate trade both externally and internally. The objective would be achieved through the following components: (i) studies to update the master plan for the J.A. Pengel International Airport, (ii) feasibility studies for upgrading of five interior airports; and (iii) studies of the organization of the national air transport sector.
Estimated date of project approval	December 11, 2009
Estimated date of signature of the contract	January 30, 2010
Estimated date of the final disbursement	July 30, 2011

II. INTRODUCTION

Procurement of contracts to be financed with resources of the financing will be carried out by the Executing Agency, Ministry of Transport, Communication and Tourism (MTCT). Procurement would be in accordance with the Policies for the Procurement of Works and Goods Financed by the Inter-American Development Bank (GN-2349-7); and the Policies for the Selection and Contracting of Consultants Financed by the Inter-American Development Bank (GN-2350-7) both of July 2006.

C. Bank review of procurement decisions. Unless the Bank agrees otherwise in writing, the contracts for works and the acquisition of good and related services shall be subject to ex ante review, in accordance with the procedures spelled out in paragraphs 2 and 3 of Appendix 1 to the Procurement Policies.

D. Capacity of the executing agency and supervision of procurement by the Bank

The Executing Agency will be responsible for carrying out project procurements. Having assessed the capacity of the Executing Agency to carry out the procurement actions, the Bank rates the overall risk to the project arising from the administration of procurement as: MEDIUM.

III. PROCUREMENT PLAN

The procurement plan for the Air Transport Support Program, covering the 12 months of project execution has been agreed between the Bank and the Ministry of Transport, Communication and Tourism. The plan, which is summarized in Appendix 1, indicates the procedure to be used for the contracting of works or services, and the method of selecting consultants, for each contract or group of contracts. It also indicates the estimated cost of each contract or group of contracts; the requirement for prior or post review by the Bank; and estimated dates for the publication of specific procurement notices and completion of the contracts included in this project. The procurement plan will be updated annually or whenever necessary or as required by the Bank. The detailed procurement plan is available from:

Ministry of Transport, Communication and Tourism
Telephone: (597) 420422-4

The following documents can also be found on the Bank's website (<http://www.iadb.org>: Information on project procurements).

IV. PROJECT PROCUREMENT

The procurements to be made for the proposed project are described in general below.

Category	Procurement Method	Threshold
Consulting Services	QCBS, QBS, FBS, LCS	Contract \geq US\$ 100.000 ¹
	QCBS, FBS, LCS, QBS, CQS, Direct Contracting	Contracts < US\$ 100.000 Short list could comprise solely of nationals

QCBS: Quality- and cost-based selection QBS: Quality-based selection FBS: Selection under a fixed budget; LCS: Least-cost selection; CQS: Selection based on the consultants' qualifications.

A. Procurement of consulting services: Consulting service for the project include i) Master Plan; ii) technical and financial evaluations and (iii) institutional study all under one study. The selection of consultants for the project shall be carried out using the Bank's standard Request for Proposals (RFP) or another one satisfactory to the Bank in case the RFP does not apply. In the case of individual consultancies, the selection shall take into consideration chapter V of the Policies for the Selection and Contracting of Consultants Financed by the Inter-American Development Bank (GN-2350-7) of July 2006.

B. Short list for consultancies. Short lists for consultancies with an estimated budget of less than US\$ 100,000 could be populated solely by national firms, in accordance with Paragraph 2.7 of the Policies for the Selection and Contracting of Consultants Financed by the Inter-American Development Bank (GN-2350-7) of July 2006

¹ Short list consisting of six firms and/or consortia with broad geographical representation, and no more than two firms from the same member country.

Appendix 1

Procurement Plan²

Country	Suriname
Executing agency	Ministry of Transport, Communication and Tourism (MTCT)
Project name	Air Transport Support Program
Project number	SU-T1052
Estimated date of project approval	December 11, 2009
Estimated date of signature of the contract	January 30, 2010
Estimated date of the final disbursement	July 30, 2011
Executing agency office responsible for the procurement plan	Ministry of Transport, Communication and Tourism Telephone: (597) 420422-4

² All project contracts should be included, even if not financed by the Bank, indicating the source of funding in each case.

Procurement Plan SU-T1052									
No.	Description of the contract and estimated cost of procurement	Procurement method ³	Review (prior or post)	Source of financing and percentage		Prequalification (Yes/No)	Estimated dates		Status (pending, in process, awarded, cancelled)
				IDB %	Local/other %		Publication of specific procurement notice	Completion of contract	
Consulting Services									
C1	Suriname Air Transport Support Program (US\$320,000)	QCBS	Ex-ante	100%	0%	Shortlist	Feb/10	Feb/11	Pending
C2	Auditor (US\$10,000)	QCBS	Ex-ante	100%	0%	Shortlist	Aug/10	Feb/11	Pending

³ **ICB:** International competitive bidding; **LIB:** limited international bidding; **NCB:** national competitive bidding; **PC:** price comparison; **DC:** direct contracting; **FA:** force account; **PSA:** Procurement through specialized agencies; **PAs:** Procurement agents; **IA:** Inspection agents; **PLFI:** Procurement in loans to financial intermediaries; **BOO/BOT/BOOT:** Build, own, operate/build, operate, transfer/build, own, operate, transfer; **PBP:** Performance-based procurement; **PLGB:** Procurement under loans guaranteed by the Bank; **PCP:** Community participation procurement; **QCBS:** Quality- and cost-based selection **QBS:** Quality-based selection **FBS:** Selection under a fixed budget; **LCS:** Least-cost selection; **CQS:** Selection based on the consultants' qualifications; **SSS:** Single-source selection; **3CV's:** Selection of Individual Consultant based on 3CV's

Procurement Plan SU-T1052									
No.	Description of the contract and estimated cost of procurement	Procurement method ³	Review (prior or post)	Source of financing and percentage		Prequalification (Yes/No)	Estimated dates		Status (pending, in process, awarded, cancelled)
				IDB %	Local/other %		Publication of specific procurement notice	Completion of contract	
Consulting Services									
C1	Suriname Air Transport Support Program (US\$320,000)	QCBS	Ex-ante	100%	0%	Shortlist	Feb/10	Feb/11	Pending
C2	Auditor (US\$10,000)	QCBS	Ex-ante	100%	0%	Shortlist	Aug/10	Feb/11	Pending

³ **ICB:** International competitive bidding; **LIB:** limited international bidding; **NCB:** national competitive bidding; **PC:** price comparison; **DC:** direct contracting; **FA:** force account; **PSA:** Procurement through specialized agencies; **PAs:** Procurement agents; **IA:** Inspection agents; **PLFI:** Procurement in loans to financial intermediaries; **BOO/BOT/BOOT:** Build, own, operate/build, operate, transfer/build, own, operate, transfer; **PBP:** Performance-based procurement; **PLGB:** Procurement under loans guaranteed by the Bank; **PCP:** Community participation procurement; **QCBS:** Quality- and cost-based selection **QBS:** Quality-based selection **FBS:** Selection under a fixed budget; **LCS:** Least-cost selection; **CQS:** Selection based on the consultants' qualifications; **SSS:** Single-source selection; **3CV's:** Selection of Individual Consultant based on 3CV's