

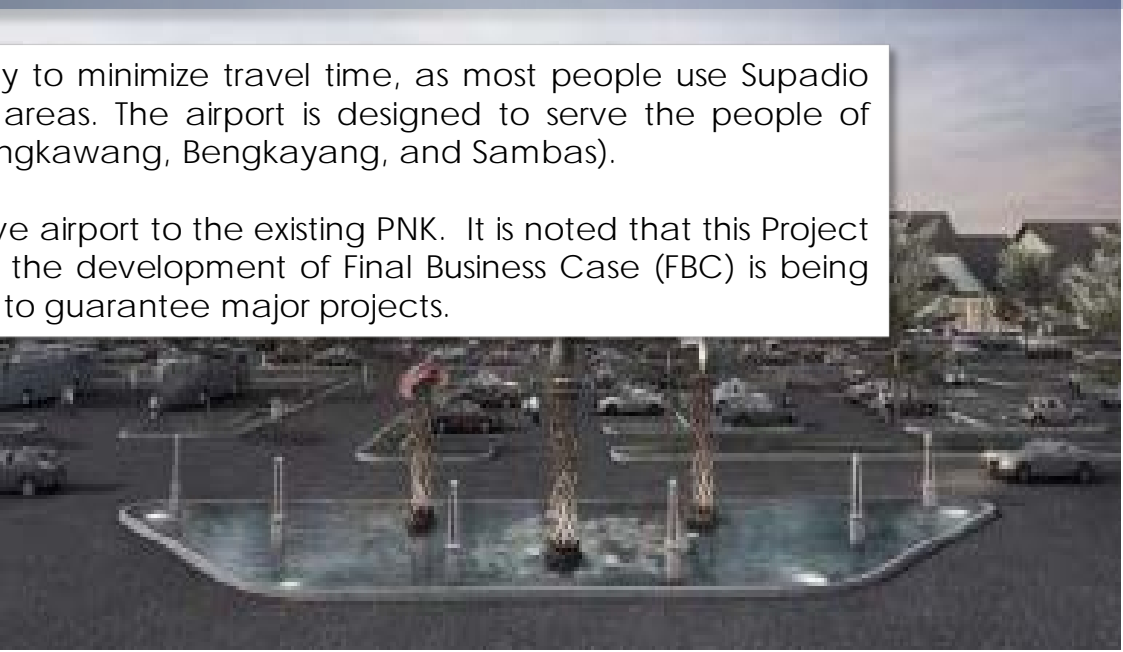


“ DEVELOPMENT OF SINGKAWANG AIRPORT ”

Singkawang City, West Kalimantan Province, Borneo Island, Indonesia

The new airport in Singkawang (SKW) is needed primarily to minimize travel time, as most people use Supadio Airport in Pontianak (PNK) to travel to their respective areas. The airport is designed to serve the people of Singkawang and its surrounding, known as SINGBEBAS (Singkawang, Bengkayang, and Sambas).

Once completed, the airport will function as an alternative airport to the existing PNK. It is noted that this Project has been supported by the Ministry of Finance (MoF) as the development of Final Business Case (FBC) is being undertaken by IIGF, a specialist entity established by MoF to guarantee major projects.





PROJECT HIGHLIGHT

Development of Singkawang Airport

SOLICITED



Project Objectives

- 1) Optimizing the travel time for airport service users.
- 2) Improve air connectivity to regional destinations.
- 3) Unlocking the potential of Singkawang in Trade and Tourism.

Business Opportunity

Bidder, Financier

Project Status

Final Business Case (FBC) is being undertaken by IIGF through MoF's Project Development Facility

Project Owner (GCA) Director General of Civil Aviation, MoT Republic of Indonesia

Category PPP Project - *Greenfield*

Scope of Work DBFOMT - User Charge

- Developing Detailed Engineering Design for all facilities
- Constructing facilities including airside, landside, and supporting assets with a minimal target as follows:
 - 1st Phase*
 - Passenger : 780.000 ppa
 - ATM : 5 ATM during Peak Hour
 - Operating Aircraft : ATR

Project Scope of Work (Scope of PPP)

Ultimate Phase

Passenger : 3 million ppa
 ATM : 10 ATM during Peak Hour
 Operating Aircraft : B737 Series

- Financing all necessary required fund
- Operating the airport facilities
- Maintaining airport's infrastructure assets, including the Runway 2.500 m x 45 m (*ultimate phase*).
- Handover all assets to GCA by the end of concession period

Potential Service Area Coverage Singkawang city and its surrounding, known as SINGBEBAS (Singkawang, Bengkayang, and Sambas)

Contract Period 32 years (including 2 years of construction period)

Indicative Government Support Construction of the 1.400 m x 30 m Airside Project in Phase 1 (detailed explanation on the next slide)



TECHNICAL SPECIFICATION



Technical Specification:
 All technical specifications must comply with the standards set by Ministry of Transportation and can at least serve narrow-body aircraft. Some of the important facilities are as follows:

- Runway 2.500 m x 45 m
- Apron 220 m x 85 m (5 parking stands)
- Passenger Terminal Building 12.500 m²

The Directorate General of Civil Aviation (DGCA) plans to build the first phase of the Project's airside facilities with the state budget (APBN) as a form of support to ensure the Project's feasibility. Actual amount required & disbursement APBN will be based on further analysis in FBC.

Environmental Impact Assessment (EIA/AMDAL) Findings

TBC, the Project has not conducted a detailed EIA study.

Land Acquisition and Resettlement Action Plan

The land required for the ultimate phase of airport operation has been secured (151,45 Ha) by the DGCA, as a form of full support from the Singkawang City Government.

CAPEX
(IDR, Based on OBC, 2019)

Description	Amount
Airside Facilities	920,236,480
Landside Facilities	380,664,721
Office and Buildings	17,263,734
Other Facilities	39,324,939
Visual Approach Landing Support	14,448,177
Others Expenses	109,405,034
Project Preparation Cost	74,067,154
Contingency Cost	74,067,154
Guarantee Fee	15,500,000
Interest During Construction	201,153,510
Financing Fee	11,470,052
Total Capex	1,857,600,955

CAPEX
With Government Support

Description	Amount
Airside Facilities	368.889.301
Landside Facilities	380.664.721
Office and Buildings	17.263.734
Other Facilities	39.324.939
Visual Approach Landing Support	14.448.177
Others Expenses	109.405.034
Project Preparation Cost	46.499.795
Contingency Cost	46.499.795
Guarantee Fee	15.500.000
Interest During Construction	103.745.645
Financing Fee	5.949.924
Total Capex	1.148.191.066

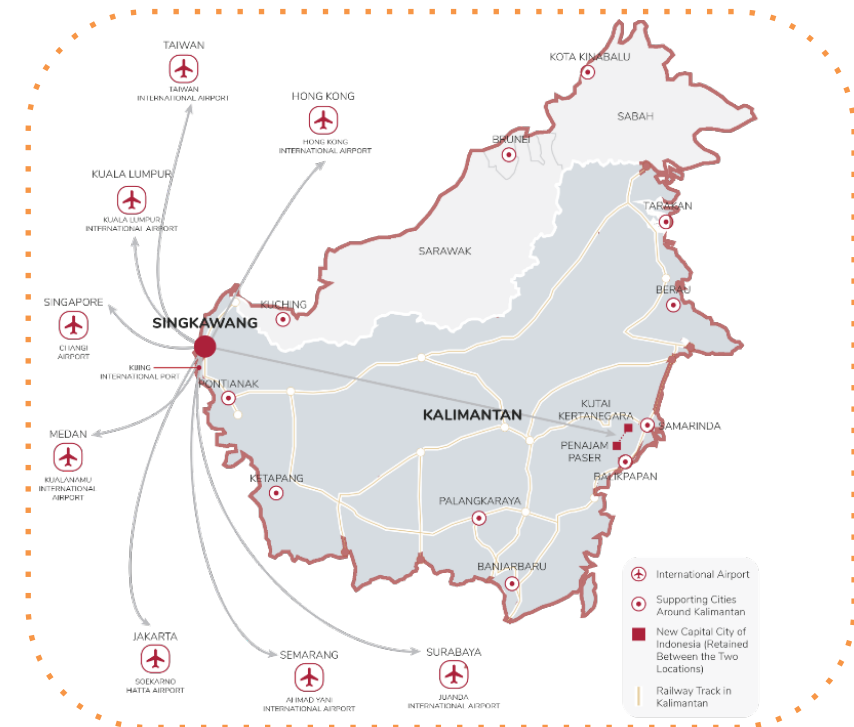
Indicative Government Support for Stage 1 Air Side construction
 IDR 551.347.179



PROJECT LIFE CYCLE

Revenue Projection (IDR)*

Description	Amount
AERONAUTICAL REVENUE:	
Passanger Service Charge	16,763,137,167
Check In Counter	259,087,450
Cargo	245,177,716
Landing Fee	20,667,793
Parking Fee	8,135,320
NON-AERONAUTICAL REVENUE:	
Commercial Area	518,769,426
Car Park	762,048,988
Utility	129,692,357
Hotel	744,742,512
Total Revenue	19,451,458,729



Indicative Government Support & Guarantee:

- As stated in the previous slide, The Directorate General of Civil Aviation (DGCA) plans to build the first phase of the Project's airside facilities with the state budget (APBN) as a form of support to ensure the Project's feasibility.
- Final Government Support & Guarantee subject to FBC result. However, some common risks associated with the projects guaranteed by the Government are the risks of termination and tariff adjustment.

Estimated Project Cost:

CAPEX : IDR 1.85T / USD 128 million*
OPEX : IDR 2.65T / USD 180 million*

Financial Feasibility:

Equity IRR*
15.2%

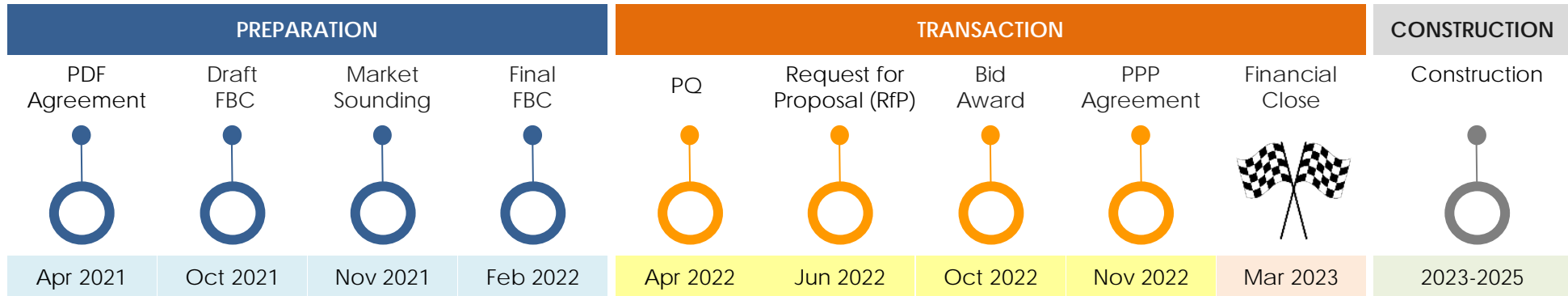
Project IRR*
12.3%

WACC*
10.3%

*) Based on September 2019 Outline Business Case (OBC)

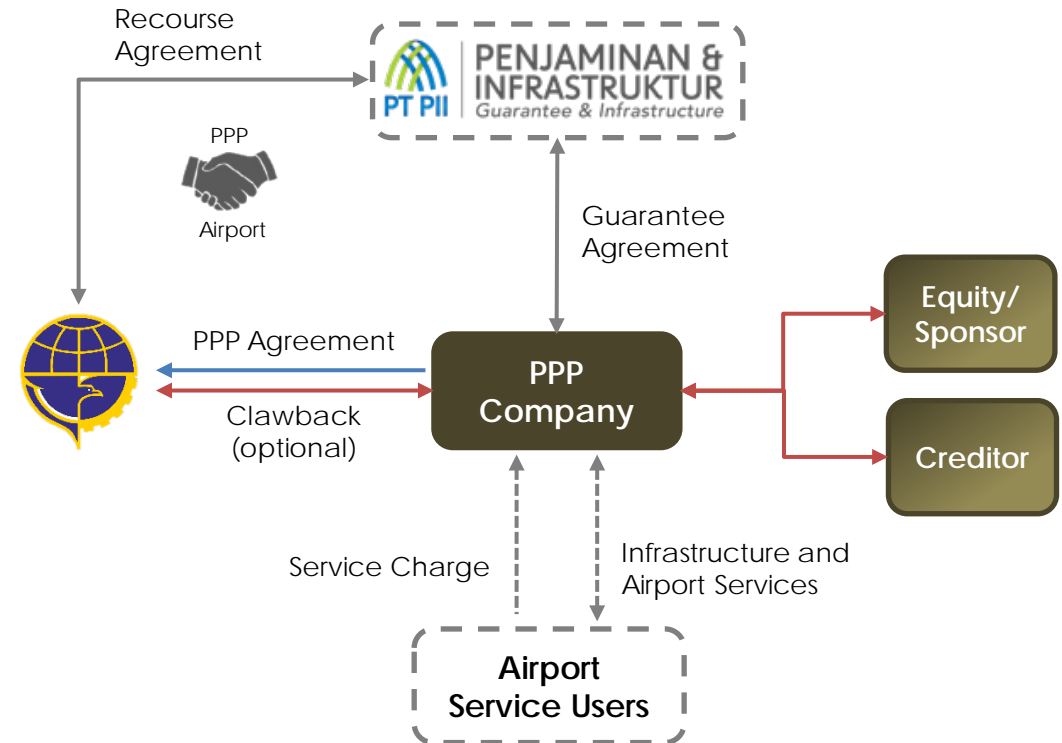


INDICATIVE PPP TIMELINE



PPP STRUCTURE

Operator	PPP Company / Badan Usaha Bandar Udara
Return on Investment	User Charge from airport service users
Potential Government Support	<ul style="list-style-type: none"> Construction Support Government Guarantee Viability Gap Funding (VGF)



CONTACT

Interested parties may contact the following person for further information or queries:

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