



REPUBLIC OF INDONESIA  
MINISTRY OF NATIONAL DEVELOPMENT PLANNING/  
NATIONAL DEVELOPMENT PLANNING AGENCY

# PUBLIC PRIVATE PARTNERSHIP

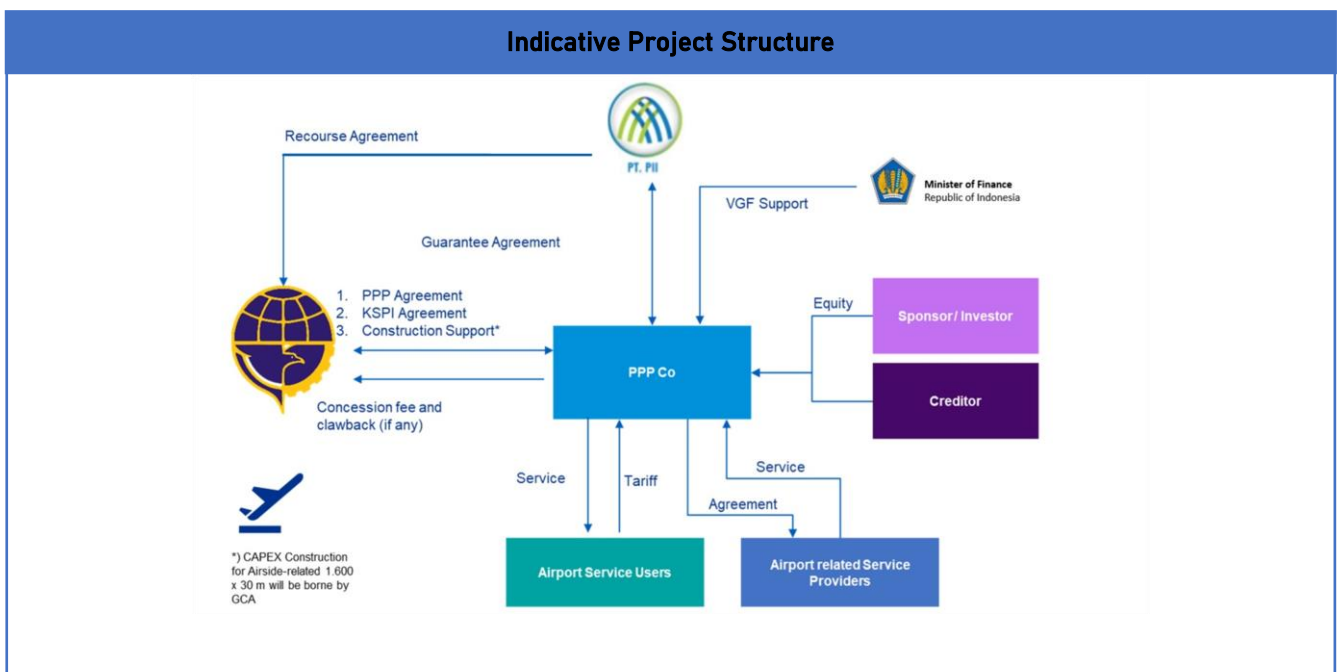
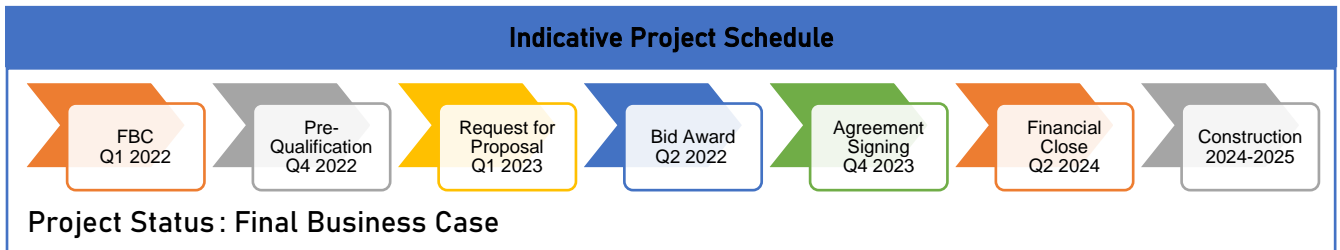
INFRASTRUCTURE PROJECTS PLAN IN INDONESIA

# 2022

# Development of Singkawang Airport

Location : Singkawang, West Kalimantan Province

Sector : Transportation	Sub-Sector : Airport
	<p><b>Description:</b> Based on the Decree of the Minister of Transportation No. KP 1024 of 2018, Singkawang Airport will be located in Panglimang Village, South Singkawang District. Singkawang Airport PPP Project is considered to be located in a potential area considering the plan of Relocation of the Capital City of Indonesia from Jakarta to East Kalimantan, which will make a positive contribution to the surrounding areas, including West Kalimantan Province and Singkawang City. At the moment, the Government of Singkawang City has completed the land acquisition activity covering an area of 151.45 ha to accelerate the development of the airport which is planned to be developed in 3 phases.</p> <p><b>Estimated Project Cost:</b> USD 116.36 Million  <b>Financial Feasibility:</b>                      IRR : 15.36%                      NPV : USD 15.38 Million  <b>Estimated Concession Period:</b> 33 years (Including 3 years of construction)</p>
<p><b>Government Contracting Agency:</b> Minister of Transportation handed over to Director General of Civil Aviation</p> <p><b>Type of PPP:</b> Solicited</p> <p><b>Return of Investment:</b> User Charge</p>	



## Project Digest

<b>Project Title</b>	<b>Construction of Singkawang Airport</b>
<b>Government Contracting Agency</b>	Minister of Transportation handed over to Director General of Civil Aviation
<b>Implementing Agency</b>	Directorate General of Civil Aviation
<b>Preparation Agency</b>	Directorate General of Civil Aviation with support from PT PII (PDF assignment by the Ministry of Finance)
<b>Project Cost</b>	USD 116.36 Million
<b>Estimated Concession Period</b>	33 years of operation including 3 years of construction
<b>Location</b>	Singkawang, West Kalimantan

### 1. Project Picture (Map and/or Illustration of Project)

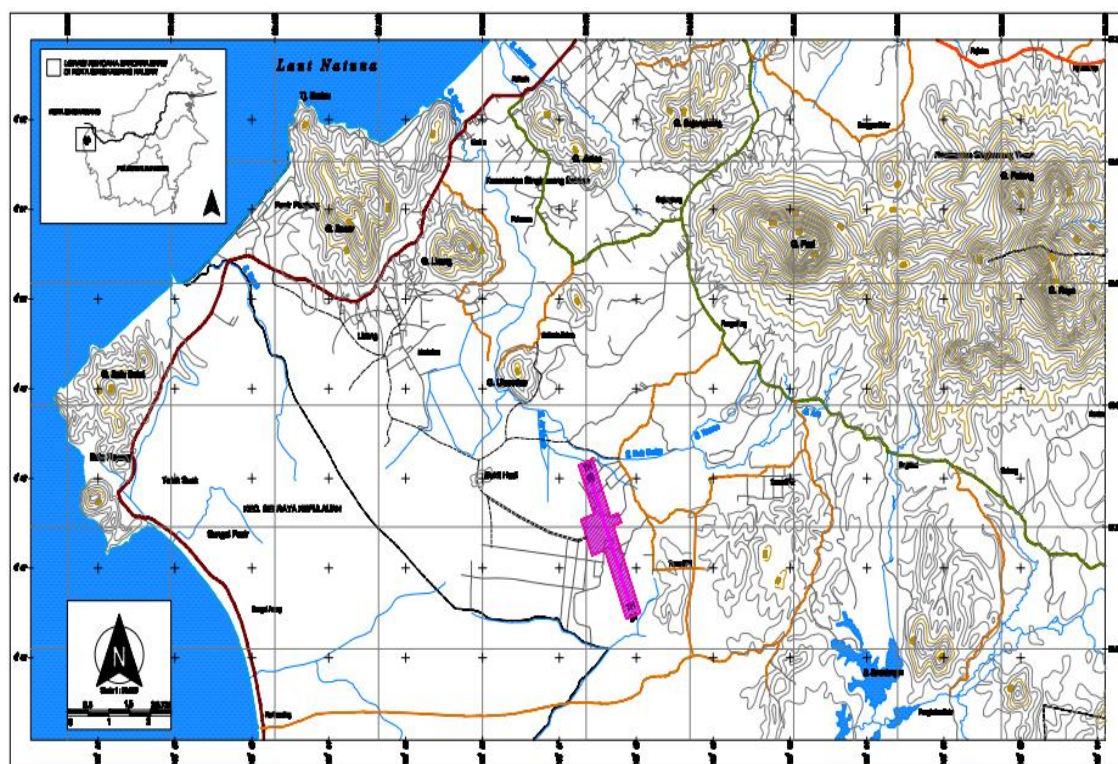


Figure 1 – Map of Singkawang Airport Location

### 2. The Opportunity

#### 2.1. Project Background

Singkawang City is a city in West Kalimantan Province. It is approximately 153 km from the Provincial Capital, Pontianak City. Singkawang City which is well-known in Chinese culture has several events that are very famous and attract many tourists. Singkawang City also has Simpang Island in Sedau Beach with the title of the smallest island in the world that has been recognized by the United Nations (UN).

The variety of attractions that are now starting to interest domestic and foreign tourists in the city, will automatically also have an impact on aspects of the availability of transportation

facilities and infrastructure in the City of Singkawang. However, for now, access from the City of Singkawang to the nearest capital or airport namely Supadio International Airport ("PNK") can only be reached by land. Road access that is traversed has many connecting bridges, and if there is damage there will be economic paralysis in Singkawang City and surrounding areas. Therefore, alternative modes of transportation are needed, such as air transportation to support economic and tourism activities in Singkawang City.

## 2.2. Project Description

The development of the Singkawang Airport will consist of Air Side and Land Side. Air Side development includes Runway, Runway Strip, Runway End Safety Area (RESA), Taxiway, Apron, Airside Service Road, Airside Perimeter Road, and Airside Operation Road. Landside development includes Passenger Terminal, Passenger Parking Area, Conning Tower, Operation Office, Powerhouse, Security Office, Cargo Terminal, and other facilities. The construction of the Project facilities will be based on an agreed design capacity which determine by using the forecast results. The agreed Design Years (DY) are currently 2030; 2040; and 2050, to plan three phases during the concession period.

## 2.3. Project Objectives

The purpose of Singkawang Airport:

- To support connectivity and accommodate the need for air transportation services in the area of Singkawang City, as well as Bengkayang Regency and Sambas Regency ("SINGSEBAS") with a population of approximately 1 million residents. The nearest airport currently is Supadio Airport, which is located at a distance of 153 km or about 3-4 hours of travel time by road from Singkawang City.
- To improve the accessibility for people and goods movement will increase economic growth.
- To support several other local development plans, including for Singkawang City to be a food produce hub, with tourism potential, potential international passenger demand, etc.

## 3. Business Entity's Scope of Work

D-B-F-O-M-T (Design - Build - Finance - Operation - Maintenance - Transfer) with user charge payment method.

## 4. Technical Specification

The technical specifications for Singkawang Airport are as follow:

No	Facilities	Capacity
1	Aerodrome Reference Code	4C
2	Runway Dimension	2500 x 45 m
3	Runway Strip Dimension	2740 x 45 m
4	Runway Strength	60 F/C/X/T
5	Runway End Safety Area (RESA)	90 x 90 (Threshold 16); 90x90 (Threshold 34)
6	Taxiway	2 (Phase 1)
7	Apron Dimension	190 x 100 m (Phase 1)
8	Total Parking Stand	4 (Phase 1)
9	Facilities	Domestic Passenger Terminal (Phase 1)

## 5. Environmental Impact Assessment (EIA/AMDAL) Findings

The City Government of Singkawang is working to fulfill its responsibility in preparing and updating the AMDAL Document for the Project's plan to accommodate the construction of Projects with the adjustment of runway specifications. This will, in addition to the extent of the area affected by the operational and safety areas of the airport, require the handling of the potential environmental impacts during the construction and operation stages of the Project. The mandatory AMDAL activities are regulated in Minister of Environment Regulation 5/2012 concerning Types of Business Plans and/or activities that are required to have an Environmental Impact Analysis (AMDAL).

## 6. Land Acquisition and Resettlement Action Plan

There is a land requirement of 151.45 ha with a fair value of replacement of USD 958,495.33 sourced from the Singkawang City Government's Budget (APBD) for the Fiscal Year 2019, therefore all assets that have been built through Local Government Budget investments must be handed over to the Directorate General of Air Transport, the Ministry of Transportation to be managed in accordance with the laws and regulations that are applies to the Infrastructure Provision Cooperation (KSPI in Indonesia abbreviation) scheme through the use of BMN/D (Government Owned Asset) in the form of land.

## 7. Project Cost Structure

Estimated Project Cost		USD 116.36 Million
<b>Indicative Debt to Equity Ratio</b>		
- Debt Level		70%
- Equity Level		30%
<b>FIRR</b>		15.6%
<b>NPV</b>		USD 15.38 Million

## 8. Government Support and Guarantee

The GCA would need to facilitate the project by means of:

1. Viability Gap Fund (VGF)
2. Construction Support for the initial phase
3. Tax Incentive
4. Ease of Permit Issuance

In terms of project guarantee by IIGF, the indicative risk that needs to be guaranteed are:

1. Land Acquisition Risk
2. Tariff Adjustment Risk
3. Political Risk
4. Termination Risk

## 9. Contact Information

Name : Arief Mustofa

Position : Vice head of Airport Partnership and Business Division, Directorate of Airport

Phone : +62 815 9419511

Email : ariefnote@gmail.com

Name : Aspar Mala Amri

Position : Airport Inspector, Directorate of Airport

Phone : +6287 888578260

Email : aspar.amri@ymail.com