1. BACKGROUND

1.1 The Government of the Republic of Vanuatu is currently implementing the Pacific Aviation Investment Program (PAIP), supported by the World Bank. PAIP is a regional aviation program with the development objective to provide safe and secure air transport operations and environmentally sustainable and efficient airports. PAIP is currently implementing key aviation investments in five (5) Pacific Island countries: Kiribati, Samoa, Tonga, Tuvalu and Vanuatu, with other countries anticipated to join in future phases. Vanuatu joined the program in the first quarter of 2015, and future phases may also involve the Solomon Islands. The projects Implementing Entity is the Ministry of Finance and Economic Management, Vanuatu, who will lead the Program via the VPMU and supported by the PAIP Technical and Fiduciary Services Unit (TFSU).

1.2 PAIP is being implemented in recognition of the key place of transport in the economic and social development of each participating country and the need to strengthen the efficiency and viability of this sector. Reviews of the transport sectors in each country point to the need to mainstream disaster risk reduction and climate change adaptation into infrastructure planning and management. Addressing climate change by providing carbon-neutral airport facilities are part of this investment program, as are investments in alternative and sustainable energy efficient technologies. This will help ensure that the airports are operated in an environmentally sustainable manner.

1.3 The GoV is currently supported by the World Bank in the implementation of VAIP. The VAIP is part of the Pacific Aviation Investment Program (PAIP), a regional aviation program with the development objective to provide safe and secure air transport operations and environmentally sustainable and efficient airports. PAIP commenced implementation of key aviation investments in four (4) Pacific Island countries: Kiribati, Tonga, Tuvalu and Samoa.

Investments under VAIP will fall under five main components:

**Component A: International Airport Infrastructure Investments.** The component will invest in international aviation infrastructure to meet and maintain minimum ICAO safety and security standards. The focus is on international airports, including: (i) rehabilitation and/or resurfacing of airport runway, apron and taxiway pavements at Bauerfield International Airport; (ii) extension of the apron area at Bauerfield International Airport; (iii) construction of new taxiways and widening of the existing taxiway at Bauerfield International Airport; (iv) upgrading/installation of airport runway lighting and cabling at Bauerfield, Pekoa and Whitegrass International Airports, and approach lighting at Bauerfield International Airport; (v) construction of a new domestic terminal, and demolition of the existing domestic terminal, at Bauerfield International Airport; (vi) provision of air traffic control equipment at Bauerfield and Pekoa International Airports; (vii) provision and installation of aviation navigation aids; (viii) provision and installation of weather monitoring equipment at Bauerfield and Whitegrass...
International Airports; (ix) upgrading of communications equipment and systems; (x) provision and installation of ‘Very Small Aperture Terminal’ (VSAT) communications systems at Bauerfield, Pekoa, and Whitegrass International Airports; (xi) provision of equipment for improved power supply for Bauerfield and Whitegrass International Airports; (xii) provision and/or upgrading of fire safety equipment, including fire tender vehicles, and a fire tender shelter at Bauerfield and Whitegrass International Airports; (xiii) provision of safety and security equipment, including x-ray machines for passenger baggage and cargo screening, at Bauerfield, Pekoa and Whitegrass International Airports; and, (xiv) provision of design and supervision consulting services required for implementation of the infrastructure investments.

**Component B: Aviation Sector Reform and Training.** This component will help strengthen the Civil Aviation Authority of Vanuatu (CAAV), Ministry of Infrastructure and Public Utilities (MIPU) and other line ministries’ technical capacity through targeted technical assistance to strengthen institutional capacity and dedicated training. Specific activities include: (i) development of an Aviation Sector Strategy; (ii) provision of advisory services to assist the CAAV to: (a) review and update Vanuatu’s legislative framework applicable to the aviation sector; (b) address national and international regulatory requirements for the aviation sector; and (c) implement the Aviation Sector Strategy; (iii) provision of advisory services to assist MIPU with its management and oversight of Vanuatu’s aviation sector; and, (iv) training for capacity-building.

**Component C: Strengthening Airport Operations and Management Capacity.** This component will strengthen AVL’s airport operations and management capacity through: (i) development of an Airport Master Plan; (ii) provision of technical assistance to improve the planning, financial viability, efficiency, safety and security of airport operations; and, (iii) training on aviation policy, operations and management.

**Component D: Emergency Reconstruction.** During project preparation Tropical Cyclone Pam (TC Pam) devastated Vanuatu, including damage to all three international airports. Damage assessments are still underway. This component is to provide support to the GoV with emergency reconstruction activities (yet to be identified) in the form of goods and works.

**Component E: Project Support.** This component covers: (i) project management, advisory and administrative support for VPMU and AVL; (ii) costs for the support services provided to the VPMU and AVL by the TFSU; (iii) incremental operating costs of the VPMU and TFSU; (iv) VSAT subscription costs; and, (v) project financial audits.

1.4 The primary beneficiaries of the project are air travelers throughout the Pacific Island Countries including tourists, VFRs, public administration and business travelers, seafarers and seasonal agricultural workers, and recipients of education, training and specialized health services—any interruption to jet air services would seriously impact on these travelers. Secondary beneficiaries include the providers of food, accommodation and services to tourists. For Pekoa and Whitegrass international airports, the investments will improve safety and operations for travelers to those airports. Whitegrass plays an important role as an alternate airport for Bauerfield, so that in the event of an
emergency, aircraft would divert there. It is thus essential that it be properly equipped to play this role.

1.5 Day to day implementation of VAIP is led by the National Project Manager (NPM) within the VPMU on behalf of the Implementing Agency, the Ministry of Infrastructure and Public Utilities (MIPU). Implementation is also supported by AVL and TFSU. The VPMU will drive in-country project implementation and work closely with AVL and TFSU.

1.6 A VPMU Steering Committee (VPMU-SC) has been established in Vanuatu to oversee project direction and coordination of the five VPMU projects. One nominated representative part of the VPMU-SC will become part of the Program Steering Committee that oversees the regional Program (PAIP) implementation. The VPMU-SC comprises of members from key stakeholders from (i) VPMU; (ii) CAAV (MIPU); and (iii) AVL.

1.7 Figure 1 shows the implementation arrangements.

![Figure 1: TFSU and PST Staffing](image-url)
2. ASSIGNMENT BACKGROUND

2.1 Aviation is a critical pillar in Vanuatu’s economic and social development for the following key reasons:

- Tourists, as well as the so called VFR (visiting friends and relatives) market segment, rely on air transport to access the country;
- Air connectivity enables effective regional integration and trade links and facilitates access to education and medical services;
- Vanuatu’s geography, being spread across many islands, and its distance from key export markets make efficient and safe air services essential; and,
- Vanuatu’s remoteness, limited size, coastal settlement patterns and susceptibility to a host of natural disasters make aviation critical for effective disaster risk management, particularly in the delivery of relief aid. Air transport can effectively and efficiently bring in humanitarian cargo and aid workers to 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. The importance of this was shown in March 2015 after Cyclone Pam devastated Vanuatu.

2.2 The Ministry of Infrastructure and Public Utilities (MIPU) is responsible for aviation policy and the execution of safety and security oversight through the Civil Aviation Authority of Vanuatu (CAAV). In accordance with Vanuatu’s ratification of the Pacific Islands Civil Aviation Safety and Security Treaty (PICASSST), Vanuatu, like other Pacific Island Forum Member countries, is a member of the Pacific Aviation Safety Office (PASO). PASO is a regional organization based in Vanuatu and provides aviation safety and security technical oversight services to Vanuatu to support the safe functioning of Vanuatu’s aviation sector. Through VAIP, Vanuatu’s support to PASO has been strengthened through the provision of grant financing to provide for expanded usage of PASO services to support Vanuatu CAAV and Vanuatu’s aviation sector.

2.3 A recent regional Technical Assistance project supported by the Asian Development Bank (ADB) focused on “Institutional Strengthening for Aviation Regulation”. This is currently under consideration by CAAV for further action and should be considered by the Consultant in undertaking this assignment.

2.4 Vanuatu is currently serviced by several international operators, including Virgin Australia, Air New Zealand, Fiji Airways, Fiji Link, Air Niugini, Air Calin and its national airline, Air Vanuatu. Domestic aviation is also by Air Vanuatu, as well as several other small operators.

2.5 Airports Vanuatu Ltd. (AVL), a State Owned Enterprise, is responsible for the management and operation of Vanuatu’s three international airports (Bauerfield, Pekoa and Whitegrass). Bauerfield International Airport is the main international gateway to Vanuatu, processing some 500,000 passengers per year. A 2012 International Finance Corporation (IFC) analysis suggests that the demand could be as much as one million passengers per year by 2030.

2.6 In 2011 Bauerfield runway’s poor pavement condition was identified as an issue that needed to be urgently addressed. To identify further critical areas of investments and to ensure the overall sustainability of airport infrastructure, it was
also suggested that an Airport Master Plan for all of Vanuatu’s airports be prepared. The IFC was commissioned by the GoV to identify opportunities for private sector participation in the three international airports and, in 2012, provided its recommendations in a ‘Strategic Options Report’ which was not implemented.

2.7 In July 2013 the GoV signed a concession agreement with Vanuatu Trade Development Pte. Ltd (VTDP) for the construction of a new greenfield airport on Efate. Under this concession VTDP was to undertake the necessary maintenance repairs to Bauerfield runway and keep it fully operational until the new airport was completed. The concession was cancelled in mid-2014 before any repairs had been made to the Bauerfield runway, although testing and design of the repairs had been started.

2.8 By early 2015 the condition of the Bauerfield runway had significantly deteriorated. Approximately 600 m of the runway requires full reconstruction so as to restore the bearing capacity for jet aircraft. The temporary patching is failing with potential for foreign object damages to aircraft. Some airlines have reportedly modified their take off procedures so as to try and avoid the worst areas of the pavements. After Cyclone Pam 100 m of the runway was closed to traffic until temporary repairs, funded by IDA through a Project Preparation Advance (PPA), could be made. Clearly the repair of Bauerfield has become critical to ensure the continuity of operations.

2.9 The VAIP Project commenced some urgent assignments from January 2015, including contracting the design and procurement consultancy for the runway rehabilitation works at Bauerfield International Airport, Port Vila. A Desktop Review of the planned VAIP investments to confirm general compliance and suitability (e.g. siting) has also been completed (note this is a high-level plan and a detailed Airport Master Plan is planned under VAIP). The VAIP Project became effective in August 2015 and is making steady progress towards implementing its investments. This has been hampered by some slower than expected start-up phases largely resulting from the reconstruction efforts following Cyclone PAM.

2.10 As part of Component B: Aviation Sector Reform and Training, an Aviation Advisor is sought to support CAAV in providing technical advise and support to the CAAV to support and enhance the efficient safety and security regulation of the aviation sector.

3. **OBJECTIVE**

The main objective of this consultancy is to provide specialist aviation regulatory advice, support and recommendations to CAAV, MIPU.

This is expected to involve a range of tasks, driven from and aligning to the objectives, results indicators and investments under VAIP including:

i. Provision of specialist regulatory and technical support to CAAV MIPU in all aspects of Civil Aviation regulation and compliance;

ii. Provision of advice and support to CAAV MIPU to facilitate improved, effective and efficient safety and security oversight, including enhanced relationship with PASO in accordance with Vanuatu’s membership of PICAAST, and other accredited technical bodies;

iii. Provide support to CAAV MIPU in the development and enhancement of the aviation sector in Vanuatu in accordance with national and international aviation standards. Particular focus shall be in improving Vanuatu’s compliance level with ICAO standards;
iv. Provide support to CAAV MIPU in developing a strategic plan (including drafting of high level policies and Corporate Plan strategies) for aviation sector development, consistent with aviation safety and security, aligned to Vanuatu’s national development plans, and in consideration of the economic regulation and policies developed by GoV.

4. SCOPE OF SERVICES

The detailed scope of services includes but is not limited to:

i. Provide technical assistance through liaising and working with the ongoing technical regulatory advice to the responsible Minister;

ii. Liaise and work with the CAAV to strengthen internal systems and to ensure that technical advice is sourced from accredited technical bodies, such as the Pacific Aviation Safety Office (PASO) in accordance with Vanuatu’s obligations under PICASST;¹

iii. Liaise and work with the CAAV MIPU to establish and update the aviation legislation framework in accordance with ICAO requirements.

iv. Liaise and work with the CAAV MIPU to prioritise and implement the recommendations arising from the regional Technical Assistance project TA-7684-REG “Institutional Strengthening for Aviation Regulation funded by the Asian Development Bank (ADB);

v. Liaise and work with the CAAV MIPU to administer Vanuatu’s international aviation safety and security obligations and agreements.

vi. Liaise and work with the CAAV MIPU to provide technical advice relating to safety standards for entry into, and continued compliant operations within, the civil aviation system in Vanuatu.

vii. Liaise and work with the CAAV MIPU to ensure the availability of appropriate facilities and services within the civil aviation system for safe and orderly air navigation.

viii. Liaise and work with the CAAV MIPU to ensure the establishment of the Aeronautical Information Service so as to meet international obligations (Annex 15) and ensure the collection, publication and provision of charts and aeronautical information, and to enter into arrangements with any other agency or person to collect, publish and distribute such charts and information.

ix. Liaise and work with the CAAV MIPU to promote “safety” in the civil aviation system by providing industry safety performance advice and fostering safety information education programs.

x. Support CAAV in the implementation of the Training Needs Analysis (TNA) planned under a separate assignment under VAIP. This shall also include input to the development of the TNA undertaken in the separate assignment

xi. Liaise and work with the CAAV MIPU to ensure regular reviews of the civil aviation system to promote the improvement and development of its safety;

¹ Pacific Island Civil Aviation Safety and Security Treaty (PICASST)
xii. Liaise and work with the CAAV MIPU to maintain and preserve records and documents relating to activities within the civil aviation system, and in particular to maintain the Register of Aircraft, Civil Aviation Records and a record of every order, directive, certificate, license, approval, authorisation, delegation, and dispensation, along with every accident and incident including for all these an address for service of every 'aviation document' holder.

xiii. Liaise and work with the CAAV MIPU to impose fair and reasonable charges for the provision of safety regulatory services to ensure that it does not inhibit the development and growth of the aviation industry.

xiv. ICAO USOAP Corrective Action Plans: Liaise and work with the CAAV MIPU on the rectification program for deficiencies identified in ICAO audits and by PASO, and with the objective of lifting Vanuatu's compliance level with ICAO CMA and USAP to meet the global average.

xv. Liaise and work with the VPMU, CAAV and AVL in building relationships with operators, regional associations and international organisations with a particular focus on strengthening the efficiency and standing of the aviation sector;

xvi. Provide ongoing broad advice and support across the aviation sector to the CAAV MIPU including advice on global aviation matters affecting national developments;

xvii. Liaise and work with the CAAV MIPU to investigate and review accidents and incidents in its capacity as the responsible safety regulator (subject to the limitations required permitting an independent agency to adequately investigate accidents when appropriate) and produce safety recommendations.

xviii. Provide capacity building to support professional development of relevant CAAV staff in accordance with their roles and responsibilities

In undertaking this assignment, the Consultant shall give due consideration to the particular characteristics of Vanuatu’s aviation industry and regulatory division, including industry size, relationships with regional bodies such as PASO, obligations as an ICAO contracting state, and long-term sustainability of systems to support the industry.

The Consultant shall ensure consistency with the objectives of VAIP, and national policies and frameworks, including those developed through the VAIP project. In addition, this role is a hands-on assignment which will provide support across a range of tasks on a day to day basis. The Consultant will be expected to approach this assignment in due consideration of this, and through a collaborative and pro-active manner in order to achieve practical outcomes, and to engage with a number of stakeholders, including the CAAV MIPU, the Secretary of MIPU and other key MIPU stakeholders, as well as VPMU, TFSU, and the World Bank.

A high degree of initiative and a pro-active and collaborative approach will be required from the Consultant in order to achieve the outcomes of this assignment. Technical support shall be provided in appreciation of the particular characteristics of Vanuatu’s aviation sector, the need to develop strong functional relationships built on trust and around achieving practical outcomes. The Consultant will be expected to build strong and effective functional relationships with all key
stakeholders (CAAV, MIPU, VPMU, AVL, TFSU, The World Bank) and to liaise closely with key stakeholders in all aspects of this assignment.

5. **EXPERTISE REQUIREMENTS**

The Consultant shall have the following experience and qualifications:

- A minimum 10 years of experience in the aviation sector, preferably in both aviation regulatory and operational roles, with international experience desirable;
- A relevant tertiary or operational qualification from a recognized institution;
- Demonstrated experience in the development of high-level policy documents and sector strategies in the aviation sector;
- Regional knowledge and experience with small Civil Aviation Authorities would be highly desirable;
- Excellent verbal, written and presentation communication skills in English with demonstrable high level reporting skills;
- Experience with Pacific Island regulatory frameworks, or similar, would be an advantage;
- Demonstrated pro-active working style and ability to work well with people from multiple cultures and backgrounds;
- Demonstrable experience or familiarity with the New Zealand Aviation rule base and the New Zealand Civil Aviation Act.
- Proven experience in working pro-actively, as part of a team and also in managing own inputs with minimal supervision at time and incorporating and managing inputs from diverse stakeholders;
- Leadership and advocacy skills and an ability to build effective teams and relationships.

6. **DELIVERABLES**

A time-based contract is expected to be signed with the Consultant.

The Consultant will report directly to the Director of Civil Aviation, CAAV MIPU. Day to day contractual administration and oversight will be provided by the National Project Manager (NPM) of the VPMU, supported by the TFSU.

The Consultant will be expected to provide the following formal reports during the course of this assignment:

- **Inception Report**
  - A brief report including a proposed detailed work plan and time line. This report should be submitted to CAAV, VPMU, PAIP TFSU and World Bank no later than 2 weeks from commencement of the assignment. The inception report should be submitted in soft (1x) and hard copy (3x).

- **Regular Monthly Reports**:
  - A brief monthly report will be submitted no later than 1 week following the end of each month to CAAV, VPMU, PAIP TFSU, and World Bank. These monthly reports should be submitted in soft copy via email, and include:
    - key activities undertaken in the reporting month;
    - major issues / achievements;
    - recommendations for future action;
- workplan and key activities for the next month;
- any other issue as may be required by the Client.

- **Final Report:**
  - A final report shall be submitted no later than 2 weeks at the start of the final month of assignment to VPMU, PAIP TFSU, and the World Bank. The report should include key progress achieved over assignment period and key recommendations for further work required with a clearly outlined implementation plan/program and should include all comments raised either during consultations or as feedback received from a preliminary draft. The final report should be submitted in soft (1x) and hard copy (3x).

In addition, the Consultant will be expected to produce working papers or other documentation during the course of the assignment as necessary to support the Client and to achieve the objectives of the assignment.

7. **INSTITUTIONAL ARRANGEMENTS, LEVEL OF EFFORT & SCHEDULE**

Full time inputs will be required, based in Port Vila, Vanuatu with CAAV MIPU. An initial 12 month time-based contract will be signed, renewable up to a further 2 years dependent on performance and as mutually agreed between the Consultant and the Client. Some travel may be required to support implementation; where this occurs it shall be by prior agreement of the Client and will be financed through the project in accordance with the Program Operations Manual (POM) all project related travel will be financed through the project operations costs.

The Consultant will be based at CAAV MIPU and will be expected to work closely on a daily basis with CAAV on all matters relating to the assignment. Office space will be provided at CAAV.

A workplan will be agreed between CAAV, VPMU and the Consultant at the commencement of the assignment and reviewed/updated on a regular basis to respond to changing work needs. Flexibility on the part of the Consultant will be required to respond to changes in the workplan.

The Consultant shall report directly to the Director of Civil Aviation, CAAV MIPU. Day to day administration of the contract and contractual oversight will be undertaken by the National Project Manager for VAIP, based at VPMU, with the support of the PAIP TFSU. A monthly workplan shall be developed in advance by the Consultant to reflect key priorities, and in alignment with the scope of this terms of reference. This shall also show working and any non-working days/travel. The workplans shall be agreed in advance with the DCA CAAV MIPU. A completion (final) report will be required at the conclusion of this assignment.

The Consultant will be expected to approach the assignment with a high degree of collaboration with the Client, PAIP TFSU, and the World Bank.

8. **SERVICES AND FACILITIES TO BE PROVIDED BY THE CLIENT**

Furnished office, international and national phone line, and internet access. The Consultant will be expected to provide their own laptop.