



KEMENTERIAN PERHUBUNGAN  
REPUBLIK INDONESIA

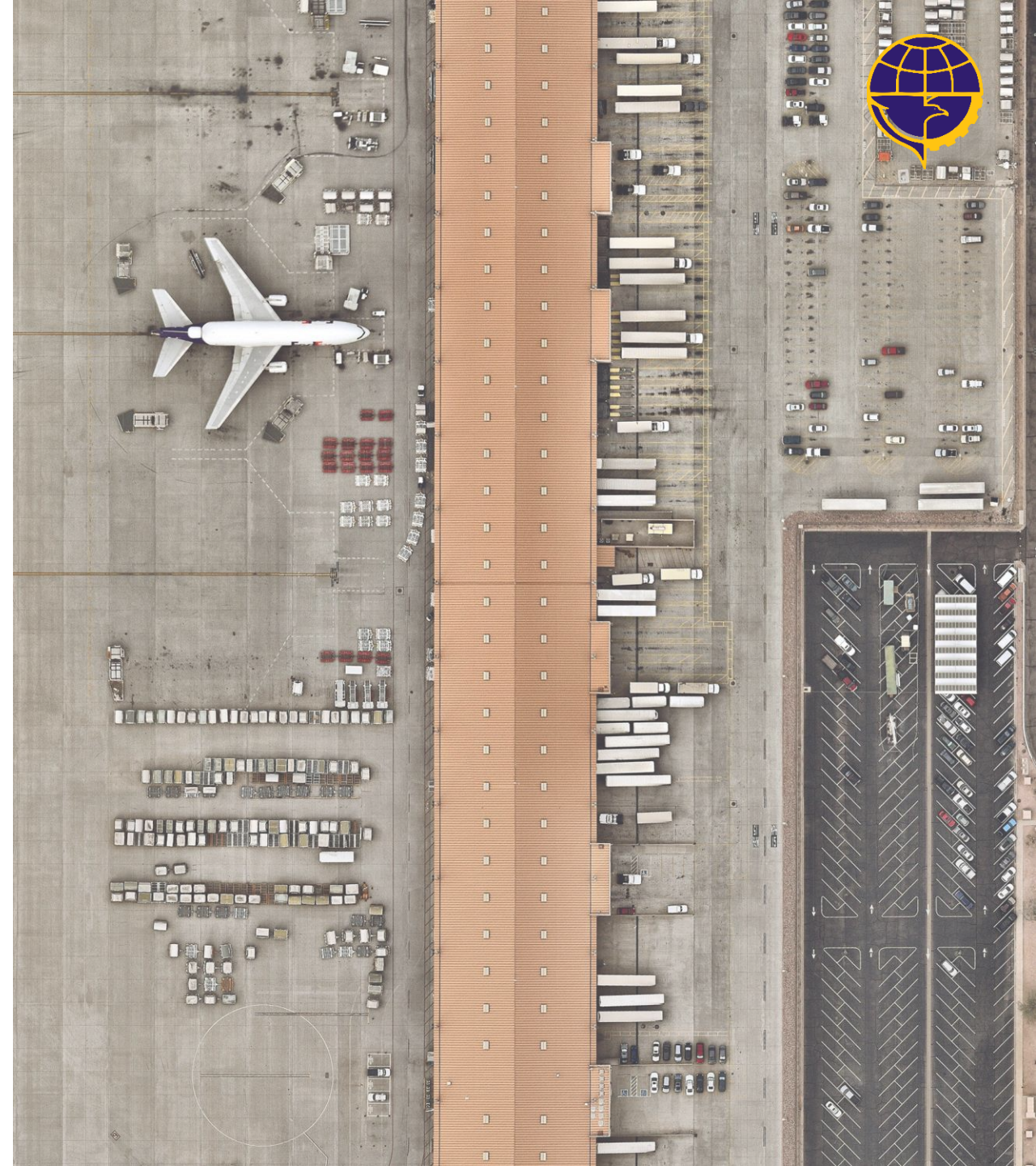
# Singkawang Airport PPP Project

Market Sounding Presentation

30 October 2023

# Main Agenda

1. Indicative Project Output & Potentials
2. Indicative Project Schedule



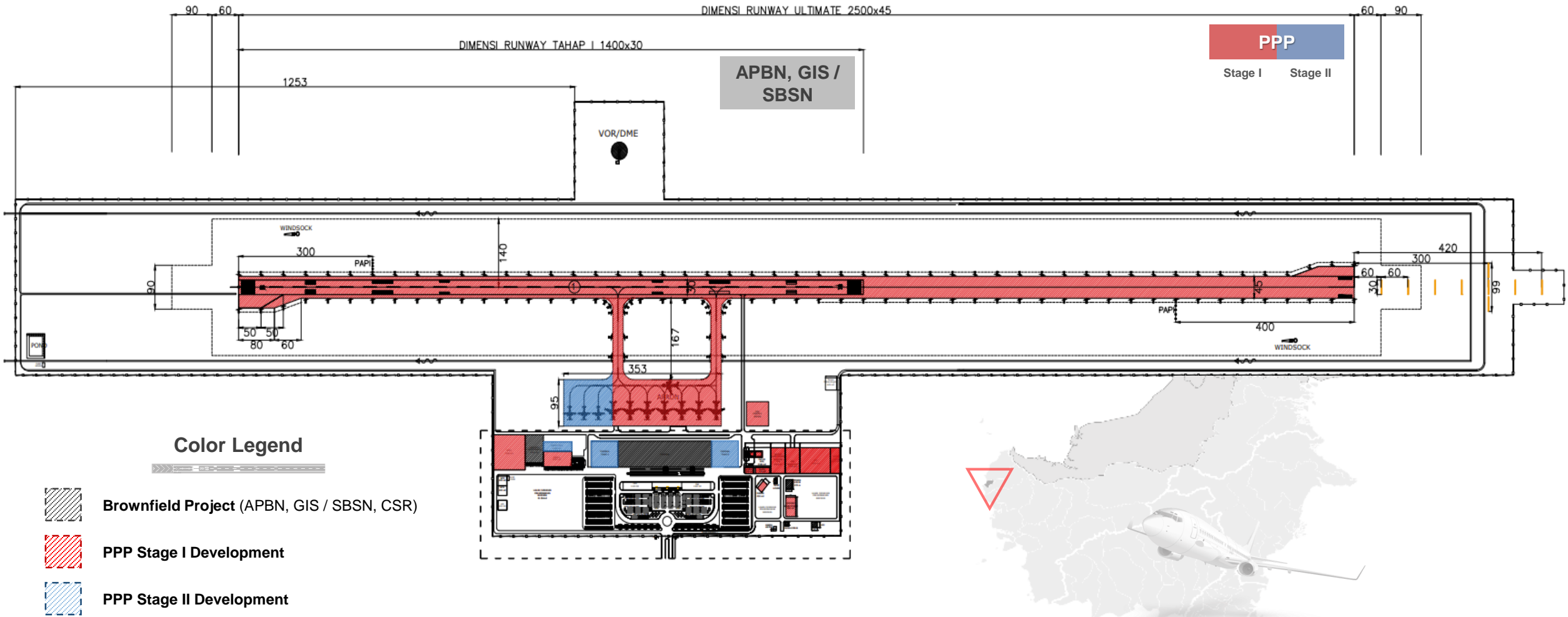


# Indicative Project Output & Potentials | 1




# Ultimate Phase of Project Development

## Airport Layout



### Color Legend

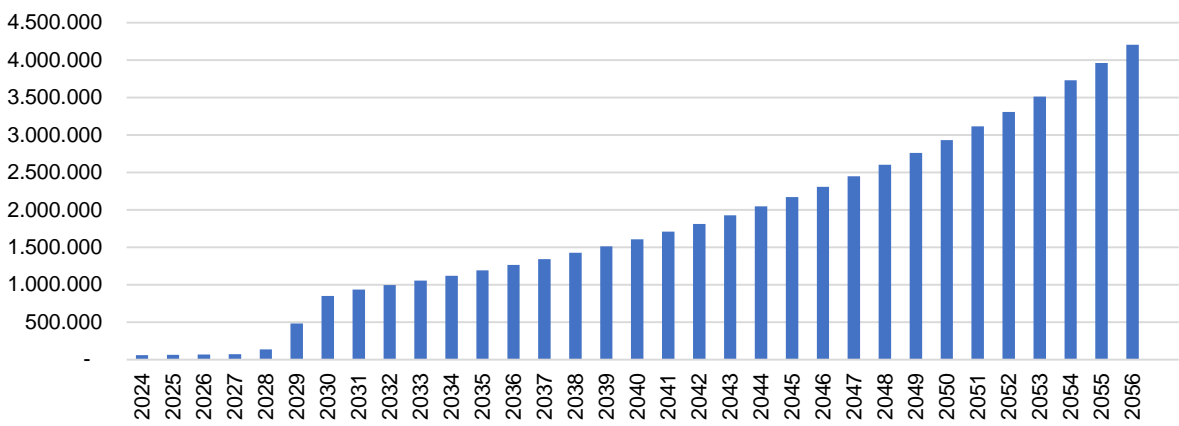
-  Brownfield Project (APBN, GIS / SBSN, CSR)
-  PPP Stage I Development
-  PPP Stage II Development



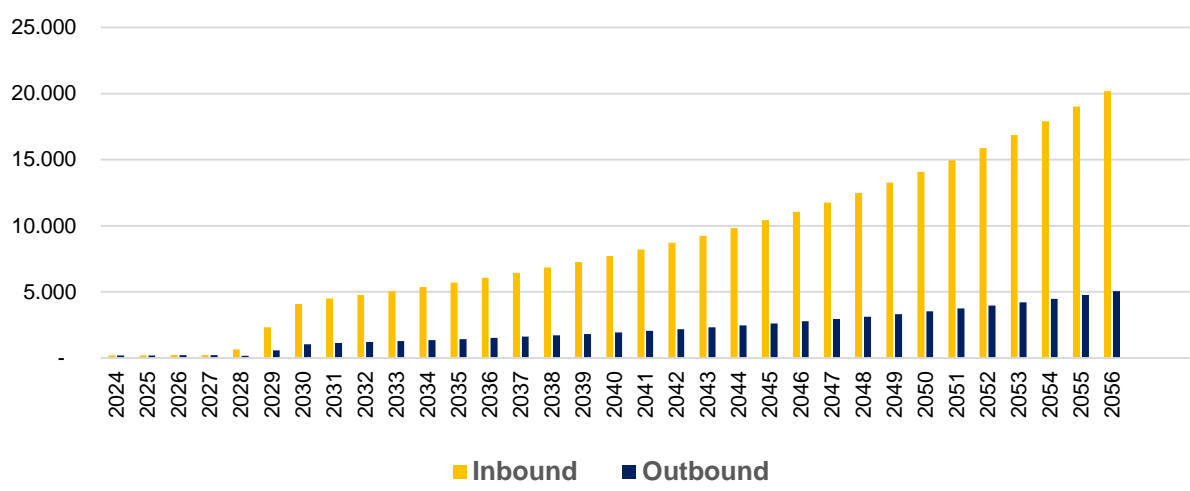


# Singkawang Airport Potentiality – Traffic Forecast

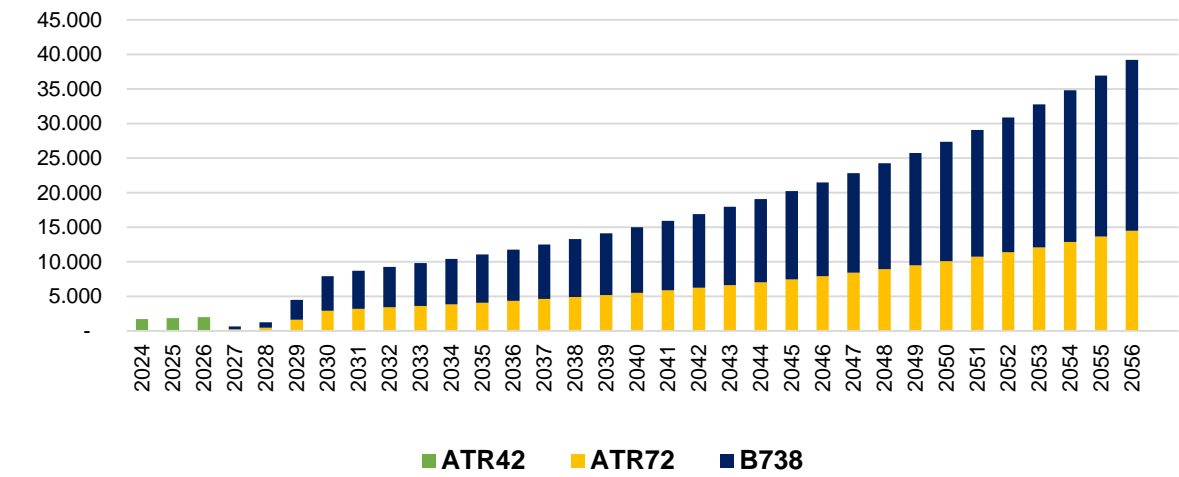
**Passenger Traffic Movement Forecast (Pax)**



**Cargo Movement Forecast (Tonnes)**



**Aircraft Movement by Type (Movement)**



- **Airport starts operation by UPBU in 2024**, to serve propeller aircraft with minimum airport operation condition. Airport operation using AFIS navigation facility, service provided by AirNav Indonesia.
- **Project Co (BUP) will operate the existing airport facilities in 2025 – 2026**, along with PPP construction period to begin the service for narrow-body jet and propeller aircraft.
- **In 2027, the airport is able to serve inter-provincial route** (i.e. Jakarta – Singkawang) and will be supported with ADC navigation facility, service provided by AirNav Indonesia.
- Cargo forecast based on normal industry and economic growth. **The forecast is using assumption that on business-as-usual scenario**, the cargo consist of 80% inbound cargo and 20% outbound cargo.



# Singkawang Airport Potentiality – Routes Establishment

## Domestic Routes Available (based on Aircraft Range)

PROPELLER AIRCRAFT ROUTE		
Pontianak	Ketapang	Palembang
Batam	Balikpapan	Jambi
Bangka Belitung	Sintang	Pekanbaru

 **ATR 42-400**  
± 48-Seat Aircraft

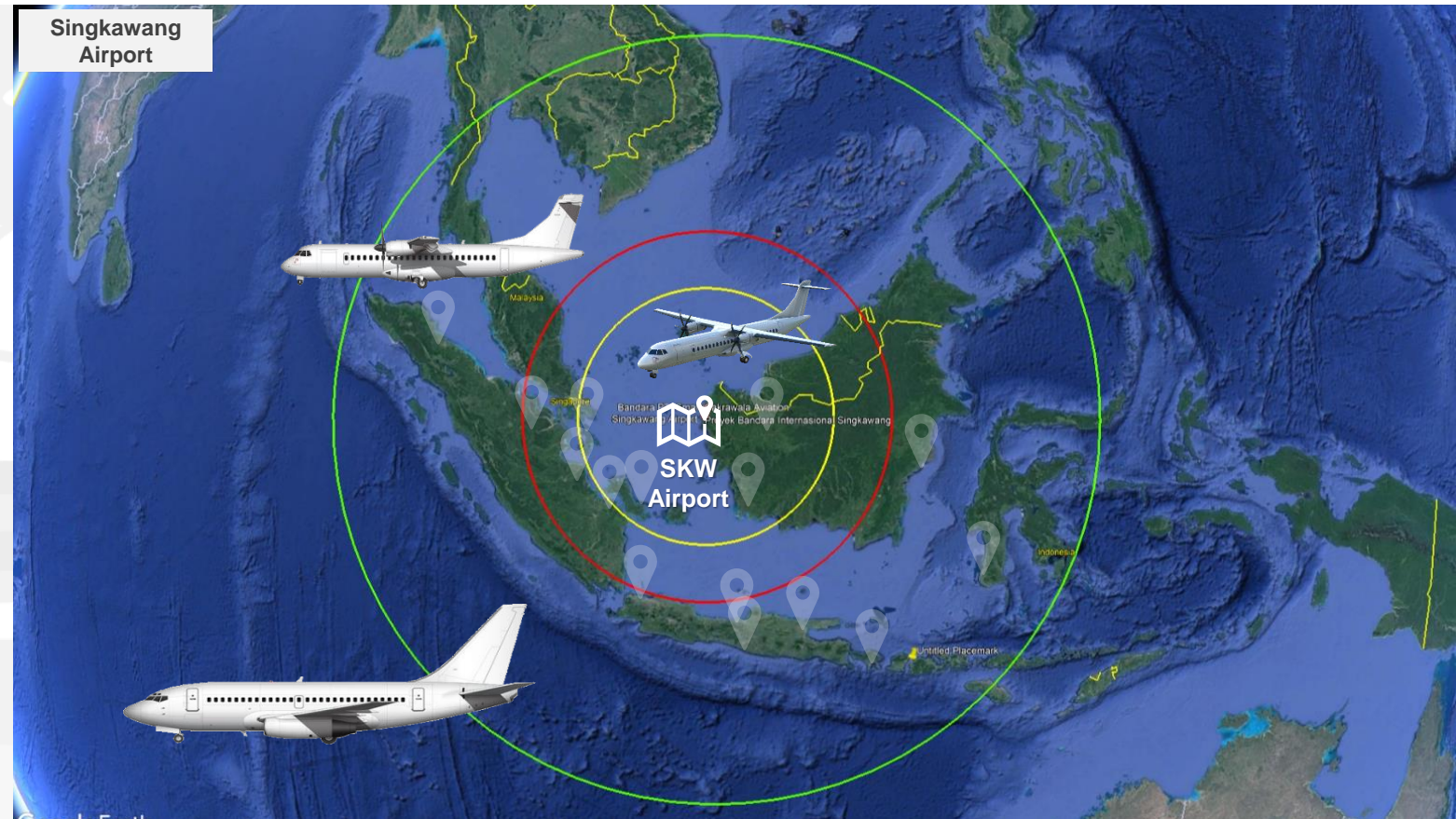


 **ATR 72-600**  
± 70-Seat Aircraft



 **Boeing 737-800**  
± 156-Seat Aircraft

NARROW BODY AIRCRAFT ROUTE		
Jakarta	Makassar	Semarang
Medan	Balikpapan	Yogyakarta
Surabaya		Denpasar



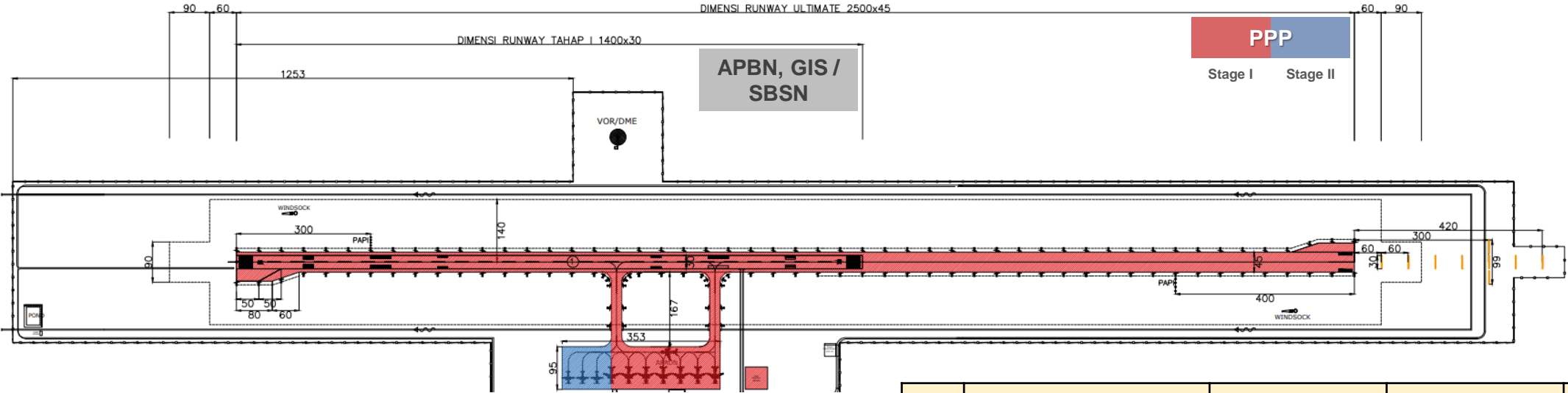
Airport status will be referred as Spoke Airport, with 4C Code for servicing domestic flights as regulated in MoT Regulation No. 39/2019 jo. MoT Regulation 40/2023, and MoT Decree 166/2019.



# Detailed Airport Facility (1/2)

In overall, airport development is divided into two categories; **Airside Facilities** including main component for flight operation such as runway, apron and taxiway; and **Landside Facilities** including passenger terminal and cargo terminal. Both of those consist of various facilities as follows:

## Airside Facilities



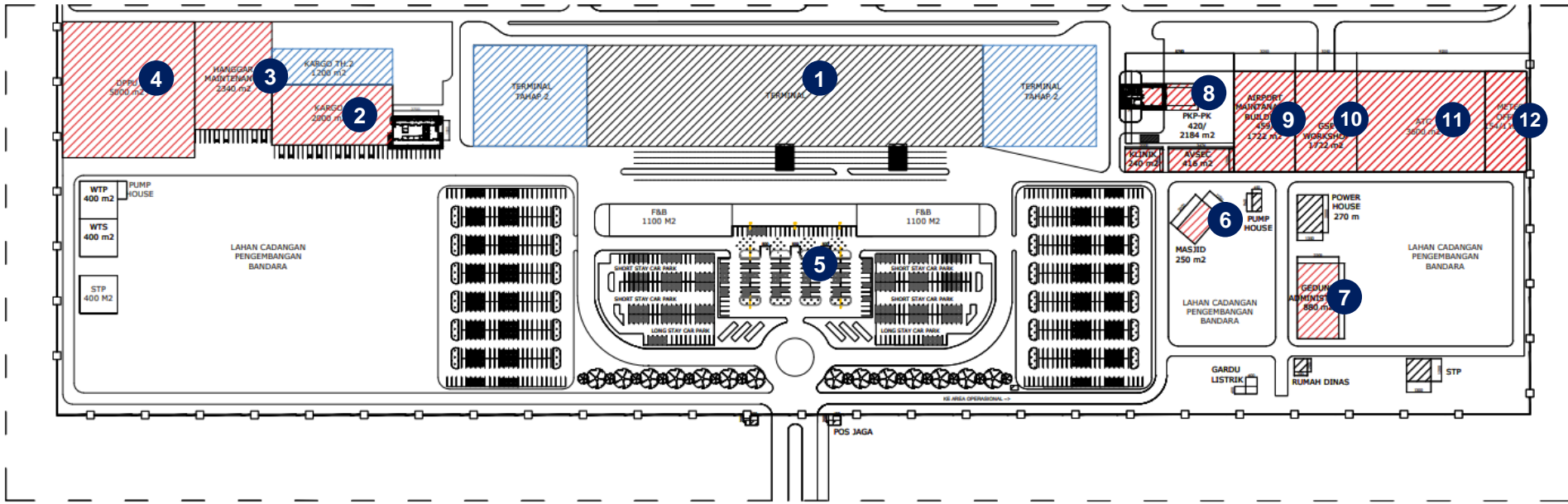
No	Main Facility	Stage I (2027 - 39)	Stage II (2040 - 56)	Note
1	Runway	2500 x 45	2500 x 45	m
2	Apron	5NB + 2P	7NB + 3P	a/c
3	Pax Terminal	8.000	22.300	m2
4	Cargo Terminal	2.000	3.200	m2



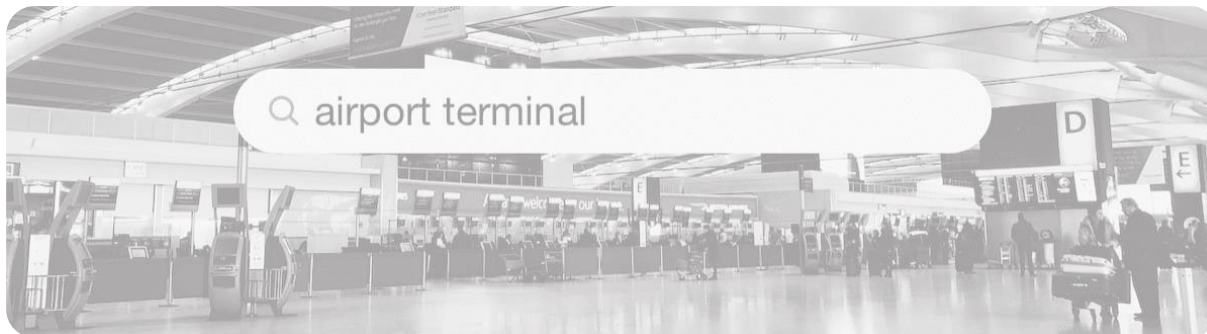
# Detailed Airport Facility (2/2)

In overall, airport development is divided into two categories; **Airside Facilities** including main component for flight operation such as runway, apron and taxiway; and **Landside Facilities** including passenger terminal and cargo terminal. Both of those consist of various facilities as follows: **(cont.)**

## Landside Facilities



No	Legend
1	Passenger Terminal
2	Cargo Terminal
3	Maintenance Hangar Area
4	Fuel Farm Area
5	Parking Area
6	Mosque
7	Administration Building
8	ARFF Station
9	Airport Maintenance Building
10	GSE Workshop
11	ATC Office Area
12	Meteorological Office Area
Color Legend	
	Brownfield (APBN, GIS / SBSN, CSR)
	Stage I (PPP)
	Stage II (PPP)







# Indicative Scope of Work for Project Co



## **Design and Construction of Singkawang Airport**

Responsible in developing the Design Engineering Document (DED) and building the airport accordingly for PPP scope development (Phase I & Phase II) including procuring all the required equipment & facilities.



## **Operate the Airport Minimum Operation**

Continue the airport existing operation (utilizing Brownfield Assets) with intra-provincial route (i.e. Singkawang – Pontianak), while conducting Phase I PPP Development.



## **Conducting Testing & Commissioning to Achieve Commercial Operation Date (COD)**

The Project CO is responsible for ensuring all assets have successfully completed the entire testing and commissioning process to determine whether the assets are ready for commercial operations.



## **Perform the Operation & Maintenance Activities**

Operate and maintain the airport under PPP scheme (Phase I and Phase II), including Brownfield Assets, based on the agreed SLAs and prevailing airport regulation.



## **Equipment and Facilities Replacement**

Responsible for replacing the essential equipment & facilities at the end of each useful lifespan (including Brownfield Assets' equipment and facilities).



## **Capacity Building and Knowledge Transfer**

Responsible for preparing the GCA appointed personnel through training, transfer of knowledge, and capacity building for the purpose of assets handover to the GCA at the end of the concession period.



# Indicative Project Cost and Expected Return

## Project Cost Estimation

Type	Units	Amount	
<b>Capital Expenditure (CapEx)</b>	<b>Phase I</b> (2025 – 2026)	IDR Million	551.603
	<b>Phase II</b> (2038 – 2039)	IDR Million	390.481
<b>Operational Expenditure (OpEx)</b>	<b>Phase I</b> (2025 – 2039)	IDR Million/Year	79.783
	<b>Phase II</b> (2040 – 2056)	IDR Million/Year	183.452
<b>Replacement Expenditure (RepEx)</b>	IDR Million	935.856	

### Notes:

1. Estimated total CAPEX includes inflation, VAT, contingency, financing cost.
2. Estimated OPEX (includes inflation, contingency, and VAT fees) and REPEX over 30 years (includes inflation and VAT fees).

## Financial Parameters

Item	Amount
Project IRR / Equity IRR	11.18% / 11.65%
NPV	IDR 200 bn
Payback Period	22 Year
PSC Tariff	Start at IDR 90,000
VGF Support	IDR 141 bn (26% of CapEx Phase I)

### Notes:

1. PSC tariff above is current (year 0) tariff – benchmarking to Supadio Airport tariff as base year tariff.
2. The tariff may be reviewed every 2 (two) years as regulated by MoT Regulation 36/2014 jo. MoT Regulation 179/2015.

## OVERVIEW:

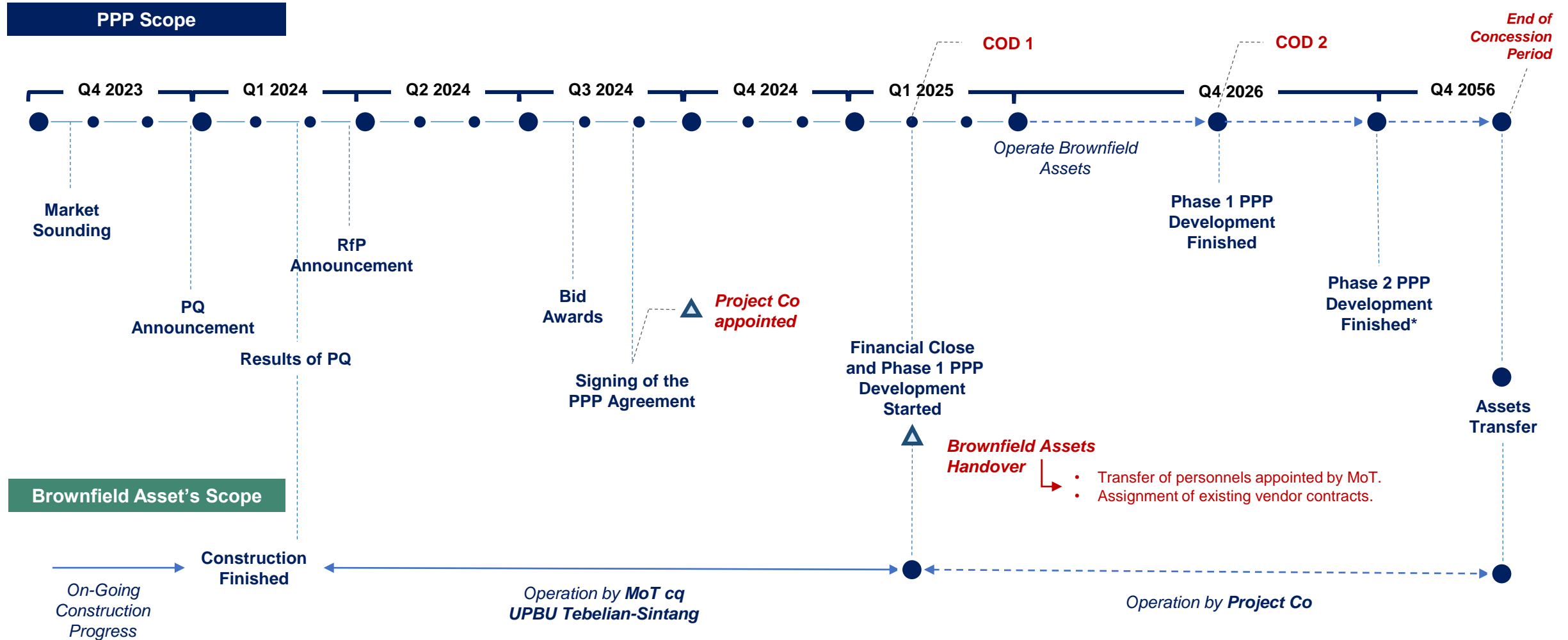
- Project Co will operate the airport for a total of 32 years, consisting of 2 years of brownfield airport operation (2025 – 2026) and 30 years of PPP airport operation (2027 – 2056).
- CAPEX Phase I includes the development of airside and landside facilities to accommodate jet aircraft traffic (with a runway scope of 2,500 x 45 m), along with obtaining relevant permits (e.g., Initial DED, Environmental Permit, and Certification).
- CAPEX Phase II involves the expansion of certain airside and landside facilities. The airside facility includes Apron work, while landside facilities include the expansion of the Passenger Terminal, Cargo Terminal, and Vehicle Parking Area.
- Contingency assumptions apply, with 5% for the Airside scope and 30% for the Landside.
- OPEX main components include Manpower Expense, Airport Operation Expense, General & Administration Expense, Marketing Expense, Replacement Expenditures, and IIGF Annual Recurring Fee.
- Annual Concession Fee to GCA will be applied at 2.5% of the total Aeronautical Revenue.
- VGF support aims to boost project feasibility with an 11.65% Equity IRR target. It will fund airside development in Phase 1, covering full preliminary work & landwork, and partial pavement work. VGF support is assumed to be paid at a lump-sum payment to Project Co after the COD of the PPP Scope.



# Indicative Project Schedule | 2



# Indicative Project Timeline



\* The start of Phase 2 PPP Development is subject to the achievement of certain traffic demand -- 2 years of construction period is required to complete the ultimate airport facility (Phase 2 PPP Development finished).



# Next Milestones

## Critical Milestones

Milestones for the Procurement Process	Indicative Timeline	Duration
<b>Market Sounding</b>		
Market Sounding Implementation	Q4 2023	1 Day
FBC Finalization	Q4 2023	2 Weeks
<b>Prequalification ("PQ") Stage</b>		
Announcement and Issuance of PQ Documents	Q4 2023	1 Week
PQ Submission and Evaluation	Q1 2024	5 Weeks
Prequalification Results	Q1 2024	2 Weeks
<b>Request for Proposal ("RFP") Stage</b>		
Issuance of Request for Proposal ("RFP") Documents	Q1 2024	1 Week
Q&A Process	Q2 2024	2 Weeks
Site Visit	Q2 2024	1 Week
Bid Submission and Evaluation	Q2 2024	8 Weeks
Tender Results/ Bid Awards	Q3 2024	3 Weeks

*Current Position*

## Indicative PQ Criteria

In the Pre-Qualification stage, participants will be assessed based on criteria as follows:



### Administration Criteria

- Completeness and valid administrative documents;
- Composition of participants; and
- The relevant participant possesses no conflict of interest.



### General & Technical Criteria

- Experiences in building and/or developing airport Project;
- Experiences in funding and/or obtaining financing for infrastructure project; and
- Experiences as an airport service operator/provider.



### Financial Criteria

- Audited financial statements for the past 3 (three) years;
- Comply with the minimum required total asset and net asset for the past 3 (three) consecutive years; and
- Bank reference letter.



**Thank you** |