

34 Papua New Guinea

Port Moresby International Airport Redevelopment Project (I) (II)



Domestic line baggage claim area installed by the project

Outline of Loan Agreement

Loan Amount / Disbursed Amount	12,763 million yen / 11,889 million yen
Loan Agreement	November 1988 / February 1996
Terms & Conditions	Interest rate 2.7% p.a. Repayment period 30 years (Grace period 10 years)
Final Disbursement Date	July 1998 / April 2001

Project Outline

The objectives of this project were to improve and expand the terminal facilities of the Port Moresby International Airport and also to improve its aviation safety facilities, thereby promoting both domestic and international exchanges of people and goods in order to vitalize the country's economy.

Results and Evaluation

This project involved the construction and installation of terminal buildings and aviation safety facilities etc. In regards to the operation indicators of the project, both passenger numbers and cargo volume are falling slightly below the initial targets. This is attributed to the ailing Air Niugini, the national carrier, which has reduced flight numbers, and a fall in the number of foreign workers using air travel due to the temporary closure of gold and copper mines and the completion of plant construction projects.

On the other hand, from the aspect of safety, the numbers of accidents, fatalities, and near misses have significantly improved. Moreover, the results of the passenger awareness survey indicate improvements in levels of confidence, convenience and comfort.

A Special Assistance for Project Sustainability (SAPS) survey has been undertaken to address Civil Aviation Authority (CAA) weaknesses in the management of the airport and its financial management.