Implementation Agenda based on Consensus 2005 - 2010

31 STRATEGIC PROJECTS ON INTEGRATION IN SOUTH AMERICA

Fourth Report - June 2008





SERVED

Introduction

The Fourth Report on the Implementation Agenda based on Consensus 2005-2010 (AIC, in Spanish) is a publication that aims towards the collection of information about the current status and the advances achieved during the implementation of the 31 strategic projects of physical integration of the AIC, according to the priorities established by the twelve South American countries, within the context of the Initiative for the Integration of Regional Infrastructure in South America (IIRSA).

This new report, which reflects the available information in the SIGE, by the beginning of June 2008, outlines three types of information:

- a) General information about the AIC projects (typology of each project, associated Integration and Development Hub, investment amount, expected completion date and contacts for reference, among others);
- b) Current status (summing up the degree of execution achieved, financing sources and general remarks) and;
- c) Critical stages identified in the implementation of the projects and deadline for the execution of the works. In the case of those critical stages that have already been completed, the dates mentioned correspond to the completion date. Also, there is a reference to the difficulty level that is present in each stage, and, to restrictions (if there were any) that cause or could cause trouble to the progress of a project, with the purpose of enabling and speeding the necessary management for its development.

The information of each project has been generated in each country member of the Initiative (National Coordinations and Managers appointed by them for the Projects of the AIC), as a result of an intense agenda of activities within the framework IIRSA, supported by the task that is being developed through the Information System for Strategic Management (SIGE, in Spanish).

Source: SIGE - www.sige.iirsa.org

Implementation Agenda based on Consensus 2005-2010

The Implementation Agenda based on Consensus 2005-2010 (AIC, in Spanish) is formed by a first set of 31 integration projects agreed by the countries from the results achieved during the phase of territorial planning and organization of the IIRSA Project Portfolio and that, according to its characteristics, has a high impact on the physical integration of South America. This Agenda, was approved by the Executive Steering Committee of IIRSA in November 2004 and presented to the Presidents of South America during the Cusco Summit Meeting in December 2004.

The projects that integrate the agenda imply a total investment estimated in US\$ 10,188.20 millions in the transport, energy and communication areas (most of them are being implemented).

Of the 31 projects, 10 are being prepared, 1 is under a bidding process or near to be subject to a bidding process, 18 are being performed and 2 are completed. In order to support the AIC, it was adopted a modality based on the intensive and focused management of the projects. For this purpose, a new result-oriented model was established. Based on the progress verified in the fulfillment of the critical stages and the overcoming of financial, technical and institutional restrictions (individually identified for each project), the projects of the AIC can be grouped under the following qualitative classification:

- Projects under adequate progress: where all their critical stages were or are completed within the previously scheduled terms. Twenty-four projects are included in this category.
- Projects with some delay: those in which some of the identified critical stages have not been completed as scheduled or are being developed with some difficulty. Two projects are included in this category.
- Projects with restrictions: those in which particular situations of sectoral, national or multilateral nature have been identified and have prevented the fulfillment of any of the critical stages. Three projects are included in this category
- Completed Projects: Two projects are included in this category: bridge over Acre River (Peru and Brazil) and bridge over Takutu River (Guyana and Brazil).

There follows a general map of location of the 31 AIC projects, a summary chart of said projects and the complete files for each of them.



Implementation Agenda based on Consensus 2005-2010

N°	PROJECTS	HUB/PROCESS	MILLIONS OF US\$	COUNTRIES
1	Duplication of Route 14	MERCOSUR-Chile	780.00	AR (BR)
2	Remodeling of the Rio Branco-Montevideo-Colonia- Nueva Palmira Corridor	MERCOSUR-Chile	266.40	UY (AR-BR)
3	Building of the Jaguarão-Rio Branco International Bridge	MERCOSUR-Chile	24.60	BR-UY
4	Duplication of the Palhoça-Osorio Leg (Rodovia Mercosur)	MERCOSUR-Chile	1,200.00	BR (AR-UY)
5	Los Andes-Mendoza Railway Project	MERCOSUR-Chile	3,000.00	AR-CH
6	International Route 60 CH (Valparaíso-Los Andes Leg)	MERCOSUR-Chile	286.00	CH (AR)
7	Northeast Argentina Gas Pipeline	MERCOSUR-Chile	1,000.00	AR (BO)
8	Building of the Salvador Mazza-Yacuiba Binational Bridge	Capricorn	10.00	AR-BO
9	Presidente Franco-Porto Meira New Bridge and Border Center	Capricorn	55.00	PY-BR
10	Building of the Pailón-San José-Puerto Suárez Road	Central Interoceanic	444.80	BO (BR-CH-PE)
11	São Paulo Railway Ring (North and South)	Central Interoceanic	400.00	BR
12	Infante Rivarola-Cañada Oruro Border Crossing	Central Interoceanic	2.00	BO-PY
13	Building of the Cañada Oruro-Villamontes-Tarija-Estación Abaroa Road (First Stage)	Central Interoceanic	60.00	BO (PY)
14	Toledo-Pisiga Road	Central Interoceanic	93.00	BO (CH)
15	Rehabilitation of the Iquique-Colchane Road	Central Interoceanic	42.00	CH (BO)
16	Rehabilitation of the El Sillar Leg	Central Interoceanic	2.60	BO (CH-PE)
	Subtotal		7,666.40	

The neighboring country/ies influenced by the project is/are identified between parenthesis.

N°	PROJECTS	HUB/PROCESS	MILLIONS OF US\$	COUNTRIES
17	Desaguadero Binational Center for Border Service	Andean	7.50	BO-PE
18	Cúcuta-San Antonio del Táchira Border Crossing	Andean	2.00	CO-VE
19	Recovering of Meta River Navigability	Andean	108.00	CO-VE
20	Pasto-Mocoa Road	Amazon	183.00	СО
21	Paita-Tarapoto-Yurimaguas Road, Ports and Logistic Centers	Amazon	338.00	PE (BR)
22	Lima-Tingo María-Pucallpa Road, Ports and Logistic Centers	Amazon	589.00	PE (BR)
23	Francisco de Orellana Port	Amazon	105.30	EC
24	Paving of the Iñapari-Puerto Maldonado-Inambari, Inambari-Juliaca/Inambari-Cusco Leg	Peru-Brazil-Bolivia	1,055.00	PE (BR)
25	Bridge over the Acre River	Peru-Brazil-Bolivia	12.00	BR-PE
26	Boa Vista-Bonfim-Lethem-Georgetown Highway (First Stage: Studies)	Guianese Shield	3.30	GY-BR
27	Bridge over the Takutu River	Guianese Shield	10.00	GY-BR
28	Venezuela (Ciudad Guayana)-Guyana (Georgetown)- Suriname (Paramaribo) Highway (First Stage)	Guianese Shield	0.80	VE-GY-SU
29	Improvements in Nieuw Nickerie-Paramaribo-Albina Leg and International Bridge over the Marowijne River	Guianese Shield	105.00	SU-GY
30	Exports through Postal Services for SMEs	ICTs	2.50	Regional
31	Implementation of a Roaming Agreement in South America	ICTs	0.40	Regional
	Subtotal		2,521.80	
	TOTAL		10,188.20	
	In preparation Bidding/Concession	In execution	ı	Completed

References Project Cycle Life

- Critical stages are developed in the planned terms
- Critical stages are developed with difficulty
- Critical stages are not being accomplished within the planned terms
- Critical stages accomplished



Duplication of Route 14 between Paso de los Libres and Gualeguaychú



Integration Hub

MERCOSUR-Chile

Group 1

Belo Horizonte - Border Argentina/Brazil - Buenos Aires

Country

Argentina (Brazil)

Type of project

Transport/Road

Estimated investment

US\$ 780 millions

Financing sources

IDB

Public Treasury

Modality

Public

Expected completion

2nd half of 2010

Executing entity

National Road Authority of Argentina

National Coordinator

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Project Manager

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CCT Responsible (IDB)



Duplication of Route 14 between Paso de los Libres and Gualeguaychú

Objective

To provide the road transportation flow in the MERCOSUR-Chile Hub with higher road-safety conditions.

Proposed solution

To increase road capacity through the construction of a second road (7.30m wide; 452 km long); the construction of 87 bridges (10.8m wide); level separations and distributors.

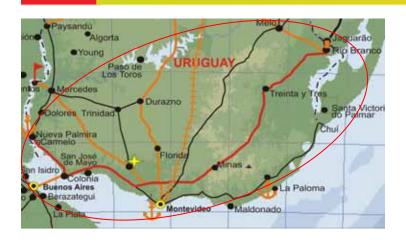
Current status – 03/31/08

National Routes No. 14 and No. 117 - Total length: 451.00 km.

Total Investment: \$ 2,460,526,755.28 as of Nov. 2006.

Starting Date: July 2007 and Estimated Completion Date: July 2010.

Remodeling of the Rio Branco-Montevideo-Colonia-Nueva Palmira Corridor



Integration Hub

MERCOSUR-Chile

Group 2

Porto Alegre - Border Argentina/Uruguay - Buenos Aires

Country

Uruguay (Argentina - Brazil)

Type of project

Transport/Road

Estimated investment

US\$ 266.4 millions

Financing sources

Public Treasury

IDB - CAF - WB - FOCEM

Private Sector

Modality

Public

Expected completion

2nd half of 2010

Executing entity

Uruguay Road Corporation

Ministry of Transport and Public Works of Uruguay

National Road Authority of Uruguay

National Coordinator

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Project Manager

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CCT Responsible (IDB)

Remodeling of the Rio Branco-Montevideo-Colonia-Nueva Palmira Corridor

Objective

To improve passenger and cargo traffic along the MERCOSUR core road hub, consolidating road infrastructure so as to adjust to the new requirements of international cargo transportation and supplementing the Brazil-Uruguay-Argentina road connection in the MERCOSUR-Chile Hub.

Current status – 04/30/08

The project is currently being executed, with initiated works under tendering procedures, and other works being subjected to the completion of studies. Considering 2003 as the starting year, approximately 50% of the works have been completed or are nearing completion towards the end of the first quarter of 2008; the remaining 50% of the works are in progress and under bidding procedures. It is expected that, by the end of 2008, 65% of the works will be concluded. It should be noted that on May 15th, 2006, the Executive Branch approved the new contract signed between the Ministry of Transport and Public Works and the National Corporation for Development that serves an important part of the works associated with the corridor (68% of the amount of the works).

Proposed solution

The project comprises the following roads: 1, 11, 8, 17, 18 and 26, which link the cities of Rio Branco - Montevideo - Colonia with the complementary roads: 3, 23, 12 and 2 to reach Nueva Palmira and Fray Bentos. This project aims at improving the level of service of the stretches that comprise it, mainly with respect to condition, comfort and road safety. The improvements regarding condition and comfort is achieved through superficial treatment and structural strengthening, as well as reinforcement or substitution of works of art with the purpose of eliminate problems related to restriction of current cargo. In order to improve safety conditions, works will be carried out, which involve changes in the course of some dangerous bends, by-pass of populated centers, definition of new courses, fitting of signaling, marking, lighting and installation of other safety elements (barriers, alarms, etc.).

The current Uruguayan government considers that it is necessary to extend the corridor up to Nueva Palmira in order to link it with a physical connection alternative with Argentina, in Zarate-Brazo Largo, and the city of Fray Bentos, which is a center of important investment and also an existing interconnection site with the city of Gualeguaychú, Argentina.

Building of the Jaguarão-Rio Branco International Bridge



Integration Hub

MERCOSUR-Chile

Group 2

Porto Alegre - Border Argentina/Uruguay - Buenos Aires

Countries

Brazil - Uruguay

es Para

Type of project

Transport/Bridge

Estimated investment

US\$ 24.6 millions

Financing sources

Public Treasury (Brazil and Uruguay)

The new agreement signed between Brazil and Uruguay (02/26/2007) states that the parties will be in charge of the investment costs related to the construction of the bridge, its accesses and complementary works as well as the rehabilitation of the bridge: Barão de Mauá. As regards it approval, this agreement is subject to the necessary parliamentary endorsement by the States.

Modality

Public/Private

Expected completion

2nd half of 2009

Executing entity

National Department of Transport Infrastructure of Brazil (DNIT)

Joint Brazilian -Uruguayan Bidding Committee

Ministry of Transport and Public Works of Uruguay

National Coordinator

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Building of the Jaguarão-Rio Branco International Bridge

Objective

To improve road traffic for international cargo and passengers transportation; to complement road connection, allowing a more intense integration of the economic-commercial potentials and the socio-cultural permeability with neighboring countries; to detour traffic of the road Chuí/Chuy in order to preserve the Taim Ecological Reserve and lighten traffic in the section Pelotas/Rio Grande (BR-392/RS); to preserve the Litoral road for light and tourism traffic; and to reduce the distance in the section Montevideo/Porto Alegre by 53 km.

Proposed solution

Building of a second road bridge (840 m approx.) on the river Jaguarão, near the cities of Jaguarão (BR-116/RS) and Rio Branco (Route 26), for international cargo and passengers transportation, including 8 km-accesses (4.5 km in Brazilian territory and 3.5 km in Uruguayan territory) and revamping of the current bridge Barão de Mauá, kept for border local traffic.

Building of the Jaguarão-Rio Branco International Bridge

Current status – 03/20/08

Both countries gave priority to the development of this venture. The measures of a political and institutional nature were based on consensus. The Joint Uruguayan-Brazilian Bidding Commission was established on April 14th, 2004, and its members have met on three occasions (May 2004, September 2004 and January 2006). Since it is an endeavor which proved to be of little attraction for private concession, two new agreements were signed, on February 26th, 2007, one for the construction of a second bridge (under a public work regime) and the other for an exchange of notes in order to recover the currently existing "Barão de Mauá" bridge. The Terms of Reference and their Bidding Conditions for the hiring of the firm/s that will hold the Feasibility Study are being modified to the terms of the new legal instrument, so that the Department of Transport Infrastructure (Departamento Nacional de Infra-estrutura de Transportes, DNIT in Portuguese), a municipality linked to the Ministry of Transport of Brazil can be able to launch a Bidding Notice for both the construction of the new bridge, and for the refitting of the Barão de Mauá bridge.

On August 28th, 2007, the Fourth Meeting of the Joint Uruguayan-Brazilian Commission was held in Montevideo, where it was agreed that the Terms of Reference issued by the Brazilian delegation for the Executive Project of restoration of the Barão de Mauá international bridge for the call for tenders, and a Report of Inspection of the structure of said bridge, will be studied and evaluated by the Uruguayan delegation before September 17th, 2007. At the same time, the Terms of Reference are delivered for the preparation of technical-environmental-economic feasibility studies for the construction of the New Bridge (second bridge) and for the executive project, which will be evaluated and studied by the Uruguayan delegation before the same date. This step has been accomplished as scheduled, and the final version of the Terms of Reference cited has been handed over to Brazil.

Duplication of the Palhoça-Osorio Leg (Rodovia Mercosur)



Integration Hub

MERCOSUR-Chile

Group 1

Belo Horizonte - Border Argentina/Brazil - Buenos Aires

Country

Brazil (Argentina - Uruguay)



Type of project

Transport/Road

Estimated investment

US\$ 1,200 millions

Financing sources

Public Treasury

IDB

Private Sector

Modality

Public/Private

Expected completion

4th quarter of 2010

Executing entity

National Department of Transport Infrastructure, of Brazil (DNIT)

National Coordinator

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Project Manager

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CCT Responsible (IDB)

Duplication of the Palhoça-Osorio Leg (Rodovia Mercosur)

Objective

To improve the traffic flow in the Mercosur Corridor and reduce the number of road accidents. Besides promoting the expansion of the capacity through the duplication of the section, the project will restore the existing track and incorporate different devices in order to increase road safety in a significant manner, emphasizing the measures that are necessary to achieve the organization of local traffic (vehicles and pedestrians), seeking the minimization or even removal of current conflicts with long distance road traffic.

Proposed solution

Duplication and refitting of the existing lane (BR-101/SC/RS) -348 km of which 99.5 km belong to the state of Rio Grande do Sul and 248.5 km belong to the state of Santa Catarina-and performance of three big special works of art (tunnel for transposition of Morro do Formigão, bridge to cross Imaruí lagoon and tunnel or viaduct in Morro dos Cavalos). The investment will be carried out with public-private resources and under the concession modality.

Current status – 06/04/08

The project is included in the Growth Acceleration Program or PAC -Programa de Aceleración del Crecimiento- (2007-2010), in the list of the PPI (Pilot Investment Project). The works are in progress, despite the slowing down related to the pace of the performance of the works.

State of Santa Catarina: As regards the new lane, 30 km were opened for traffic and the following works were completed: 13 bridges, 18 viaducts, 12 underground crossings; 60 km of pavement and 134 km of embankment. Fifty-three special works of art are under execution (underground crossings, viaducts and bridges), 81 km of embankment and 49 km of pavement. In the old lane, 40 km were refitted and more than 30 km are under execution. The executive project: Imaruí lagoon and the tunnel of Morro do Formigão is being developed. The bidding process of the executive project of the tunnel of Morro dos Cavalos is in progress.

State of Rio Grande do Sul: The addition of lots 1, 2 and 3 to the contract was approved by the DNIT. As regards the new lane, the following works were completed: 25 km of embankment, the heightening of the plain of Maquiné (3 bridges, 3 viaducts with 2.5 km); 15 viaducts, 3 underground crossings, 3 footbridges and 6 bridges. The double tunnel of Morro Alto (2 km) is being constructed, 1,470m were drilled. The segment Osório/Aguapés (22 km) was completed and opened to the traffic. Old lane: 22 km were refitted. The restarting of the works in lots 1, 2 and 3 is planned for 06/09/2008.

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Los Andes-Mendoza Railway Project



Integration Hub

MERCOSUR-Chile

Group 3

Valparaíso - Buenos Aires

Countries

Argentina - Chile



- Type of project
 - Transport/Railway
- Estimated investment
 - US\$ 3,000 millions
- Financing sources
 - Private sector

- Modality
 - **Private**
- Expected completion
 - April of 2010
- Executing entity

Undersecretariat of Railway Transport (Transport Secretariat) - Ministry of Federal Planning of Argentina

General Office for Concession Coordination -Ministry of Public Works of Chile

National Coordinator

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CCT Responsible (IDB)

Los Andes-Mendoza Railway Project

Objective

To extend transportation capacity in the border crossing: "Cristo Redentor System" in such a way that it can be adapted to the growing load traffic flow between Argentina and Chile, and to strengthen the transportation system in the MERCOSUR-Chile Integration and Development Hub.

The solution regarding a railway tunnel at low height is aimed at getting a ground connection that can be operated under any weather conditions.

Proposed solution

Building and exploitation of a railway tunnel, at low height, and reactivation and exploitation of the railway load transportation system that links the cities of Mendoza, in Argentina, and Los Andes, in Chile, reopening the railway connection through the building or re-building of the necessary infrastructure; also, the building of a low-height tunnel at both sides of the border and the provision of rolling material for the proper rendering of the service.

Current status – 05/23/08

On January 15th, 2008, the private initiative "Construction and exploitation of a railway tunnel at low altitude and refunctionalization and exploitation of the Central Trasandine Railway" was presented by the companies Corporación América S.A. and Petrolera del Sur S.A.

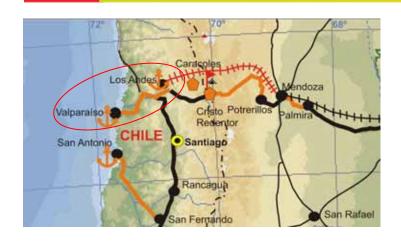
The background of the project is being reviewed to establish whether there is, in principle, public interest in this private initiative.

If there is public interest, it will be necessary to proceed in defining the studies to be carried out, which will determine the actual feasibility of tendering for the project through the concession system. A two-year time-frame has been established to carry out these studies.

This initiative corresponds to the reformulation of the private initiative "Central Trasandine Railway", whose tender process was completed in April, 2008, and for which a bid was submitted, which was rejected, on the grounds that it was not technically acceptable.

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International Route 60 CH (Valparaíso-Los Andes Leg)



Type of project

Transport/Road

Modality

Concession

Estimated investment

US\$ 286 millions

• Expected completion

December of 2012

Integration Hub

MERCOSUR-Chile

Group 3

Valparaíso - Buenos Aires

Country

Chile (Argentina)



Financing sources

Public-Private Partnership

Executing entity

Highway Concessionaire (Sociedad Concesionaria Autopista de los Andes S.A.)

National Coordinator

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Project Manager

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CCT Responsible

International Route 60 CH (Valparaíso-Los Andes Leg)

Objective

To increase the capacity and upgrade the standard of the International Route 60 CH so as to absorb the growth in traffic demand. It is a structuring highway, which cuts across Chile, starting at the Chilean - Argentinean border, in the Cristo Redentor tunnel area, and running to the West, towards Valparaíso Port.

Current status – 05/14/08

International route under concession. The award was initiated on July 22nd, 2004. Construction began on January 27th, 2005. Financed by the private sector.

Proposed solution

Improvement of the international road 60 CH (approx. length: 90.5 km, design speed: 100 km/h, in most of the sections). It includes the extension to second lanes, crossings at different levels and secondary streets.

The project is divided into two sectors. The first sector starts at 6.5 km (Las Vizcachas bridge), commune of Los Andes, and finishes in Road 5 North (length: 52 km); the second sector is located between the joint El Olivo, in Road 5 North, commune of La Calera, and finishes in the joint Troncal Sur (length: 38.5 km) connecting through Troncal Sur with Valparaíso port.

In the sectors where the project crosses populated centers, detours related to the current road are taken into consideration. They are as follows: (a) Sauce, between Los Andes and San Felipe (length: 19.5 km long), where the road is located in the north section of Aconcagua river; (b) the Panquehue sector (length: 25 km long), of which 7 km are located on the north section of Aconcagua river and 18 km on the south section of the river; and (c) a detour in the joint Quillota (length: 16 km long).

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Northeast Argentina Gas Pipeline



Integration Hub
MERCOSUR-Chile

Group 5
Energy Group

Country

Argentina (Bolivia)



Type of project

Energy/Gas pipeline

Estimated investment

US\$ 1,000 millions

Financing sources

Public-Private Partnership

It is planned a participation of the private sector of around 75% of the planned investment, through transport concession by international public bidding.

Modality

Public/Private

Expected completion

2nd half of 2008

Executing entity

Ministry of Federal Planning, Public Investment and Services of Argentina

National Coordinator

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Project Manager

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CCT Responsible (IDB)

Northeast Argentina Gas Pipeline

Objective

To ensure natural gas supply to the northern and central regions of Argentina, that is to say, the area which includes the provinces of Salta, Formosa, Chaco, Misiones, Corrientes, Entre Ríos, Santa Fe and Buenos Aires.

Current status – 05/12/08

The technical - economic pre-feasibility study was conducted, as well as the engineering project. Through Decree 267/2007, the concession for the transport of gas is given to the Empresa Energía Argentina Sociedad Anónima (ENARSA, in Spanish) for the period of 35 years in order to build, maintain, operate and render the service of transporting gas.

The international public bidding was conducted with a preliminary plan at the basic engineering level for the purchase of pipes for the 1500 km.

Proposed solution

The trunk gas pipeline will be 1,500 km long, and will have a diameter of 30 inches. It will operate at a pressure of 95 bars. The work will comprise the trunk gas pipeline and the provincial branches, which will stem from it, as well as the corresponding compression, regulation and measurement plants, surface installations and other complementary works (civil, electricity and communication works). In this respect, the mentioned works will comprise the ones referred to the electronic data transmission, remote operation, telemetry, etc. As regards the Trunk Gas Pipeline, it will allow the link between the gas reserves located in the north of Argentina and in Bolivia with the National Interconnected System of Trunk Gas Pipelines, which will be carried out in the vicinity of the city of Santa Fe. This interconnection will allow the injection of important volumes in the zones of the country where there is more consumption. Additionally, it will allow the expansion of gas availability to the mentioned provinces, some of which do not have, at this moment, the possibility of using such resources and to other provinces that, at present, have said resources but in an insufficient way and where gas is not suitable to ensure the economic development that the region needs.

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Building of the Salvador Mazza-Yacuiba Binational Bridge



Integration Hub

Capricorn

Group 2

Argentina - Bolivia - Paraguay Interconnection

Countries

Argentina - Bolivia

Type of project

Transport/Bridge

Estimated investment

US\$ 10 millions

Financing sources

Public source through Public and Multilateral Organizations

Under negotiation between the countries. Actions by the Argentine Republic for the incorporation of the Project in the operation cycle of FONPLATA.

Modality

Public

Expected completion

December of 2008

Executing entity

Binational Committee (Management Committee for the Argentina - Bolivia Agreement)

National Coordinator

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Project Manager

Ángela Guariglia (Argentina) Tel: (5411) 4349-7539 aguari@minplan.gov.ar

Manager to be appointed (Bolivia)

CCT Responsible (FONPLATA)

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Building of the Salvador Mazza-Yacuiba Binational Bridge

Objective

To solve the complex situation of the border crossing and allow a fluent communication of the means of transport for international cargo. The border crossing is part of the main road corridor between Argentina and Bolivia.

Proposed solution

Building of a new bridge, a new border center and new accesses. As a result of the study carried out by SETEC, the building of a new international bridge, west of the current crossroad, constitutes an alternative to solve the difficulties in the area. Also, the road accesses to the bridge from both countries and an integrated border control center will be carried out, the only head will be placed in the Argentinean territory. The current bridge will be used exclusively for pedestrian crossing. The characteristics of the works for the new crossroad are the following: Road accesses total length: 9.7 km (5.5 km in Argentinean territory and 4.2 km in Bolivian territory); International bridge: 30 m long, 2 lanes; Ground movement: Fill 228,536 m³ and Cut 293,741 m³; Border Center: 24.8 has. (ground). Buildings for the control tasks will be constructed for both countries. Moreover, the building of three parking areas has been foreseen, which will house up to 100 lorries, for vehicles that transport general cargo, and a parking area for vehicles that transport dangerous cargo, in the area of each country, with a capacity for 20 vehicles.

Current status – 05/15/08

As resolved at the meeting held in Buenos Aires, May 9th, 2007, both delegations agreed on the need to maintain the current structure of the bridge. The delegation from Argentina committed to present the authorities of Bolivia a document that contemplates: 1) proposal and possible schedule of improvement works in the existing bridge and, 2) possible task schedule to carry out works in order to build the new bridge, as well as to carry out the access works and the integrated control center works, under the agreement signed between the two countries on June 29th, 2006. Also, it was agreed that the works mentioned in points 1) and 2) would be undertaken simultaneously.

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Presidente Franco-Porto Meira New Bridge and Border Center



Integration Hub

Capricorn

Group 3

Paraguay - Brazil Interconnetion

Countries

Brazil - Paraguay



Type of project

Transport/Bridge

Estimated investment

US\$ 55 millions

Financing sources

Public source through Public and Multilateral Organizations

Costs derived from the studies, projects and building of the bridge will be borne by the Government of the Federative Republic of Brazil, each party being responsible for their respective access to the bridge, additional works and any expropriations, if necessary.

Modality

Public

Expected completion

2nd half of 2011

Executing entity

Ministry of Public Works and Communications of Paraguay

National Department of Transport Infrastructure of Brazil (DNIT)

National Coordinator

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Project Manager

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CCT Responsible (FONPLATA)

Sebastián Abbatemarco Tel: (5913) 336-6611 sabbatemarco@fonplata.org

Presidente Franco-Porto Meira New Bridge and Border Center

Objective

To clear traffic on the La Amistad Bridge between Foz de Iguazú and Ciudad del Este; to promote urban planning at border cities, detouring heavy-vehicle traffic to a road in the outskirts so as to have quicker and more efficient connections between the binational transport systems; and to optimize the integrated border control system.

Proposed solution

Building of a second international road bridge over Río Paraná, approx. 600 m long, including its accesses and complementary infrastructure, between Porto Meira (Foz do Iguaçu) and Presidente Franco port, and implementation of an integrated border control system at the junction of the complex Puente de la Amistad and the new bridge.

In principle, it will be a hanging bridge, which will operate with a one-way flow of vehicles, in binary system; it will involve Puente de la Amistad, strengthening the idea that distance between both bridges will be approx. 6 km.

The binary operation will make it easier the performance of the supervising organisms, which will not be obliged to form two control bodies. Each country will be responsible for their respective accesses, border facilities and expropriation.

Current status – 05/08/08

Due to the economic unfeasibility for constructing the bridge Presidente Franco - Foz do Iguaçu (Porto Meira) on a grant of public work, there was a need for adjustments in the legal instruments signed in September, 1992 and October, 2003, culminating with the signing, on December 8th, 2005, of a new agreement between Brazil and Paraguay.

Said agreement was approved by the Paraguayan Congress, on May 4th, 2007. In Brazil, it is being submitted for approval by the National Congress. The agreement received the assent of the Joint Parliamentary Committee of Mercosur, the Foreign Relations and National Defense Department, the Travel and Transport Commission and the Constitution, Justice and Citizenship Commission. The MSC-468/2006 was changed to a Legislative Decree Bill and will be included in the list of the plenary.

The bidding process (Bidding Conditions 545/2006) was cancelled and replaced by the Bidding Specification 050/2008 with a view to selecting the specialized the company/ies that produces or produce the Executive Project of the bridge, in whose scope environmental issues are included. The opening of the tenders was scheduled for 05/07/2008, but this was postponed to 06/12/2008.

In 09/06/07, APIA ENVIRONMENTAL was given order of service to run, within 360 days, the EIA/RIMA and the Basic Environmental Plan.



Building of the Pailón-San José-Puerto Suárez Road



Type of project

Transport/Road

Modality

Public

Estimated investment

US\$ 444,8 millions

Expected completion

November of 2009

Integration Hub

Central Interoceanic

Group 3

Santa Cruz - Puerto Suárez - Corumbá Connection

Country

Bolivia (Brazil - Chile - Peru)



Financing sources

Public source through Public and Multilateral Organizations

Executing entity

Administradora Boliviana de Carreteras (Bolivian Road Bureau or ABC, in Spanish)

National Coordinator

José Kinn Franco Tel: (5912) 211-4994 jkinn@oopp.gov.bo **Project Manager**Manager to be appointed

CCT Responsible (CAF)

Juan Carlos Saavedra Tel: (571) 313-2311 juan.saavedra@caf.com

Building of the Pailón-San José-Puerto Suárez Road

Objective

The Pailón-Puerto Suárez road is part of the main Bolivian Integration Corridor, which joins the East with the West, and lodges an important percentage of the country's population and economic activity. It supplements regional integration between the ports of Peru and Chile, on the Pacific, and the Brazilian ports on the Atlantic, cutting across Bolivia.

Proposed solution

Rigid and/or flexible paving of two ways in 600 km (width: 7.3 m and shoulders: 1 m each side). Resources for socio – environmental mitigation programs are foreseen.

Current status – 06/06/08

Paving of the road Pailón-Puerto Suárez is composed of 8 sections: a) Puente Pailas: 1.4 km long, US\$ 28 millions, financed by EXIM Bank-Corea, under performance, estimated completion date: November of 2008; b) Paraíso-El Tinto: 124 km long, US\$ 60.4 millions, financed by the IDB, under performance, estimated completion date: October of 2009; c) El Tinto-San José: 82 km long, US\$ 64 millions, financed by the European Union, under performance, estimated completion date: November of 2009; d) San José-Roboré: 138 km long, US\$ 81.4 millions, financed by the CAF, completed in August of 2007; e) 15 bridges and urban accesses in the section Roboré-El Carmen, US\$ 16 millions, financed by the European Union, under performance, estimated completion date: November of 2008; f) Roboré-El Carmen: 140 km long, US\$ 97 millions, financed by the CAF, under performance, estimated completion date: November of 2008; g) El Carmen-Puerto Suárez-Arroyo Concepción: 108 km long, US\$ 78.2 millions, financed by the CAF, under performance, estimated completion date: November of 2008; and h) the Project incorporates a socio-environmental component (US\$ 20 millions, financed by the IDB).

RSA

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São Paulo Railway Ring (North and South Legs)



Integration Hub

Central Interoceanic

Group 2

Optimization of the Corumbá -São Paulo - Santos - Rio de Janeiro Corridor

Country

Brazil



• Type of project

Transport/Railway

Estimated investment

US\$ 400 millions

Financing sources

Public-Private Association

Modality

Public/Private

Expected completion

December of 2011

Executing entity

Government of Brazil

National Coordinator

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Project Manager

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CCT Responsible (IDB)

São Paulo Railway Ring (North and South Legs)

Objective

To re-order and extend the load flows with origin, destination and passage through the metropolitan region of São Paulo (RMSP), allowing the reduction of conflicts between load and passenger traffic, to increase the participation of railways in the passage flows through the RMSP and facilitate the access to the following ports: Santos (SP), São Sebastião (SP) and Itaguaí (RJ).

Proposed solution

To restructure the railway network of Gran São Paulo through the building of a railway ring and the articulation with the road and logistics center system in the state of São Paulo. The project foresees the building of a railroad (66 km long) between Campo Limpo Paulista and Engenheiro Manoel Feio (north section).

Current status – 04/30/08

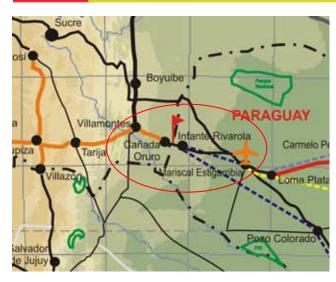
In January 2008, after the convergence of the points of view of the federal government and the concessionaire, MRS, the project related to the construction of the north section of Ferroanel of São Paulo was included in the Growth Acceleration Program (PAC, in Portuguese).

Restriction

The implementation of the project related to the railway ring depends on the completion of the analysis and the validation of its studies as well as of its modeling.

Deadline: 03/30/2007 Status: **OVERCOME**

Infante Rivarola-Cañada Oruro Border Crossing



Integration Hub

Central Interoceanic

Group 1

Chile - Bolivia - Paraguay - Brazil Connection

Countries

Bolivia - Paraguay



Type of project

Transport/Border Crossing

Estimated investment

US\$ 2 millions

Financing sources

Public Treasury

Paraguay finances 100% with its own resources.

Modality

Public

Expected completion

1st half of 2009 (First stage)

Executing entity

Ministry of Public Works and Communications of Paraguay

Joint Paraguayan - Brazilian Committee

Ministry of Public Works of Bolivia

National Coordinator

José Kinn Franco (Bolivia) Tel: (5912) 211-4994 jkinn@oopp.gov.bo

Roberto Salinas (Paraguay) Tel: (59521) 414-9612 rsalinas@pol.com.py

Project Manager

Manager to be appointed (Bolivia)

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CCT Responsible (FONPLATA)

Sebastián Abbatemarco Tel: (5913) 336-6611 sabbatemarco@fonplata.org

Infante Rivarola-Cañada Oruro Border Crossing

Objective

To develop the infrastructure and services necessary to allow the efficient passenger and load traffic between Bolivia and Paraguay, through the building and installation of an Integrated Control Border Center.

Proposed solution

To build infrastructure for the installation of an Integrated Control Border Center with access and load verification zones, load holding areas, information and communications systems and a laboratory for the phytozoosanitary control.

Current status – 05/14/0

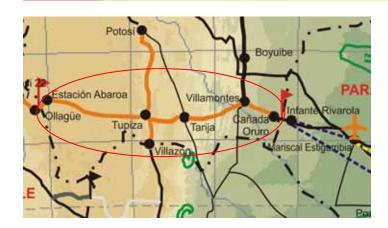
The governments of the Republic of Paraguay and the Republic of Bolivia agreed to the establishment of facilities for integrated controls at the Infante Rivarola - Cañada Oruro border crossing, last March 19th.

Both countries will be able to procure the necessary financing and will take the corresponding administrative measures related to the construction of the facilities to be determined, within their respective territories. Moreover, it was agreed to create a Joint Technical Group to promote the physical integration projects between the two territories.

The Ministry of Public Works and Communications of Paraguay initiated the call for tender for the construction of the Administrative Border Center with only one head office on the Paraguayan side (First Stage). The amount for its construction is included in the 2008 budget. Said construction is expected to be completed in 24 months.



Building of the Cañada Oruro-Villamontes-Tarija-Estación Abaroa Road (First Stage)



Integration Hub

Central Interoceanic

Group 1

Chile - Bolivia - Paraguay - Brazil Connection

Country

Bolivia (Paraguay)



Type of project

Transport/Road

Estimated investment

US\$ 60 millions

Financing sources

Public Treasury

Prefecture of Tarija

CAF

Modality

Public

Expected completion

December of 2009

Executing entity

Administradora Boliviana de Carreteras (Bolivian Road Bureau or ABC, in Spanish)

National Coordinator

José Kinn Franco Tel: (5912) 211-4994 jkinn@oopp.gov.bo **Project Manager**Manager to be appointed

CCT Responsible (CAF)

Juan Carlos Saavedra Tel: (571) 313-2311 juan.saavedra@caf.com

Building of the Cañada Oruro-Villamontes-Tarija-Estación Abaroa Road (First Stage)

Objective

Develop the necessary infrastructure and services to allow efficient people and load flow between Bolivia and Paraguay, through the building and installation of a Border Center with Integrated Control.

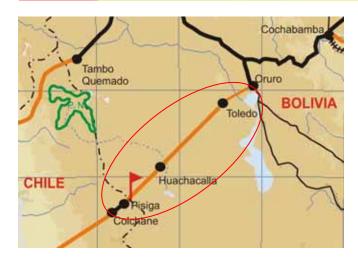
Proposed solution

Paving (asphalt concrete or rigid) of the connection: Villamontes – Hito/Bulón BR 94 (georeferencial point – Paraguayan border), length: 120 km.

• Current status - 06/06/08

Under performance. Sections: Puerta del Chaco - Canaletas, Entre Ríos - Palos Blancos, Palos Blancos - Carapari; Rio Isiri - Villamontes; Canaletas - Entre Rios, Carapari - Campo Pajoso, Palos Blancos - Rio Isiri, Villamontes - Palo Marcado Slope, by the Prefecture of Tarija. Section: Palo Marcado – "Hito/Bulón" BR94, awarded and under performance with local funding and funding from the CAF.

Toledo-Pisiga Road



Integration Hub

Central Interoceanic

Group 5

Connections of the Hub to the Pacific: Ilo/Matarani - Desaguadero - La Paz + Arica - La Paz + Iquique - Oruro - Cochabamba - Santa Cruz

Country

Bolivia (Chile)

Type of project

Transport/Road

Estimated investment

US\$ 93 millions

Financing sources

Public Treasury

Italian Government

CAF

Modality

Public

Expected completion

2nd half of 2010

Executing entity

Administradora Boliviana de Carreteras (Bolivian Road Bureau or ABC, in Spanish)

National Coordinator

José Kinn Franco Tel: (5912) 211-4994 jkinn@oopp.gov.bo Project Manager

Manager to be appointed

CCT Responsible (CAF)

Juan Carlos Saavedra Tel: (571) 313-2311 juan.saavedra@caf.com

Toledo-Pisiga Road

Objective

To supplement the linkage of Bolivia and the Interoceanic Hub countries with Iquique port, in a quest for reactivating the economy and social development of a very important mining and trade area in Bolivia, connecting with the Atlantic through Oruro – Cochabamba - Santa Cruz -Puerto Suárez - Santos.

Proposed solution

Rigid paving of the road Oruro - Toledo (connection: Toledo-Pisiga, 201 km) is promoted due to the high potential flow of heavy load.

Current status – 06/06/08

The project includes 4 sections:

Section 1: Oruro – Toledo: 39 km, investment: 15 million American dollars, financed by the CAF (completed)

Section 2: Toledo – Ancaravi: 52 km, it will be started during 2008, investment: 25 million American dollars, the government of Italy committed its funding. (The works are planned to start in August 2008 and completed by the end of 2010.)

Section 3: Ancaravi – Huachacalla: 70 km, investment: 28 million American dollars, funding from the CAF (completed)

Section 4: Huachacalla – Pisiga: 72 km, investment: 25,000,000 American dollars, funding form the CAF (under execution); the works should be started in July 2007 and completed by late 2009.

Rehabilitation of the Iquique-Colchane Road



Integration Hub

Central Interoceanic

Group 5

Connections of the Hub to the Pacific: Ilo/Matarani - Desaguadero - La Paz + Arica - La Paz + Iquique - Oruro - Cochabamba - Santa Cruz

Country

Chile (Bolivia)

Type of project

Transport/Road

Estimated investment

US\$ 42 millions

Financing sources

Public Treasury

Regional and sectoral investment

Modality

Public

Expected completion

December of 2010

Executing entity

Ministry of Public Works of Chile

National Coordinator

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Project Manager

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CCT Responsible (IDB)

Hilda María Gómez Tel: (1202) 623-1495 hildag@iadb.org

Rehabilitation of the Iquique-Colchane Road

Objective

Extension of the capacity and improvement of the design of the International Road 15-CH. This project makes it possible to connect the Iquique port with south and central zones in Bolivia, such as Oruro and Cochabamba, as well as to allow connectivity (through these zones) with eastern zones in Santa Cruz and Puerto Suárez. This connection would make the development in the south of Bolivia easier, facilitating its access to the demands of assets in the city of Iquique, and allowing a direct way out to third countries through the port of Iquique.

Proposed solution

Reopening of the section of the road 15-CH between Huara and Colchane by stages (total length: 163 km. Long).

The project is included in the Programa de Obras Bicentenario and Convenio de Programación Regional (Bicentennial Work Program and Regional Scheduling Agreement). The project has been carried out by stages; currently, the works are being performed in the following sections: km 50 to km 67.5; km 84 to km 87.5; km 102 to km 113 and km 144 to km 163. With the improvement of these sections, the corridor will be completely paved during the year 2010. The investment for all these sections amounts to US\$ 42 millions.

Current status – 05/28/08

In the project, the following stages of the sections are under performance: km 50 to km 67.5; km 102 to km 113 and km 144 to km 163. The paving of these sections will be made with asphalt. The section that corresponds to km 84 to km 87.5 is regionally and sectorally financed and its construction will be started during the year 2008. The construction of the sections will be finished during the year 2010.

Rehabilitation of the El Sillar leg



Integration Hub

Central Interoceanic

Group 5

Connections of the Hub to the Pacific: Ilo/Matarani - Desaguadero - La Paz + Arica - La Paz + Iquique - Oruro -Cochabamba - Santa Cruz

Country

Bolivia (Brazil - Chile - Peru)

Type of project

Transport/Road

Estimated investment

US\$ 2.5 millions

Financing sources

Public source through Public and Multilateral Organizations

IDB

Prefecture of Cochabamba

Modality

Public

Expected completion

2nd semester of 2008

Executing entity

National Road Service of **Bolivia**

National Coordinator

José Kinn Franco Tel: (5912) 211-4994 jkinn@oopp.gov.bo

Project Manager

Manager to be appointed

CCT Responsible (FONPLATA)

Sebastián Abbatemarco Tel: (5913) 336-6611 sabbatemarco@fonplata.org

Rehabilitation of the El Sillar leg

Objective

To solve the critical sector of the new road Santa Cruz - Cochabamba (4,000 vehicles per day), where there are different failures related to geology, drainages, topography, etc., which worsen during rainy seasons due to nearby high waters (Espíritu Santo) and which make the interconnection difficult at the national as well as at the international level. Strategic project for the union of western altitudes of Bolivia with the plains that belong to the eastern region and their connection with Puerto Suárez- Corumbá.

Proposed Solution

Refitting of a section of the new road Santa Cruz – Cochabamba -30 km long- (between Paracti and Villa Tunari), which is located in an unstable zone during rainy seasons. The project envisages the study for the improvement of the current section as well as the setting up of an alternative for a new section or a section that uses the existing road, partially.

Current status – 05/20/08

Currently, a consulting firm is hired (APIA XXI). This firm is carrying out the studies to present technical alternatives in order to solve the problem in El Sillar. As regards the current design, the change of courses or detours is taken into consideration. The studies are expected to be completed by June 2008. Once the studies are approved, the Executing Entity will manage the resources for their financing and will immediately carry out the call for tender in relation to the works.

Desaguadero Binational Center for Border Service



Integration Hub

Andean

Group 8

Connection: Peru - Bolivia

Countries

Bolivia - Peru



Type of Project

Transport/Border Crossing

Estimated investment
 US\$ 7.5 millions

Financing sources

Public source through Public and Multilateral Organizations

Peruvian Module: IDB and counterpart local resources (5% Treasury). Estimated investment: US\$ 4.1 millions.

Bolivian Module: To be defined (IDB or CAF) and counterpart local resources (20% Treasury).

Modality

Public

Expected completion

2nd semester of 2009

Executing entity

Ministry of Foreign Affairs and Commerce of Bolivia

Ministry of Foreign Affairs of Peru

Ministry of Transport and Communications of Peru

Ministry of Public Works, Services and Housing of Bolivia

National Coordinator

José Kinn Franco (Bolivia) Tel: (5912) 211-4994 jkinn@oopp.gov.bo

Jorge Porfirio Bayona (Peru) Tel: (511) 623-2459 jbayona@rree.gob.pe

Project Manager

Manager to be appointed (Bolivia)

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CCT Responsible (CAF)

Juan Carlos Saavedra Tel: (571) 313-2311 juan.saavedra@caf.com

Desaguadero Binational Center for Border Service

Objective

To set up a binational integrated control center in the border crossing of Desaguadero to facilitate the flow of people, goods and vehicles between Peru and Bolivia. This border crossing is the most important between both countries, so the implementation of the CEBAF-Desaguadero, will have, among others, a significant effect to make the economic and commercial relationships more dynamic at a bilateral and regional level.

Proposed Solution

To build and operate integrated control modules in each country, with the double-head juxtaposed modality. This modules, within the framework of the Rule 502 of the C.A.N., will form the Integrated Binational Center for Border Service (CEBAF, in Spanish) in the new international bridge: Desaguadero.

Also, the aim is to regulate, standardize and harmonize administrative processes and procedures as well as the ones aimed at recording information among the institutions of both countries so that they can operate jointly in the Desaguadero border crossing, executing the integrated control of the flow of people, goods and vehicles.

The solution includes the proper equipment for the start-up of the correct integrated control model, supporting the reengineering and development of integrated control processes and procedures and the start-up of the supportive systems.

Also, the aim is to train the officials responsible for the controls under the new scheme, as well as the users and operators of the border crossing. The participation of the private sector and relevant social actors of this area will be promoted in order to contribute to the proper integration of the center and the complementary services generated with the local economic activities and settlers.

Finally, the proposal is to identify the opportunities for logistics development in Desaguadero, in relation to the border crossing (CEBAF type) as well as to deploy concrete actions that allow to promote the development of the local offer regarding support services for transport workers.

Desaguadero Binational Center for Border Service

Current status – 05/27/08

The Desaguadero border crossing includes the new Desaguadero International Bridge, over the river of the same name, between the towns of the same name in Bolivia and Peru. It is the most important border crossing between Bolivia and Peru. Through Desaguadero, 90% of the trade passes between the two countries. Within the IIRSA context, the Desaguadero border crossing has been selected as one of the five pilot experiences of modernization of the International Customs Traffic, which will be replicated in other countries in the region. Also, in the project grouping process, the CEBAF-Desaguadero has been considered as an Anchor Project.

On the Peruvian side, the loan of 4.0 million American dollars was transacted through the IDB and approved by D.S. 181-2007-EF, a fact that has led to the signing of the respective contract between the government of Peru and the mentioned entity. Therefore, the project has funding for the construction of modern facilities for border control, procurement of equipment and machinery, as well as for the training of officials. To date, the Ministry of Foreign Affairs of Peru, through the National Directorate of Border Development, is the executing agency and is currently taking action in the preparatory phase of investment. There is a need for internal efforts related to the budgetary process and, in the absence of any serious drawback, the implementation of this project could be given in the second half of 2008. Likewise, under the specific agreement signed between Peru and Bolivia, and with temporary modules of the Binational Border Service Centers (Centros Binacionales de Atención en Frontera or CEBAF, in Spanish), the third exercise of Integrated Control in Desaguadero has been organized so as of June 16th, and the integrated control of cargo will be launched on July 1st, on a permanent basis.

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Cúcuta-San Antonio del Táchira Border Crossing



Integration Hub

Andean

Group 2

Venezuela - Colombia - Ecuador Connection (current road)

Countries

Colombia - Venezuela

Type of project

Transport/Border Crossing

Estimated investment

US\$ 2 millions

Financing sources

Public source through Public and Multilateral Organizations

IDB

CAF

The amount of investment will be subject to the results of the designs. Modality

Public

Expected completion

To be defined

Executing entity

Ministry of Transport of Colombia

Ministry of Infrastructure of Venezuela

Binational Venezuela -**Colombia Transport Table**

National Coordinator

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CCT Responsible (CAF)

Juan Carlos Saavedra Tel: (571) 313-2311 juan.saavedra@caf.com

Cúcuta-San Antonio del Táchira Border Crossing

Objective

To facilitate the passage of vehicles, goods and people across the Cúcuta-San Antonio/Ureña border crossing.

Proposed solution

The implementation of an Integrated Border Control System, according to Resolution 502 of the Andean Community of Nations (CAN). In principle, the purpose is to work using the existing infrastructure, but establishing an Integrated Control System to allow the data on crossing flows be automatically shared by the authorities of both countries. Taking into consideration the results from the studies carried out, the possibility of building additional complementary infrastructure would be evaluated.

Current status – 05/20/08

Colombia proposed a methodology for harmonization of control procedures, which is to be discussed with Venezuela and also to be approved jointly.

Restrictions

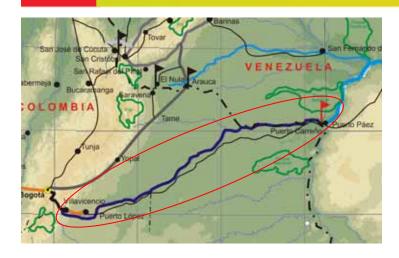
The withdrawal of Venezuela from the CAN generates the need of signing a binational Transport agreement, where conditions for the integrated control border centers must be established. (June 4th, 2007)

Deadline: 12/31/2007 Status: **PENDING**

Venezuela is considering the revision of the objective, proposed solution, critical stages and focus, depending on the Presidential Declarations and the creation of the Border Integration Zone between North Department of Santander and the State of Táchira.

Deadline: 01/10/06 Status: **PENDING**

Recovering of Meta River Navigability*



Integration Hub

Andean

Group 4

Pacific - Bogotá - Meta - Orinoco - Atlantic Connection

Countries

Colombia - Venezuela

Type of project

Transport/River

Estimated investment
 US\$ 108 millions

Financing sources

Public source through Public and Multilateral Organizations

IDB

CAF

Government of Brazil

National contributions

Modality

Public

Expected completion

November of 2009

Executing entity

Ministry of Transport of Colombia

Ministry of Infrastructure of Venezuela

Ministry of Environment of Colombia

Ministry of Environment of Venezuela

National Coordinator

René Alejandro Cortés (Colombia) Tel: (571) 596-0300 rcortes@dnp.gov.co

Raúl Pacheco Salazar (Venezuela) Tel: (58212) 507-0765 rpacheco@mpd.gob.ve

Project Manager

Fidel Bohorquez (Colombia) Tel: (571) 324-0800 ext. 1436 fbohorquez@mintransporte.gov.co

Manager to be appointed (Venezuela)

CCT Responsible (IDB)

Carlos Tamayo Tel: (1202) 623-3811 carlost@iadb.org

^{*} The progress of the project corresponds to the Colombian sector.

Recovering of Meta River Navigability

Objective

To develop an international transport corridor, recovering navigability of Meta River in a sustainable manner, to foster trade between Colombian and Venezuelan regions and integrate remote regions to distribution and consumption centers so as to improve the living standards of their inhabitants.

Proposed solution

The project includes:

Issues related to the environment:

Formalities carried out in relation to the environmental authorities in order to adopt Environmental Management Programs and Plans for the Meta River Basin, as well as for its tributaries, taking as a base an Environmental Diagnosis of the Basin.

Execution of the identified actions in the Environmental Management Plans and in the Environmental Impact Studies for the project regarding the refitting of the waterway.

Issues related to the waterway:

Execution of channeling works to guarantee craft navigability during most of the year. Later, maintenance works related to: signaling, clearing, maintenance cleaning and dredging, as well as activities regarding monitoring of the channel and the works built.

Issues related to ports:

Construction of Transfer Ports and Regional Docks.

Issues related to transport:

To give an incentive to the creation of efficient transport companies, according to demand.

Recovering of Meta River Navigability

Current status – 05/06/08

In Colombia, the study, design and construction of the following works that are a part of the project are being implemented: the La Banqueta wharf, the Cabuyaro wharf, the Puerto Carreño wharf, the access roads to La Banqueta and the construction of the adaptation works of the navigable channel in the Cabuyaro - Texas port section, in Colombia, for a sum of 45 billion pesos.

Restrictions

Both parties need to reach a consensus as regards the

proposed solution for the project .

Deadline: 02/01/2007 Status: **PENDING**

Achievement of resources for the construction of the works

Deadline: 12/01/2006 Status: **OVERCOME**

Pasto-Mocoa Road



Integration Hub

Amazon

Group 1

Access to Putumayo Waterway

Country

Colombia



Type of project

Transport/Road

Estimated investment

US\$ 183 millions

Financing sources

To be defined: international resources with national counterpart from de Colombian treasury.

Modality

Public/Private

Expected completion

December of 2012

Executing entity

Ministry of Transport of Colombia

National Road Institute of Colombia

National Coordinator

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Pasto-Mocoa Road

Objective

To promote greater integration of the Colombian transport infrastructure network with Ecuador, Peru and Brazil, by upgrading communication by land among the countries to allow the consolidation of the Tumaco - Puerto Asís - Belem do Pará inter-modal transport corridor as an efficient mechanism in the promotion of development in the South of Colombia and North of Ecuador, Peru and Brazil, reinforcing trade among the Amazon Hub countries.

Proposed solution

The Pasto – Mocoa road, called Anchor Project, makes up part of the intermodal corridor: Tumaco – Pasto – Mocoa - Puerto Asís - Belem do Pará (Brazil). Once the works related to Construction and Improvement of the road are completed, it will allow the configuration of the transport corridor that passes through South America, from the West to the East, and will foster the development of the transport, energy and telecommunication infrastructure under a regional point of view, seeking the physical integration of the 12 South American countries and the achievement of an equitable and sustainable pattern for territorial development.

The project will be implemented through the execution of Construction, Improvement and Paving works of the Pasto – Mocoa road, in two stages:

The first stage corresponds to the Improvement, Refitting, Paving and Maintenance of the current road between Pasto – Mocoa, which nowadays is 143 km long. The work is being executed by the National Road Institute (Instituto Nacional de Vías – INVIAS).

The second stage is related to the building of the detour between San Francisco and Mocoa (a sector that nowadays is 78 km long, and whose surface and alignment are in very bad conditions). This detour will be 47 km approximately. The estimated cost of the detour is US\$ 150 millions.

Pasto-Mocoa Road

Current status – 04/25/08

Phase I - In January, 2007, work and auditing contracts began for the improvement, modification and maintenance of the Pasto- Mocoa road in the present route. Contracts were signed for a sum of 41,806 million pesos (about \$21 million American dollars) with resources from the Colombian government (GC); said works were completed in December, 2007. In 2008, the National Road Institute (Instituto Nacional de Vías or INVIAS, in Spanish) has \$47,000 million to continue the operation, modification and maintenance of the current road.

Phase II- On 12/13/06, a contract was signed to update engineering studies including Environmental Impact Studies for the construction of the San Francisco Mocoa detour, for a sum of 4,163 million pesos with resources from the Colombian government; the study was added in 2008 for a sum of \$1,289 million and was extended until May 31st, 2008.

An ATN/10079-CO grant agreement was signed with the Inter-American Development Bank (IDB), for a sum of 1.3 million American dollars to develop four environmental and socio-cultural studies as complements to the studies required in order to enable the construction of the San Francisco detour. The National Road Institute (INVIAS) initiated contractual processes in January and on May 15th a contract was signed to develop the Environmental Management Plan (Plan de Manejo Ambiental or PBMAS, in Spanish) of the Department of Putumayo Forest Reserve where the detour will be built.

On 06/07/2007, under the Regional Environmental Study, CORPOAMAZONIA was hired to oversee the PBMAS and the IDB hired three consulting firms to support the development of the contracts. In 2008, the IDB will contract, to start in May, the Complementary Study of Economic Evaluation and INVIAS will contract International Conservation (Conservación Internacional) in accordance with the objectives of the grant.

Once these studies are completed in 2008, the plan is to obtain credit operation with the IDB, a Project Environmental License and to open a tender for the construction of the San Francisco-Mocoa detour in the period 2008-2012.

Restrictions

Socialization of the project Phase I

Deadline: 12/01/2007 Status: **OVERCOME**

Environmental License Deadline: 10/31/2008 Status: **PENDING**

Actions performed: The engineering phase III studies will be completed on May 30th, 2008. Until its approval, in June 2008, the final version of the environmental impact study will be evaluated by the Ministry of the Environment, in July/October 2008; the procurement of the environmental license by the end of the second semester of 2008 would allow the opening of bids in 2008.

Paita-Tarapoto-Yurimaguas Road, Ports and Logistics Centers



Integration Hub

Amazon

Group 3

Access to Huallaga - Marañón Waterway

Country

Peru (Brazil)



Type of project

Transport/Road

Estimated investment

US\$ 338 millions

Financing sources

Public source through Concessionaires, Public and Multilateral Organizations

Paita – Yurimaguas road- financing-Dealer: IIRSA Norte, it will be re-paid by the Peruvian state during a period of 25 years. Puerto de Paita financingprivate sector. The studies for the logistics and river projects are managed through public funds. Modality

Public/Private

Expected completion

December of 2012

Executing entity

Ministry of Transport and Communications of Peru

National Port Authority of Peru (APN)

Private Investment Promotion Agency (PROINVERSION) - Peru

Concessionaires of highways of Peru

National Coordinator

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Paita-Tarapoto-Yurimaguas Road, Ports and Logistics Centers

Objective

To improve infrastructure and operation of the intermodal hub, promoting the streamlining of logistics services and ports, which operate throughout the hub, to consolidate the coast-mountain-jungle corridor of the northern region of Peru and its regional complementariness with the Amazon State of Brazil, to thus promote international trade.

Proposed solution

To rehabilitate and improve the existing road infrastructure in the Paita – Tarapoto – Yurimaguas Hub providing, as a complement, the necessary services for an efficient flow of cargo and people.

To modernize the ports of: Paita, Iquitos and Yurimaguas, promoting private investment and management in order to increase productivity.

To establish the Logistics Centers of: Paita, Iquitos and Yurimaguas, promoting private investment and management in order to organize and optimize the activities and processes of the logistics chains involved.

To evaluate and implement the North Waterway Project.

Current status – 05/05/08

The refitting works of the Paita – Piura (54 km) and Piura – Olmos (168 km) sections have been completed by the concession holder. Paving of the Tarapoto - Yurimaguas (114 km) section is under execution. As of March 2008, the 97.8% of the section had been completed, which included 105.8 km. of paving. This section is scheduled for completion in October, 2008 due to unstable soil conditions and landslides in the remaining stretch caused by recent rain.

Total investment: 220 million American dollars.

PROINVERSION and the National Ports Authority signed an agreement to promote private investment in ports, so a call for tenders for the concession of the Paita port was planned for the second quarter of 2008 and the award of the concession was planned for the third quarter of 2008.

The navigability studies of the Huallaga waterway and Marañon and Amazon rivers have been completed.

Lima-Tingo María-Pucallpa Road, Ports and Logistics Centers



Integration Hub

Amazon

Group 4

Access to Ucayali Waterway

Country

Peru (Brazil)



Type of project

Transport/Road

Estimated investment

US\$ 589 millions

Financing sources

Public source through Concessionaires, Public and Multilateral Organizations

The investment required in the Lima-Pucallpa road and the South Dock of the Puerto del Callao will be done through the private sector (concessions). The studies and the access to the waterway will be done using public funds as well as the Logistics Centers, if necessary.

Modality

Public/Private

Expected completion

December of 2010

Executing entity

Ministry of Transport and Communications of Peru

National Port Authority of Peru (APN)

Concessionaires of highways

National Coordinator

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Lima-Tingo María-Pucallpa Road, Ports and Logistics Centers

Objective

To increase competitiveness of the coast-mountain-jungle central corridor in Peru, interconnecting the country's main urban and industrial center, the central area and the States of Amazon and Acre in Brazil; and furthermore promote the interconnection of the inner part of the continent with the Pacific Basin

Proposed solution

To provide the Lima-Tingo María-Pucallpa Hub with a proper road infrastructure and the necessary services for an efficient vehicular flow.

To modernize the ports of El Callao and Pucallpa, mainly through private investment, in order to increase competitiveness.

To establish an Intermodal Logistics Center in Pucallpa in order to facilitate cargo flows and storing as well as to reduce costs and share information, etc.

Current status – 04/18/08

The granting of the Buena Pro of the concession of the Central Amazon Hub of the IIRSA, scheduled for July 26th, 2007, was declared void due to lack of bids.

The scope and amount of investment of the concession are being restructured. PROINVERSION will conduct a second call for tender in the second quarter of 2008.

The Pumahuasi bridge – Chino bridge section is being implemented with public resources (to be completed in March, 2009) and the sections Aguaytia- San Alejandro and Neshuya - Pucallpa have been completed (March 2008 and March 2007, respectively).

The San Alejandro - Neshuya section (50 km.), which had to be executed by the concession holder, was tendered and awarded. The works should begin in May, 2008.

The Chino bridge - Aguaytia section was seriously affected by natural disasters in February and March, 2008, which destroyed the platform at various points. There will be a comprehensive refitting of the entire route, for which the respective technical file will be prepared in the current year.

With regard to the Callao port, the southern container wharf was awarded under concession on June 19th, 2006, work that includes the extension of the southern area of the port and the construction of the wharf to accommodate containers. The National Ports Authority (Autoridad Portuaria Nacional or APN, in Spanish) has approved the definitive study prepared by the concession holder and the environmental impact study is under approval process in the Ministry of Transport and Communications. The works have been started in April, this year.

Francisco de Orellana Port



Integration Hub

Amazon

Group 2

Access to Napo Waterway

Country

Ecuador



Type of project

Transport/Port

Estimated investment

US\$ 105.3 millions

Financing sources

Public source through Concessionaires, Public and Multilateral Organizations

Resources: Public and International Financing Institutions (CAF / IDB). There is a possibility of obtaining resources from the private sector if the studies indicate a possible port concession.

Modality

Public/Private

Expected completion

December of 2012

Executing entity

Government of Ecuador

Ministry of Transport and Public Works of Ecuador

National Coordinator

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Francisco de Orellana Port

Objective

To facilitate trade among the countries of the Pacific Basins and the Amazon Basin, fostering sustainable development in the Ecuadorian provinces of: Esmeraldas, Manabí, Guayas, El Oro, Carchi, Imbabura, Pichincha, Cotopaxi, Tungurahua, Chimborazo, Sucumbíos, Orellana, Napo; in Peru: Department of Loreto; in Colombia: Departments of Nariño and Putumayo and in Brazil: the state of Amazonas.

Proposed solution

Building of the River Port for high-efficiency and performance cargo transfer on left side of the Napo River, sector: El Belén, in the Ecuadorian provinces of Orellana/Sucumbios. For this purpose, complementary works are necessary, such as the improvement of the Shushufindi-El Triunfo-Belén road, which will connect the state road network with the mentioned place in the port. Also, it will be necessary to provide electrical energy and telecommunication services for the operation of the port.

The port facilities will be built in El Belén, in 160,000 square meter area, which will have: docks, an all-purpose terminal, solid bulk cargo terminal, dangerous cargo terminal, consolidation and deconsolidation area for containers, administrative area, port equipment, customs area, port authority offices, migration, security, phytosanitary controls and a logistics center that will make trade flow more dynamic.

Current status – 03/10/08

The Multimodal Manta-Manaos Hub has been defined as a priority project, where the Francisco de Orellana port is identified. Consequently, the priorities and objectives of the project will be re-defined.

The importance of this project is consolidated in the physical integration between the Manta port, in Ecuador, and the city of Manaos, in Brazil, which will enable the integration of the Amazon and Andean regions, as well as facilitate the bioceanic interconnection.

The Multimodal Manta-Manaos Hub involves the implantation of a trade and sustainable development corridor; which is based on a multimodal transportation system (road, river and air transportation).

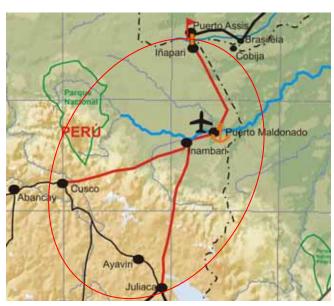
The IDB was informed that it was authorized to proceed with the contractual documents and contractual processes for the navigability studies of the Napo river.

On October 31st, the Minister of Transport and Public Works sent to the IDB the communication of NO OBJECTION, which will allow said organization to convene consulting firms from the member countries of the Bank in order to participate in navigability studies, thus starting with the Francisco de Orellana project and allowing us to project onto the studies of the project.

The IDB has not reported on the bona fide list of the companies that participated in the bidding and which, at the end of March, will be awarded, thereby initiating the studies.



Paving of the Iñapari-Puerto Maldonado-Inambari, Inambari-Juliaca/Inambari-Cusco Leg



Integration Hub

Peru-Brazil-Bolivia

Group 1

Porto Velho - Rio Branco -Puerto Assis - Puerto Maldonado - Cusco/Juliaca-Ports of the Pacific Corridor

Country

Peru (Brazil)

Type of project

Transport/Road

Estimated investment

US\$ 1,055 millions

Financing sources

Public source through Concessionaires, Public and Multilateral Organizations

The projects would be financed by the private sector through separate concessions for each stretch, which will be re-paid by the State over a period of 25 years.

Modality

Public/Private

Expected completion

July of 2010

Executing entity

Government of Peru

Ministry of Transport and Communications of Peru

Private Investment Promotion Agency (PROINVERSION)

Oversight Agency for Investment in Public Transport Infrastructure (OSITRAN)

Highway concessionaires of Peru

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Paving of the Iñapari-Puerto Maldonado-Inambari, Inambari-Juliaca/Inambari-Cusco Leg

Objective

To improve and rehabilitate road infrastructure in the macro southern region of Peru, which connects to the States of Acre and Rondonia in Brazil; and facilitate the flow of passengers and cargo between such regions and the international markets accessed through the Pacific Basin, thus promoting the regional integration process.

Proposed solution

To perform the paving works in the sections: Urcos - President Inambari, President Inambari - Iñapari and President Inambari - Azangaro.

To refit the paved parts in the road sections: San Juan de Marcona - Urcos and Matarani - Juliaca - Azángaro/IIo - Puno - Juliaca.

To provide the necessary infrastructure in order to render services efficiently and allow a quality service for users.

Current status – 05/05/08

This project is part of the development of the Interoceanic Hub of Southern Peru, which envisages the improvement, refitting and maintenance of the road sections that form a corridor with a length of 2,586 km, linking the Peru-Brazil border (states of Acre and Rondonia) to the Pacific ports (IIo, Matarani and San Juan de Marcona).

On August 4th, 2005 concession contracts were signed for sections 2, 3 and 4. On October 24th, 2007 contracts were signed for sections 1 and 5.

In sections 2, 3 and 4, paving works are under execution (since July 2006), works of the second stage.

The works of the first stage are completed.

The progress made as of March 31st, 2008, is as follows:

Section 2 Urcos - Inambari: 125 km - paved

Section 3 Inambari - Iñapari: 154 km - paved

Section 4 Azángaro - Inambari: 116 km. - paved

Total Km. paved: 395 km. (from a total of 1,009 km.)

Assembly works corresponding to the Billinghurst bridge (723 meters long) are under bidding process. All works must be completed by November 2009.



Integration Hub

Peru-Brazil-Bolivia

Group 1

Porto Velho-Rio Branco - Puerto Assis - Puerto Maldonado -Cusco/Juliaca - Pacific Ports Corridor

Countries

Brazil - Peru



Type of project

Transport/Bridge

Estimated investment

US\$ 12 millions

Financing sources

Public source through Public Organizations

Resources from the Brazilian Government (Ministry of Transport/National Department of Transport Infrastructure) and counterpart from the Government of the State of Acre. Modality

Public

Expected completion

Bridge: Completed - January of 2006

Executing entity

Acre Road Department of Brazil (DERACRE)

National Coordinator

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Bridge over Acre River

Objective

To promote the development of physical infrastructure and cross-border integration in South America and, furthermore, to provide Brazil and the macro region in southern Peru access to the Peruvian maritime ports of Ilo, Matarani and San Juan on the Pacific, and vice versa.

Proposed solution

Building of an International Bridge over Acre River, on road BR-317, between the cities of Asís (Brazil, Acre) and Iñapari (Peru, Madre de Dios), including their accesses and complementary works in Brazilian territory.

Additionally, it is necessary to establish the operation of the integrated border service center in Iñapari (Peruvian territory).

Current status – 05/29/08

The bridge was completed and inaugurated on January 21st, 2006.

On the same date, the access (2 km long) and complementary works on the Brazilian side were completed.

As regards the accesses and the Border Center on the Peruvian side, the MRE (Ministry of Foreign Affairs) of Peru, through the National Bureau of Border Development, is the executing entity and is taking actions related to the preparatory stage for investment.



Boa Vista-Bonfim-Lethem-Georgetown Highway (First Stage: Studies)



Integration Hub

Guianese Shield

Group 2

Brazil - Guyana Interconnection

Countries

Brazil - Guyana

Type of project

Transport/Road

Estimated investment

US\$ 3.3 millions

Financing sources

Public source through Public and Multilateral Organizations

Modality

Public

Expected completion

2nd half of 2008

Executing entity

Ministry of Public Works and Communications of Guyana

National Coordinator

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Boa Vista-Bonfim-Lethem-Georgetown Highway (First Stage: Studies)

Objective

To provide a transportation connection between Brazil and Guyana to facilitate trade and cultural exchange between both countries. The improvement of this highway will interconnect and facilitate trade with the State of Roraima in Brazil and will also provide full integration to the countries of the Guianese Shield Hub since it crosses the proposed East-West transport network connecting Venezuela with Guyana, Suriname and French Guyana.

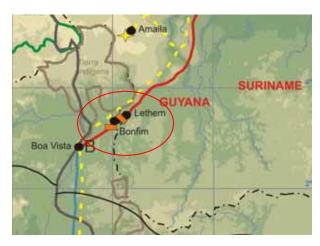
Proposed solution

To pave the existing road between Lethem (Guyana), located at the border of the Brazilian state of Roraima, to Linden. The Implementation Agenda considers only the first phase of this important project, which is limited to updating the feasibility and environmental studies, and preparing engineering designs of the Lethem-Georgetown leg.

Current status – 05/09/08

The Government of Guyana considers it important to complete the first stage which consists of updating the feasibility and environmental studies and completing engineering studies. Contract for Pre Feasibility Study (Phase 1) in progress by Mott MacDonald in association with CEMCO Inc. Expected Outputs: Technical options and costs, feasible alternatives, environmental and social factors, financing mechanisms and Terms of Reference for Feasibility Studies. Feasibility Study is expected to start November 5th, 2008.

Bridge over Takutu River



Integration Hub

Guianese Shield

Group 2

Brazil - Guyana Interconnection

Countries

Brazil - Guyana

Type of project

Transport/Bridge

Estimated investment

US\$ 10 millions

Financing sources

Public source through Public Organizations

Ministry of Transport of Brazil

Modality

Public

Expected completion

The services of construction of the bridge, embankment and paving are completed.

Executing entity

Brazilian Army Engineers

National Coordinator

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Bridge over Takutu River

Objective

The building of the international bridge over Takutu River is aimed at allowing road interconnection between Brazil and Guyana with the purpose of responding to the needs of the traffic and trade exchange between both countries, with direct benefits for the neighboring towns, such as the outflow of the regional production to other markets.

Proposed solution

Building of an international road bridge over Takutu River, that links Bonfim, in Brazil to Lethem, in Guyana (230 kilometers and 14 m long, including the left-hand lane in the respective accesses. That work is included in the layout of the BR-401 (Boa Vista/Bonfim/Normandia), a Brazilian federal road in the State of Roraima.

Current status – 05/12/08

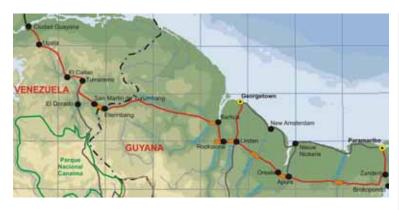
In order to support the works, the Technical Commission has met frequently.

The bridge must be inaugurated between June and July of 2008.

Access roads are being built and they are expected to be completed by December of 2008. Nevertheless, the basic path of the road is planned to be finished by the time the bridge is inaugurated.

According to the Customs Regulations, by Resolution N° 1,923, dated March 28th, 2007, published in the DOU on April 2nd, 2007, the ANTT opened the border site located in the municipality of Bonfim to international traffic.

Venezuela (Ciudad Guayana)-Guyana (Georgetown)-Suriname (Paramaribo) Road (First Stage)



Integration Hub

Guianese Shield

Group 3

Venezuela (Ciudad Guayana) -Guyana (Georgetown) -Suriname (Paramaribo) Interconnection

Countries

Guyana - Suriname - Venezuela

National Coordinator

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Transport/Road

Total estimated investment

US\$ 0.8 millions

Financing sources

Public source through Public and Multilateral Organizations

Only section 2 (San Martín de Turumbamg – Linden) has been granted financing for the prefeasibility and environmental impact study by the CAF, within the framework of a Loan Agreement. Modality

Public

Expected completion

Pending

Executing entity

CAF

Ministry of Infrastructure of Venezuela

Ministry of Transport of Guyana

Binational Technical Committee Venezuela -Guyana

Project Manager

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Venezuela (Ciudad Guayana)-Guyana (Georgetown)-Suriname (Paramaribo) Road (First Stage)

Objective

To create an Integration Road Corridor: Venezuela Interconnection (Ciudad Guayana) - Guyana (Georgetown) - Suriname (Paramaribo) to enhance trade exchange through roads between these countries, allowing the consolidation of an integral system of transport to deal with the needs of the region. Venezuela's proposal: Extend the objective beyond trade exchange "to promote integration, human development and trade exchange".

Proposed solution

The project consists of the construction, rehabilitation and/or improvement of several stretches and its respective works of art. In the Implementation Agenda based on Consensus it is contemplated as a first stage the elaboration of feasibility and environmental impact studies according to the specific requirements of each country.

The project is integrated by the following stretches:

- Guyana City Tumeremo San Martín Turumbamg: Improvement in the existing road.
- San Martín de Turumbamg-Bártica (293 km): Road construction. It is foreseen to begin as a first stage a prefeasibility study and environmental impact on San Martín de Turumbamg-Bártica stretch based on the existing preliminary layout, this stretch involves Venezuela and Guyana in which the definitive layout will be developed, presenting alternative roads (at least 2). Their comparative technical-economical and environmental evaluation will be performed at the end of the preliminary stage of the study.
- Bártica-Linden: Improvement in the existing road and building of two new bridges over the Mazaruni and Esequibo rivers and improvement of the existing bridge over the Demerara River.
- Linden-Orealla: Building of a new trail and bridge over the Berbice River.
- Orealla-Apura: Building of a new bridge over the Corentyne River.
- Apura-Paramaribo: Reopening and improvement of roads (375 km).

Venezuela (Ciudad Guayana)-Guyana (Georgetown)-Suriname (Paramaribo) Road (First Stage)

Proposed solution (cont.)

The Guianese Shield Hub was restructured in the Round Table of GTE (IIRSA) integrated by the Andean, Amazon and Guianese Shield Hubs, held from June 1st to June 4th, 2004 in Bogotá, Colombia and 8 countries and representatives from the Technical Coordination Committee (CCT) attended. In this meeting, the incorporation of the Linden-Orealla-Apura-Paramaribo stretch to Group 3 was approved thus integrating Suriname to the Guianese Shield Hub.

Furthermore, the integration with Brazil extends by means of the incorporation of Roraima and Amazonas to the regions by interconnecting them with the existing corridor: Manaos-Boa Vista-Santa Elena de Uairen — Ciudad Guayana and also interconnecting them with the international markets due to their link to the complete transport system it has. Also, it is foreseen to develop the Republic of Venezuela by the execution of the deep-waters port project, in Sucre State, and the railway system stretch: Puerto Ordaz-Maturin- North of the Sucre State. The project is important because it promotes the physical integration of four countries: Venezuela, Guyana, Suriname and Brazil.

The road inside the territory of Venezuela, which extends specifically in the Forest Reserve Zone of the Imataca, according to studies carried out in this area by the Corporación Venezolana de Guayana (CVG), does not present major problems regarding the environmental impact, tentatively; however, the Pre-feasibility Study will determine the impact on the region that the execution of the road would generate.

Venezuela's observation: The section under study must be updated: San Martín de Turumbang-Eterinbang-Bártica-Rockstone-Linden, based on what was agreed between Venezuela and Guyana in the Venezuela-Guyana Technical Committee meeting that took place in Georgetown, Guyana, from June 15th to June 16th, 2004.

Guyanas' observation: We agree with the note "Observación 16 junio de 2004". We advise however that the Terms of Reference submitted by Guyana in February 2006 include considerations of alternative route alignments

Venezuela (Ciudad Guayana)-Guyana (Georgetown)-Suriname (Paramaribo) Road (First Stage)

Current status – 04/30/08

It awaits the definition related to the "form of selection" of contractors or consultants to further advance in the hiring of the studies, requiring for this purpose, a meeting between the two parties (Guyana-Venezuela section).



Improvement in Nieuw Nickerie-Paramaribo-Albina Leg and International Bridge over Marowijne River



Integration Hub

Guianese Shield

Group 4

Guyana - Suriname - French Guyana - Brazil Interconnection

Countries

Guyana - Suriname

Type of project

Transport/Road

Estimated investment

US\$ 105 millions

Financing sources

Public and Private source through Concessionaires, Public and Multilateral Organizations

IDB

EU

Private

Modality

Public/Private

• Expected completion

January of 2012

Executing entity

Government of Suriname

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Improvement in Nieuw Nickerie-Paramaribo-Albina Leg and International Bridge over the Marowijne River

Objective

To rehabilitate and reconstruct the existing road in order to improve operational and safety standards in the development and integration coastal-road of the country, in order to facilitate increased traffic to and from neighboring countries, and local generated traffic.

To improve the Marowijne River crossing by creating safe and efficient cross-border traffic in order to stimulate regional integration and social and economical development.

Proposed solution

Road: reopen the paved segment (140 km) between Paramaribo and Albina and pave the New Nickerie (South Drain) - Paramaribo segment (260 km).

Bridge over the Marowijne River: The project involves 2 phases: Phase 1 includes performing studies and execution of improvements of the existing facilities. Phase 2 will include the feasibility study and the construction of the bridge, based on an agreement with France.

Current status – 05/19/0

The prefeasibility study was completed in February 2007. The feasibility and environmental impact studies were completed in May 2008, the final designs will be carried out during the second semester of 2008 with resources from IDB, the European Union and the French Agency for Development.

Sources for financing the for rehabilitation are in negotiation whit the IDB, Agence Francais de Development and the EU.

Discussions between Suriname and France for the improvement of the terminal and the ferry that link Suriname and French Guyana are expected for 2009.



- Countries included in the project
- Countries under the implementation phase
- Countries under the design or pre-diagnosis phase

Integration Hub

All the Hubs

Countries

Regional project. Currently, the progress of the project is different in Argentina, Ecuador, Peru and Uruguay.

- Type of Project
 Communications
- Estimated investment

US\$ 2.5 millions (EC, PE, UY)

Financing sources

Public source through Public and Multilateral Organizations
World Bank (PAMC-Peru), IDB

(FOMIN), FONPLATA,

Modality

Public/Private

Expected completion

January of 2012

Executing entity

Regional level

UPAEP - Unión Postal de las Américas, España y Portugal (Postal Union of the Americas, Spain and Portugal)

Government of Brazil (Ministry of Communications and ECT-Correios)

National level

The project is being implemented by work groups in AR, EC, PE and UY with the participation of governmental institutions in charge of the Customs and the postal service, as well as foreign trade, communications and MSMEs.

Project Manager

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CCT Responsible (IDB)

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Exports through Postal Services for SMEs

Objective

Incorporation of the South American micro, small and medium-sized enterprises (MSMEs) into the international market, which contributes to enhance competitiveness and sustainable growth of the region, through the implementation of a Simplified Exports System for Postal Delivery

Proposed Solution

The implementation of the project, at a national level, has the following steps:

First stage: Institutional shaping

- (1) Shaping of a work group for the implementation of the project;
- (2) Development of a pre-diagnosis mission to study the feasibility of the implementation of the project; and
- (3) Articulation of the country with the regional project team that seeks financing.

Second stage: Implementation

- (1) Design of the system to be implemented in each country;
- (2) Development of a simplified mechanism in Customs for the exports activities carried out through postal delivery;
- (3) Implementation of the service in the public postal operator based on the simplified mechanism;
- (4) Launching of the new service and training for the MSMEs that will use the system.

Current status – 05/27/08

Regional level

In the VIII meeting of the CDE (December 2006), UPAEP was appointed as regional manager of the project. Actions derived from the performance of this function will be developed with the technical support of the Government of Brazil. This agreement was approved in the IX meeting of the CDE of the IIRSA (December, 2007).

During June, 2007, a technical cooperation with IDB/FOMIN was achieved (US\$ 1.5 M) for the full implementation of the project in Peru and Uruguay and some components in Ecuador and a fourth country to be selected.

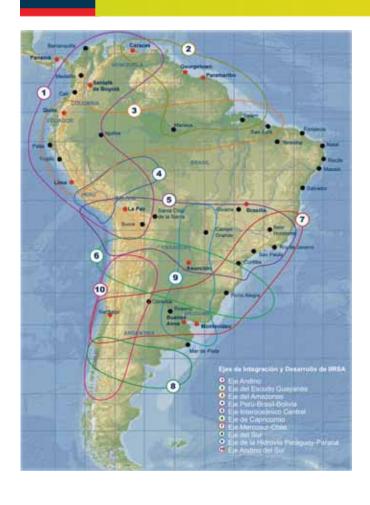
National level

<u>Pre-diagnosis</u>: The pre-diagnosis has been carried out in AR, EC, PE, UY and VE. The pre-diagnosis for Colombia is foreseen during the second semester of 2008.

<u>Implementation</u>: The project has been implemented in PE (pilot stage). During 2008, the coverage is being extended as well as the amount of services at a national level. The implementation of the project in UY is foreseen for June 2008. The starting of the implementation in EC is foreseen for the second semester of 2008.

<u>Other relevant activities</u>: In March, 2008, in Brazilia (Brazil), a training course for technicians of the "Exporta Fácil" was carried out with the purpose of widening the group of technicians that will work at a regional level in the implementation of the project.

Implementation of a Roaming Agreement in South America



- Integration Hub

 All the Hubs
- Type of project
 Communications
- Estimated investment
 US\$ 0.4 millions (studies)
- Financing sources
 Public source through Public and Multilateral Organizations

Countries

Regional

- Modality
 Public/Private
- Expected completion

December of 2010

Executing entity

Regional level

Ministry of Communications of Brazil

Project Manager

IDB

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Implementation of a Roaming Agreement in South America

Objective

Integration of the South American countries through the mobile phone services. The specific objective of the project is to create the necessary and favorable conditions for the signing of roaming agreements among the mobile phone operators in the countries member of the IIRSA .

Proposed Solution

The signing of agreements by the countries will seek to make the regulatory, tax and procedural aspects compatible in order to facilitate the implementation of the international roaming system among the mobile phone operators in the South American continent. Currently, the project has the following stages:

- 1. Preliminary study of the market that offers roaming services at a regional level.
- 2. Comparison of the South American text with better practices in other regions in the world.
- 3. Presentation of results obtained and setting up of a measure plan to be followed for the implementation of the project.
- 4. Gathering of technical cooperation resources for the financing of the measures to be implemented.

Current status – 05/27/08

In December 2007, the IDB approved the financing of a regional technical cooperation (US\$ 0.4 M) for the elaboration of a study at a South American level related to the main technical, administrative, tax and legal drawbacks that currently hinder a more efficient roaming service market on mobile telecommunication networks, at a regional level.

The results of this study will be presented in the fourth quarter of 2008 and will allow to agree on an action plan for the project in 2009 and 2010. The measures to be implemented by each party involved will be detailed.

As a first stage of this study, in March 2008, an IIRSA/CITEL workshop on "South American Roaming" was held in Washington (in the United States), which allowed to identify the initial position of operators and regulators regarding the points that must be taken into account in the study.

Additionally, the project team signed preliminary collaboration agreements with some of the main institutions that work to improve the regional telecommunication services (CITEL, Regulatel and the association: GSM, among others).

Note: To date, no critical stages have been identified.

TECHNICAL COORDINATION COMMITTEE



Inter-American Development Bank



Corporación Andina de Fomento



Financial Fund for the Development of the Plata Basin