



INTEGRATION AND DEVELOPMENT OF REGIONAL INFRASTRUCTURE IN SOUTH AMERICA

Course organized by ECLAC and the CCT Institutions of IIRSA October 6-10, 2008 – ECLAC – Santiago de Chile

PROGRAM

A) Context and purpose of the course

During the X and XI meetings of IIRSA National Coordinators (July and November 2007), a proposal was submitted to organize a course for technical experts from ministries and government entities concerned with the development of integration infrastructure. This proposal was approved and incorporated to the Action Plan 2008. In general terms, the course is aimed at strengthening the technical capacities of the teams that cooperate with IIRSA National Coordinations.

Its purpose is to level knowledge and help officials involved gain insight into a perspective of the political economy concerned with the problems created for the development of integration infrastructure. The activity seeks, then, to provide officials with conceptual frameworks, empirical information, evaluation techniques and debates to enhance their analytical background.

Integration and infrastructure are the two areas whose intersection is the analytical core of the course, which has a multi-disciplinarian (with the participation of specialists from different fields) and multisectoral approach. The activity intends to approach the problems and dimensions of infrastructure integration and development in South America, issues in which IIRSA is to become a mechanism to deal with them.

B) Basic organization and teaching modality

This intensive course covers five blocs, one every day, dealing with different aspects in the relationship between infrastructure integration and development in South America.

There will be different lecturing activities combined with others geared to fostering participation, panels or workshops in team work, so as to encourage active discussions

from participants on the basis of previous readings or based on questions/answers or case studies posed by the organizers.

C) Academic coordination

The academic coordination of the course will be in charge of ECLAC and IIRSA CCT Secretariat.

D) Contents

Monday, October 6 Day 1: Integration and infrastructure: an overview

This bloc aims at introducing participants in the more general problems of the relationship between infrastructure investment, economic development and integration. The aim is to identify the main areas of analysis and criteria available rather than dealing with the problems in detail. Based on this overview, participants will be in better conditions to further enhance their knowledge on the field.

Morning

A) Opening of the course

9:00-10:45 Opening an general presentation of the course

- Laura López, Secretary of the Commission, ECLAC
- Sergio Bitar Ch., Minister of Public Works of Chile
- Ricardo Carciofi, CCT Secretariat

B) Integration and Infrastructure

11:00-11:15	<u>Introduction to the program of the Course</u>
	Ricardo Carciofi (CCT Secretariat)

11:15-12:00 <u>Infrastructure, productivity and competitiveness</u> Presentation. Ricardo Sánchez (ECLAC)

12:00-13:00 <u>Infrastructure, institutionality and territorial development</u> Presentation. Patricio Rozas (ECLAC)

<u>Afternoon</u>

14:30-16:00 <u>Economic integration and infrastructure development: situation and perspectives in South America</u>

Panel. Mauricio Mesquita Moreira (IDB), Osvaldo Rosales (ECLAC), Roberto Bouzas (Universidad de San Andrés-FLACSO)

Classical arguments in favor of integration: market size, specialization and economic efficiency; political aspects of integration; current situation and perspectives for integration in South America.

Tuesday, October 7 Day 2: Infrastructure in South America: sectoral diagnoses

The purpose of the second bloc is to provide attendees with diagnostic elements on the status of integration infrastructure investments in South America.

Morning

9:00-10:45 Sea cabotage and river transportation

Presentation. Ricardo Sánchez (ECLAC) and Gabriel Pérez (ECLAC)

11:00-13:00 Air transportation in South America

Presentation. Jorge Kogan (CAF)

Afternoon

14:30-16:00 Border crossings in South America

Panel. Ricardo Sicra (Ecotransporte SA), Alfredo Fuentes (Fundación Cerrejón para el Fortalecimiento Institucional de La Guajira), Hernando Arciniegas (CAF)

16:15-17:45 Energy integration: problems and challenges

Panel. Ariela Ruiz-Caro (ECLAC Consultant), Marcelo Castillo (ENDESA Internacional), Hugo Altomonte (ECLAC)

Wednesday, October 8

Day 3: Deficit, provision and financing of integration infrastructure: fiscal aspects and participation of the private sector

This bloc provides, first of all, an overview of the trade difficulties derived from infrastructure deficits in South America and, secondly, analyzes the elements related to fiscal, institutional and regulatory aspects involved in the provision and financing of infrastructure. Public/private partnerships (PPP), fiscal effects on financing mechanisms, typologies and problem modalities.

Morning

9:00-10:45

A general view of trade barriers derived from infrastructure deficiencies in South America
Presentation. Mauricio Mesquita Moreira (IDB)

11:00-11:30 <u>Introductory aspects on public goods, natural monopolies and infrastructure provision</u>
Presentation. Ricardo Carciofi (CCT Secretariat)

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11:30-13:00 Modalities and problems in infrastructure provision Presentation. Patricio Rozas (ECLAC)

Public-private partnerships (PPP); fiscal impact of finance mechanisms; typology and modality of problems identified in case analyses in Argentina, Colombia, Chile and Peru.

<u>Afternoon</u>

14:30-16:00 The Southern Interoceanic Hub (Peru) as an example of public-private partnership
Presentation. Francisco Wulff (CAF)

16:15-16:45 <u>Summary session</u> Moderator. Ricardo Carciofi (CCT Secretariat)

Thursday, October 9 Day 4: Methodology for the evaluation of integration infrastructure projects

The objective of this bloc is to compare three methodologies for the evaluation of infrastructure projects in which the integration variable is relevant, paying special attention to the unique characteristics of integration projects and the difficulties encountered in their evaluation. The module will be based on work undertaken by ECLAC.

Morning

9:00-10:45 <u>Basic concepts on project evaluation</u> Presentation. Juan Antonio Pacheco (ECLAC)

11:00-13:00 Evaluation of transnational projects: analysis and methodogy

Presentation 1. Horacio Roura (ECLAC Consultant)

Presentation 2. Patricio Rozas (ECLAC) and Jorge Rivera (ECLAC

Consultant)

Afternoon

14:30-16:00 Evaluation of transnational projects: case studies and exercises

Presentation. Ricardo Sánchez (ECLAC), Horacio Roura and Jorge Rivera

(ECLAC Consultants)

Friday, October 10 Day 5: IIRSA

The last bloc presents the main aspects of the technical background drawn by IIRSA from its coordination activities in integration infrastructure development in South America. Mechanisms for project selection used to make up the Project Portfolio. Sectoral integration processes: general panorama of the works undertaken by IIRSA.

Morning

9:00-10:45 The territorial planning work based on "Hubs" and "Groups" Presentation. José Paulo Silveira (Macroplan)

Mechanisms for selecting projects used to create the project portfolio. Sectoral integration processes: general panorama of the works undertaken by IIRSA.

11:00-13:00 <u>Integration, infrastructure and environment</u>

- a) The environmental dimension of the development: priorities for the region Presentation. José Luis Samaniego (ECLAC)
- b) Infrastructure, Environment and Society Presentation. Pedro Bara Neto (World Wildlife Fund -WWF-, EEUU)
- c) Strategic Environmental and Social Assesment Presentation. Guillermo Espinoza (Centro de Estudios para el Desarrollo -CED-, Chile)

<u>Afternoon</u>

14:30-16:00 Main problems in physical infrastructure integration and development Panel. Pitou van Dijck (Centre for Latin American Research and Documentation -CEDLA-, University of Amsterdam), Marcel Vaillant (Universidad de la República, Uruguay), José Botafogo Gonçalves (Centro Brasileño de Relaciones Internacionales -CEBRI-, Brasil) and Fernando González-Vigil (Universidad del Pacífico, Perú).

Is physical integration a starting point or the last step in a stronger integration process? What is the experience in other regions (European Union)? Is IIRSA an efficient response to the development of integration infrastructure? What are its strengths and what are its weaknesses?

16:15-16:45 Summary and opinions from participants

16:45-17:30 Closing in charge of ECLAC and CCT representatives