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## 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** Introduction to the program of the Course  
Ricardo Carciofi (CCT Secretariat)

**11:15-12:00** Infrastructure, productivity and competitiveness  
Presentation. Ricardo Sánchez (ECLAC)

**12:00-13:00** Infrastructure, institutionality and territorial development  
Presentation. Patricio Rozas (ECLAC)

Referencies:

ROZAS P. Y SÁNCHEZ R. *Desarrollo de infraestructura y crecimiento económico: Revisión conceptual*, Serie Recursos Naturales e Infraestructura, N° 75, CEPAL, Santiago de Chile, 2004.

KRUGMAN P. *Geografía y Comercio*. Bosch, Barcelona, 1992. Edición original en inglés.

KRUGMAN P. *Competitiveness: A Dangerous Obsession*. Foreign Affairs. March/April, 1994.

NORTH D.C. *Instituciones, cambio institucional y desempeño económico*. FCE, México, 1993. Edición original en inglés.

PORTER, M.E. *The Competitive Advantage of Nations*. Free Press. New York, 1990.

### Afternoon

**14:30-16:00** Economic integration and infrastructure development: situation and perspectives in South America

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.

### Referencies:

BANCO INTERAMERICANO DE DESARROLLO. *Más allá de las Fronteras. El nuevo regionalismo en América Latina*. Informe de Progreso Económico y Social, 2002 (existe versión en inglés)

BOUZAS R., P. DA MOTTA VEIGA Y S. RIOS. *Crisis y perspectivas de la integración en América del Sur*. Mimeo, 2006

OCAMPO J.A. "Pasado, presente y futuro de la integración regional" en *Integración & Comercio*, 5:13, 2001, pp. 149-161 (existe versión en inglés)

## **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)

### Referencies:

SÁNCHEZ R. "Puertos y transporte marítimo en América Latina y el Caribe: Un análisis de su desempeño reciente" en *Serie Recursos Naturales e Infraestructura*, N° 82. CEPAL, Santiago de Chile, 2004.

UNIVERSIDAD POLITÉCNICA DE VALENCIA-CAF-IIRSA. *Evaluación de los principales puertos de América del Sur: Análisis institucional, técnico y económico*. UPV-IIRSA, junio 2003.

[http://www.iirsa.org/BancoConocimiento/M/mad\\_evaluacion\\_de\\_los\\_principales\\_puertos\\_de\\_america\\_del\\_sur/mad\\_evaluacion\\_de\\_los\\_principales\\_puertos\\_de\\_america\\_del\\_sur.asp](http://www.iirsa.org/BancoConocimiento/M/mad_evaluacion_de_los_principales_puertos_de_america_del_sur/mad_evaluacion_de_los_principales_puertos_de_america_del_sur.asp)

BOON B. "Report on maritime transport and the environment for Latin America" en *Serie Recursos Naturales e Infraestructura*, N° 127. CEPAL, Santiago de Chile, 2007.

**11:00-13:00** Air transportation in South America  
Presentation. Jorge Kogan (CAF)

Referencies:

ANDRES RICOVER. *América del Sur: análisis del sector aeronáutico*. Informes sectoriales. CAF, 2006.  
[www.caf.com/informessectoriales](http://www.caf.com/informessectoriales)

IIRSA. *Integración del Transporte Aéreo en Sudamérica*. 2003.  
[http://www.iirsa.org/BancoConocimiento/A/aed\\_integracion\\_del\\_transporte\\_aereo\\_en\\_sudamerica/aed\\_integracion\\_del\\_transporte\\_aereo\\_en\\_sudamerica.asp](http://www.iirsa.org/BancoConocimiento/A/aed_integracion_del_transporte_aereo_en_sudamerica/aed_integracion_del_transporte_aereo_en_sudamerica.asp)

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)

Referencies:

IIRSA. *Facilitación del transporte en los pasos de frontera de Sudamérica*. 2003.  
[http://www.iirsa.org/BancoConocimiento/P/pfd\\_ftpf\\_facilitacion\\_del\\_transporte\\_en\\_los\\_pasos\\_de\\_frontera/pfd\\_ftpf\\_facilitacion\\_del\\_transporte\\_en\\_los\\_pasos\\_de\\_frontera.asp](http://www.iirsa.org/BancoConocimiento/P/pfd_ftpf_facilitacion_del_transporte_en_los_pasos_de_frontera/pfd_ftpf_facilitacion_del_transporte_en_los_pasos_de_frontera.asp)

SÁNCHEZ Y CIPOLETTA TOMASSIAN. “Identificación de obstáculos al transporte terrestre internacional de cargas en el MERCOSUR” en *Serie Recursos Naturales e Infraestructura*, N° 54. CEPAL, Santiago de Chile, 2003.

**16:15-17:45** Energy integration: problems and challenges  
Panel. Ariela Ruiz-Caro (ECLAC Consultant), Marcelo Castillo (ENDESA Internacional), Hugo Altomonte (ECLAC)

Referencies:

RUIZ-CARO, A. “Cooperación e integración energética en América Latina y el Caribe” en *Serie Recursos Naturales e Infraestructura*, N° 106. CEPAL-IIRSA-CAF, Santiago de Chile, 2006.

**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)

Referencies:

MESQUITA MOREIRA, M. *Trade costs and the economic fundamentals of the Initiative for Integration of Regional Infrastructure in South America (IIRSA)*. IADB, INTAL-ITD, Working Paper 30. 2007.

SÁNCHEZ R. Y G. WILMSMEIER. "Provisión de infraestructura de transporte en América Latina: Experiencia reciente y problemas observados" en *Serie Recursos Naturales e Infraestructura*, N° 94. CEPAL, Santiago de Chile, 2005.

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

**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.

Referencies:

CEPAL, *Desarrollo Productivo en Economías Abiertas*, Caps. 3 y 4. Santiago de Chile, 2004.  
[www.cepal.org](http://www.cepal.org)

CEPAL, *Concesiones viales y pasivos contingentes. Una Evaluación de concesiones viales en Argentina, Colombia, Chile y Perú*. División de Recursos Naturales e Infraestructura. CEPAL. Documento en proceso.

### Afternoon

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

### Referencies:

Video sobre el caso Interoceánica Sur producido por el concesionario.  
[http://www.iirsa.org/bancomedios/videos/large/eje\\_amazonas\\_alta.wmv](http://www.iirsa.org/bancomedios/videos/large/eje_amazonas_alta.wmv)

**16:15-16:45** Summary session  
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** Basic concepts on project evaluation  
Presentation. Juan Antonio Pacheco (ECLAC)

**11:00-13:00** Evaluation of transnational projects: analysis and methodology  
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)

### Referencies:

BOTTEON, CLAUDIA; FERRÁ, COLOMA. *Metodologías de Evaluación Socioeconómicas de Proyectos Relacionados con un Sistema Interconectado de Energía entre Dos Países*. Universidad Nacional de Cuyo. Agosto de 2002.

FERRÁ, COLOMA; BOTTEON, CLAUDIA. *Metodología de Evaluación Socioeconómica de Proyectos de Vías de Transporte Binacionales*. Universidad Nacional de Cuyo. Agosto de 2001.

JENKINS, GLENN P.; KUO, CHUN-YAN. "Evaluation of the Benefits of Transnational Transportation Projects", en *Journal of Applied Economics*. Vol IX, No. 1 (May 2006), 1-17.

## **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** Integration, infrastructure and environment

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)

Referencies:

PEDRO BARA NETO, RICARDO J. SÁNCHEZ Y GORDON WILMSMEIER. *Hacia un desarrollo sustentable e integrado de la Amazonía*. CEPAL, División de Recursos Naturales e Infraestructura.

FORMAD. *BR-163 e os desafios a sustentabilidade: uma analise economica, social e ambiental*. Forum matogrossense de Desenvolvimento Sustentável. Cuiaba 2005.

AHMED, K., ET AL. "Strategic Environmental Assessment: Concept and Practice" en *Environmental Strategy Notes, Number 14*. The WB, WDC, June 2005.

c) Strategic Environmental and Social Assesment

Presentation. Guillermo Espinoza (Centro de Estudios para el Desarrollo -CED-, Chile)

Afternoon

**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 Brasileiro 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