



I . I . R . S . A

INITIATIVE FOR THE INTEGRATION OF REGIONAL INFRASTRUCTURE IN SOUTH AMERICA



TENTH MEETING OF THE EXECUTIVE STEERING COMMITTEE

December 4th and 5th, 2008
Cartagena de Indias, Republic of Colombia

ANNEX 11

**Speech by Mr. Roberto Baratta
Undersecretary for Coordination and Control
Ministry of Federal Planning, Public Investment and Services of Argentina**

President of the Executive Steering Committee... GENERAL DIRECTOR OF THE NATIONAL PLANNING DEPARTMENT OF THE REPUBLIC OF COLOMBIA, MS. CAROLINA RENTERÍA

Minister of Planning of the Republic of Paraguay... MR. CARLOS SANCHEZ LEON

Minister of Public Works of SURINAME... MR. GANESHKEMAR KANDHAI

Vice Minister of Public Works, Services, and Transportation of Bolivia... MR. JOSE KINN

Vice Minister of Transport and Public Works of the Republic of Ecuador... MR. JORGE CEBALLOS

Secretaries, Coordinators, and Representatives of the participating governments...

Representatives of the International Financial Institutions...

General Manager of the Department of Countries of the INTER-AMERICAN DEVELOPMENT BANK (IDB)... Ms. Alicia Ritchie

Corporate Vice President of Infrastructure of the Andean Development Corporation (Corporación Andina de Fomento – CAF, in Spanish)... Mr. Antonio Juan Sosa...

President of the Executive Board of FONPLATA... Ms. Roxana Ybarnegaray...

Mr. Ricardo Carciofi, responsible for the Technical Secretariat of the IIRSA and his team

Ladies and Gentlemen,

I participate with great satisfaction in this Tenth Meeting of the Executive Steering Committee of the Initiative for the Integration of the Regional Infrastructure in South America – IIRSA (in Spanish), representing the Minister for Federal Planning, Public Investment, and Services of the Republic of Argentina, Mr. Julio De Vido.

On behalf of the government of Argentina and myself, I thank you for your welcome and hospitality.

I also wish to congratulate the National Planning Department, namely its General Director, Ms. Carolina Rentería, who is in charge of the Presidency of the Executive Steering Committee, for the work accomplished during the current year and for the organization of this important event.

As the new century began, there was a significant return of development issues: after decades of neoliberalism, and a model that led to the displacement of the concept of development by mere growth as defined by the free market.

In this sense, the failure of the neoliberal project in the region and its dramatic implosion, in the case of Argentina, at the beginning of the millennium, and globally at the moment, not only faces us with the challenge of creating a different development project, but even more so, of rebuilding the economic and social fabric of the countries in the region.

My country, Argentina, has worked hard to overcome the past and continues to do so.

In this new context, the success of policies must be measured under different parameters to those used so far, according to new paradigms. They must be judged in terms of the extent to which they accomplish the aim of realizing the common good, along with the full functioning of the rule of law, the validity of an effective democracy, and the construction of more just, more equitable societies, with a better distribution of the benefits of economic growth.

We view the world from our own model and, taking that model as a base, we plan and execute public works, and we assume the improvement and modernization of infrastructure as a central axis of the political project that will lead to a more balanced, more integrated, sustainable, and socially fair Argentina.

It is this concept that leads us to assign a substantial role to the integration and strategic alliance with our South American brothers, placing it among the first items on our regional agenda.

From state management, we are willing to put all our effort into realizing this project because we believe that progress in the development of the regional infrastructure in general, and the IIRSA Initiative in particular, is an investment in the future, and planning is one of the key engines of development with sustainable growth.

This belief has guided our work in this forum, and we share the progress made by the Initiative, which has been more than relevant, since its constitution in the Presidential Summit in Brasilia in 2000.

The IIRSA has grown significantly during the past 8 years. In particular, in recent years, a substantial change in the dynamics of the work of the Initiative may be noted. The countries have taken a more active role in seeking consensus on the priorities of the regional physical integration.

Reviewing the progress made so far, we now may say that the Initiative led the development and management of a Portfolio of Integration Projects under a regional vision based on consensus among the twelve countries of South America.

There are 514 projects, of which almost 70% are under implementation or at an advanced stage of preparation, and investment is estimated at around 70 billion dollars.

An important step in developing the Project Portfolio was the development of an indicative territorial planning methodology, implemented jointly by the twelve countries of South America.

At the same time, among other issues, an Implementation Agenda Based on Consensus (AIC, in Spanish) was developed. Said agenda consists of 31 priority projects and is implemented in the 2005-2010 period. Instruments were also developed to strengthen the planning process, in the development of information databases, and in the performance of studies and diagnosis in the areas of transportation, energy, telecommunications, border crossings, and innovative financing mechanisms.

However, despite these achievements, there remain significant challenges for the future.

One of them is to more effectively define new settings for the dialogue and participation of the twelve governments of the region in the regional integration process.

For this reason, the Action Plan for 2009, which the Presidency of the CDE under Argentina aims to promote, presents two main lines of action:

- * The consolidation of achievements, and
- * The exploration of the response to the challenges of the future.

With regard to the consolidation of achievements:

Without going into details, as the plan may be seen in the circulated document, called ACTION PLAN 2009, I would like to highlight some of the actions to be carried out.

In terms of Planning:

The updating of the Project Portfolio will be completed by the Executive Technical Groups, with the goal of reviewing in this context, the projects included in the Integration and Development Hubs, so that the new proposals reflect the common goal of integration and balanced territorial development.

We will continue with the implementation of methodologies for the integration of productive chains and logistics, strategic environmental assessment in the selected groups of projects, and the development of tools such as the evaluation of transnational projects.

The culmination of the actions described above, will lead to, at the end of 2009, a document summarizing this progress, in other words, the IIRSA PROJECT PORTFOLIO 2009.

In terms of Sectoral Integration Processes:

We will move forward in identifying lines of action that will allow us to solve problems that prevent us from achieving the desired objectives, even if we have the infrastructure. The reconciliation and improvement of bilateral or multilateral regulatory frameworks, as facilitating elements to incorporate and strengthen the competitiveness and complementarity of the different logistics modes and networks, must be a permanently present goal.

In this regard, during 2009, we will seek to deepen the analysis, in processes that are further behind in the Initiative, such as the regulatory frameworks in the energy and multimodal transportation sectors.

In terms of Implementation:

IIRSA is now at a turning point. A new reality is taking shape, and there is a desire in the countries to move forward in a high impact collective commitment to continental integration. The foundations have been laid to think about developing a new Implementation Agenda Based on Consensus (AIC, in Spanish), which could become the projects to be promoted through UNASUR.

From an Institutional point of view:

Emphasis will be placed on the need to strengthen National Coordinations within each country, as a way of ensuring the proper relationship between the countries and a greater ability to fulfill their duties.

In terms of Funding:

Efforts will be intensified to ensure the implementation of new financing mechanisms, and the continuity of the existing ones, for the studies of the projects of the IIRSA Portfolio, by the financial agencies that collaborate with the initiative.

As for the exploration of the response to the challenges of the future, we will:

Develop a broader outreach of the initiative within the countries, with the aim of involving the different actors of the objectives of the Initiative.

Organize a Forum for Reflection, which will allow countries to advance in the debate, and gradually form a strategic vision of regional integration, and to achieve consensus in a future work agenda for the Initiative that strengthens the regional integration process.

Strengthen the relationship UNASUR - IIRSA, which will tend to the promotion of relations of cooperation and coordination between the two forums, bringing together the technical with the political, so that the progress made by the IIRSA's agenda may be in line with the proposals and plans of the UNASUR agenda.

Because it is from the framework of UNASUR, a supranational political body responsible for defining the long-term objectives of a new model of development and integration for South America, from where the construction of a strategic vision for infrastructure integration should be supported and nurtured.

Finally, I want to emphasize that the planning and development of infrastructure projects are an essential part of integration strategies, and in this sense, the IIRSA initiative has become a vital instrument and forum.

It is in this regard, that we underscore our full commitment to the challenge of assuming responsibility for this new period that begins.

Thank you very much.