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INITIATIVE FOR THE INTEGRATION OF REGIONAL INFRASTRUCTURE IN SOUTH AMERICA



EXECUTIVE STEERING COMMITTEE

INITIATIVE FOR THE INTEGRATION OF REGIONAL INFRASTRUCTURE IN SOUTH AMERICA (IIRSA)

Eleventh Meeting of the Executive Steering Committee

December 3rd and 4th, 2009
Buenos Aires, Republic of Argentina

MINUTES

1. On December 3rd and 4th, 2009, the Eleventh Meeting of the Executive Steering Committee (CDE, in Spanish) was held in the city of Buenos Aires, Republic of Argentina, to analyze the achievements and advances of IIRSA in 2009 within the framework of the four strategic lines of action for 2006-2010, to outline the guidelines for the Initiative in the medium term, and to draw up the Action Plan for 2010. The list of the participating delegations is included as Annex 1.
2. The meeting was opened by Mr. Julio Miguel De Vido, Minister of Federal Planning, Public Investment and Services, and President of the Executive Steering Committee, and by María Margarita Aicardi, Deputy Executive Director from Argentina of the Financial Fund for the Development of the Plata River Basin (FONPLATA – *Fondo Financiero para el Desarrollo de la Cuenca del Plata*), in representation of the Technical Coordination Committee (CCT, in Spanish). The speeches by the aforementioned authorities are attached as Annexes 2 and 3.
3. The technical work session was opened by CDE President Mr. Julio Miguel De Vido, who underscored the fundamental role played by infrastructure territorial planning in the present context of strengthening the regional integration process. The Minister particularly stressed the Presidential Statements made by Argentina and Chile, and by Argentina and Brazil, whereby the countries ratified their interest in working even further towards physical integration, reaffirming their commitment to advance in the full integration of IIRSA as UNASUR's technical arm within the framework of the South American Council of Infrastructure and Planning Ministers (CIP, in Spanish). Furthermore, he emphasized the role of the multilateral agencies in this process and expressed that the country is ready to commit more deeply to working positively on the

basis of consensus in the belief that what has brought benefits to the countries has to be continued.

4. In line with these ideas, the other delegations recognized the significant progress made by the Initiative for the Integration of Regional Infrastructure in South America, pointing out the significant support provided by regional agencies within the CCT, and expressed their interest in furthering the work undertaken within this framework. In this regard, the delegations reiterated their commitment to reach a positive outcome in terms of the full integration of IIRSA as a technical forum to UNASUR's South American Council of Infrastructure and Planning Ministers.
5. Next, the National Coordination of Argentina presented the main results and achievements of IIRSA regarding the projects for the physical integration of South America.
 - 5.1 Regarding IIRSA Portfolio and AIC (Implementation Agenda based on Consensus) review process, the following remarks were made: (i) IIRSA Project Portfolio 2009 includes 510 projects distributed in 47 Project Groups, with an estimated investment of US\$74.5 billion; (ii) almost 74% of this Portfolio presents concrete progress—10% of these projects has been concluded (US\$6.179 billion), 36% is being implemented (US\$37.370 billion) and the remaining 28% is at the preparatory stage (US\$24.595 billion); and (iii) the projects included in the AIC involve an estimated total investment of US\$10.380 billion, and of the total 31 projects, 10 are under preparation, 19 are in progress and 2 have been concluded.
 - 5.2 The delegation from Colombia referred to the San Francisco – Mocoa detour of the Road Corridor project and informed that the IDB had already approved the funds for the construction of this project, which forms part of a road project with sustainable infrastructure features.
 - 5.3 The delegation from Paraguay explained the progress made regarding the Friendship Bridge between Brazil and Paraguay.
 - 5.4 The Argentine delegation summarized the works undertaken in the MERCOSUR-Chile Hub in order to illustrate the implementation of the Indicative Territorial Planning. Special mention was made of the identification of a connectivity area not included in Group 4, incorporating the area where Agua Negra crossing is located, currently the subject of feasibility studies to explore the possibility of building a Binational Tunnel. Reference was also made to the incorporation of Project Group 6 (Pehuenche) between Argentina and Chile, which will open different access routes for the flow of transport from Argentina to Chile. This served to demonstrate that different transport corridors may coexist in the same Hub, reflecting the results of the Indicative Territorial Planning. Moreover, the delegation of Argentina mentioned the agreement

reached between Argentina and Chile for the development of the overcoming project “Low Tunnel for the Central Trans-Andean Railway,” an anchor project of Project Group 3. Within this framework, it was underscored that the Argentine and Chilean Presidents had signed this year a joint declaration to promote the studies required for developing this project.

- 5.5 With reference to the Project Database, the factsheet information update made by the countries was highlighted—from 29% completed in 2008 to 72% completed in 2009. Likewise, attention was drawn to the improvements introduced to the IT application which now offers users the possibility of combined project searches based on different query criteria, as well as to the improvements introduced to its online help. Finally, the public availability of the Project Database as from mid-2009 was underlined.
 - 5.6 The delegations expressed their satisfaction for the substantial progress made regarding the Implementation Agenda based on Consensus (AIC) projects as well as their interest in their early completion. At the same time, they reiterated their interest in working towards drafting an Implementation Agenda based on Consensus II for a ten-year period.
6. Next, the topics related to outreach activities were addressed. In this regard, the products developed during 2009 were presented: the publication of a book entitled “Indicative Territorial Planning – Project Portfolio 2009;” the publication of a series of promotional brochures with a summary of the Project Portfolio and each of the Integration and Development Hubs; the linking of IIRSA’s website to the Project Database and the GeoSUR map service; the shooting of a new documentary video on the “Paving: Iñapari-Puerto Maldonado (Maldonado Port)-Inambari and Inambari-Juliaca/Inambari-Cusco” and “Bridge over Acre River” projects; and the preparation of a video about the project “Duplication of the Route No 14 between Paso de los Libres and Gualaguaychú.”
 7. The session then focused on the topics related to planning and sectoral processes. As regards planning, the following activities carried out in 2009 were emphasized:
 - 7.1 Environmental and Social Assessment Methodology with a Strategic Approach (EASE, in Spanish): Application of the EASE Methodology was completed in the pilot case of Project Group 6 of the Andean Hub (Colombia-Ecuador II Connection), while its application to Project Group 2 of the Southern Hub (Binational Touristic Circuit of the Lakes Area) was started.
 - 7.2 The delegation from Colombia pointed out that, in addition to its application to the Project Group 6 of the Andean Hub, this methodology served as a basis to diagnose the area of influence of the Tumaco-Pasto-Mocoa road corridor, which forms part of IIRSA Project Portfolio.

- 7.3 Production Integration and Logistics (IPr-Lg, in Spanish) Methodology: The application of this methodology to Project Group 3 of the Capricorn Hub (Asunción-Paranaguá) and Project Group 5 of the Central Interoceanic Hub (Connections to the Pacific) was completed. Moreover, its application to Project Group 5 of the Andean Hub (Connection: Colombia-Ecuador-Peru) was started. Reference was made to the two Regional Workshops on Logistics and Transport organized as a result of the methodology applications already completed. In this regard, the Argentine delegation stressed the importance of the work done and encouraged the other delegations to keep their commitment to the tasks inherent to such applications.
- 7.4 Training Workshop on Development and Integration of Regional Infrastructure in South America: The CCT conducted in September a training workshop on Development and Integration of Regional Infrastructure in South America targeted for governmental agents from the 12 Governments of South America. The goal was to disseminate knowledge and help officials involved gain insight into a perspective of the political economy concerned with the problems arising from the development of integration infrastructure.
- 7.5 GeoSUR Program: The development of this tool, which includes a Geoportal, a Regional Map Service (SRM, in Spanish), Geospatial Catalogs, elevation derivatives and basic maps of South America, was continued. In addition, an automatic link between GeoSUR's Regional Map Service, IIRSA's website and its Project Database was provided. Finally, reference was made to an induction workshop on the use of online geographic services and GeoSUR applications in territorial planning. This workshop was addressed to National Coordinators, experts, economists and development planners working for governmental agencies and concerned with the task of identifying and preparing investment projects.
8. Next, the topic of Sectoral Integration Processes (PSIs - *Procesos Sectoriales de Integración*) was addressed.
- 8.1 Financing Instruments: Particular emphasis was placed on the funds for project preparation as instruments to support the integration process in South America through the use of "soft funds" to conduct studies. As of June 2009, the amounts contributed are as follows: IDB (US\$10,897,585), CAF (US\$2,619,047) and FONPLATA (US\$3,326,891) . Currently, by means of the technical cooperation funds, projects related to ports, airports, roads, waterways, railways, border crossings and border integration are being prepared.
- 8.2 Facilitation of Border Crossings: In terms of border crossings, the progress made in the following studies was emphasized: facilitation of border crossings between Colombia and Ecuador, border crossings in Bolivia, optimization of the Cristo Redentor border crossing, and river border crossings between Ecuador and Peru. In terms of border integration, the following studies in progress were

mentioned: Clorinda-Metropolitan Area of Asunción Node, Ñeembucú-Bermejo River Node, Argentina-Chile Connectivity, Plan for Border Development between Argentina and Colombia, and the Binational Study of the Napo River Navigability (Peru-Ecuador). The delegation of Argentina referred to the progress achieved with respect to the aforementioned studies.

8.3 Exports through Postal Services for SMEs: The following milestones reached over the course of the year were highlighted: the First Meeting of the Executive Technical Group for the “Exports through Postal Services for SMEs” project (May); the Workshop on the “Exports through Postal Services for SMEs” project (May); the Seminar on Exports through Postal Services for SMEs (November); the Second Training Course for Consultants (November); the pilot implementation of the Exports through Postal Services – Exporta Fácil (Easy Export) project in Colombia, which covers the Colombian Coffee-Growers Axis, involving several Colombian municipalities and Bogotá (December); the presidential ceremony in Peru where the results achieved in the country regarding the implementation of Exporta Fácil, a service that has become very important, were highlighted; and “the 10,000 Exports through this System” will be awarded a prize (December); the development of the cooperation methodology, which enables a country that has achieved successful results in a project to provide technical cooperation to the other countries; the continuation of monitoring visits to Peru; the pre-diagnosis in Chile (April) and the signing of the memorandum of understanding; the pre-diagnosis in Bolivia (October); the launch of the project in Uruguay (May). The project is currently being implemented in Brazil, Peru and Uruguay; its pilot implementation has recently been launched in Colombia, and its diagnostic stage has begun in Argentina (December). The delegation of Ecuador stated that it has agreed to resume the implementation process for the Exports through Postal Services for SMEs.

8.4 Implementation of the South American Roaming Agreement Project: The Second GTE (Executive Technical Group, in Spanish) meeting on the Implementation of the South American Roaming Agreement project was held in Cusco in May in conjunction with the meeting of the Permanent Consultative Committee I (CCP.I, in Spanish) of CITEL (Inter-American Telecommunication Commission of the OAS). In this GTE meeting, the conclusions of the Regional Study on the South American Roaming Services Market were presented, as well as a proposed Action Plan including eleven initiatives, the resources for the implementation of which are being identified.

9. Next, the activities related to IIRSA consolidation were addressed. In this area, the following events were highlighted: (i) Strategic Reflection Forum “The Integration of South America and the Role of Infrastructure” (May); (ii) Dialogue with the Civil Society (August); (iii) Meeting with the Mesoamerica Project (August); (iv) Meeting with Senior Officials from FOCALAE (April). The delegation from Argentina mentioned that in the current year, during which the country was in charge of IIRSA Pro Tempore Presidency, it made substantial efforts to advance the relationship

between IIRSA and UNASUR. This aims at consolidating IIRSA as the Technical Forum to the South American Council of Infrastructure and Planning Ministers within the framework of UNASUR in order for the transition to be transparent and for IIRSA to continue working on an autonomous basis within the framework of the South American Council of Infrastructure and Planning Ministers. The drafting of the Council statute is underway.

10. The presentation of the Achievements and Progress of IIRSA in 2009 is included as Annex 4.
11. The delegation of Brazil informed that there have been substantial changes in 2009, particularly as a result of the creation of the South American Council of Infrastructure and Planning Ministers of UNASUR and of the inclusion of IIRSA as a technical forum. As this process should be balanced and rational, and in order not to waste the work done by the Initiative since its creation, the delegation of Brazil proposed a transition period and an extension of the Pro Tempore Presidency of Argentina for another six-month period for coordination purposes. The delegation of Brazil reaffirmed its commitment to the transition process and its entire support to the Argentine delegation.
12. All the delegations agreed with the proposal put forth by Brazil. The Argentine delegation accepted such proposal, expressed its gratitude for the support, and assumed the commitment to work jointly with the countries, in particular, with UNASUR Pro Tempore Presidency, held by Ecuador.
13. Next, the Action Plan 2010 was addressed. The delegations expressed their approval of the activities provided for in such Action Plan, and agreed to communicate them to UNASUR Pro Tempore Presidency. In June 2010, the results achieved will be informed and the compliance with the activities scheduled up to such date will be reviewed. The Action Plan 2010 and the preliminary schedule of activities is included as Annex 5.
14. The national delegations extended their thanks and recognition to the Republic of Argentina for leading the Initiative during the year it held the Presidency and to the CCT for its work in 2009.

Buenos Aires, December 4th, 2009

ANNEXES

Annex 1: List of Participating Delegations

Annex 2: Speech by Mr. Julio Miguel De Vido, Minister of Federal Planning, Public Investment and Services of the Republic of Argentina

Annex 3: Speech by Ms. Margarita Aicardi, Deputy Executive Director from Argentina of the Financial Fund for the Development of the Plata River Basin (FONPLATA – *Fondo Financiero para el Desarrollo de la Cuenca del Plata*)

Annex 4: Presentation of the Achievements and Progress of IIRSA in 2009

Annex 5: Action Plan 2010