VI MEETING OF THE EXECUTIVE STEERING COMMITTEE

I . I . R . S . A

**INITIATIVE FOR THE INTEGRATION OF
SOUTH AMERICAN INFRASTRUCTURE**

Annex 3
Implementation Agenda based on Consensus
2005-2010

CAF   **BID**   **FONPLATA**

Technical Coordination Committee (CCT)
Inter-American Development Bank (IDB)
Corporación Andina de Fomento (CAF)
Financial Fund for the Development of the River Plate Basin (FONPLATA)

Lima, Republic of Peru
November 23-24, 2004

AN IMPLEMENTATION AGENDA BASED ON CONSENSUS FOR IIRSA

Introduction

During its four years of existence, the Initiative for Regional Infrastructure Integration in South America (IIRSA) has made significant progress in terms of its diagnosis capacity, concept and information consolidation, identification of a portfolio of integration projects and accumulation of institutional capital which allowed the development of an important regional dialogue and consensus-building. Although there has been important progress in the execution and preparation of IIRSA projects, these have not been coordinated and managed through a common strategy.

The necessary conditions exist for the Initiative to begin a more visible stage of project implementation and to change that perception. Firstly, remarkable progress is noted in the working dynamics while the countries undertake a more active stance and seek consensus on the IIRSA priorities. Secondly, the application of "the indicative territorial planning methodology" in the twelve South American countries was an important step forward so as to start prioritizing IIRSA projects. IIRSA achieved the objective of arranging the project portfolio regarding an indicative vision of the territorial development based on consensus among the involved countries in each Hub. Currently, IIRSA has over 300 infrastructure integration projects identified under a regional view and leading to consensus-building among the twelve South American countries, grouped into 40 "Project Groups" with their pertinent "Anchor-Projects".

Implementation Agenda based on Consensus 2005-2010 (new IIRSA phase)

The IIRSA Initiative was consolidated as an important instance for the Region's countries to build a common action and project agenda for South American physical integration. Now it is necessary to meet the challenge of emphasizing the execution of strategic integration projects. It is thus essential for IIRSA to start an implementation stage, taking into account the whole overview and building on the institutional capital and the agreed planning exercise.

The establishment of an implementation agenda based on consensus for IIRSA projects is being proposed which, besides becoming a symbolic and political framework of the Initiative's new stage, would accelerate the achievement of specific outcomes in projects of a high impact on the continent's physical integration.

Regarding the "Implementation Agenda based on Consensus 2005-2010", all twelve South American countries and the multilateral agencies will focus their attention and efforts on the search for visible results in the IIRSA context, leveraging the synergies and opportunities for coordination and consensus-building created by the Initiative.

This greater visibility in project implementation will contribute to improve the perception of different sectors of communities in IIRSA's participating countries. Complementarily, the organization of road shows and other similar events will support the effort of the Initiative outreach and the creation of participation opportunities of the private sector in IIRSA projects.

Consensus-building on this "Agenda" will show the international community how capable South America is of coordinating its integration process, ensuring a favorable impact for attracting investments to the Region.

This result-oriented strategy -shared and coordinated among IIRSA member countries- will allow the strengthening and realization of progress already achieved in terms of the necessary social capital for South American physical integration.

Projects of the "Implementation Agenda based on Consensus"

The "Agreed Implementation Agenda 2005-2010" is made up of a first limited set of integration projects agreed upon by the countries, on the understanding that it is framed in a dynamic consensus process, on the basis of the results accomplished during the phase of arrangement of the IIRSA Project Portfolio[1]. In view of these projects' characteristics, they have a high impact on South American physical integration (mostly "anchor projects"). Additionally to the selected projects of the IIRSA Project Portfolio, two projects on communications are included in the "Agenda". These projects were identified in the Executive Technical Group of the Integration Sectoral Process on Information and Communications Technologies – GTE of ICTs (see annex)

The fact of focusing on a limited set of projects enhances execution possibilities since it facilitates the setting of priorities by the governments in a context in which, in some cases, fiscal constraints, limited public indebtedness capacity are experienced as well as a level of participation of the private sector in infrastructure development which must be strengthened.

Basic Guidelines of the "Implementation Agenda based on Consensus 2005-2010"

Special attention will be required from the countries and agencies which make up the Technical Coordination Committee (CCT) [2] in order to put into practice the "Implementation Agenda based on Consensus 2005-2010". This implies that the preparation, financing and implementation of the "Agenda" projects will be emphasized. The "Implementation Agenda based on Consensus 2005-2010" aims to establish priorities in the national plans and budgets, as well as in the activities of the financing agencies for pre-investment, project preparation and financing, as well as for the structuring of Public Private Partnership schemes and other relative to the topic and capable of contributing to the attraction of the private sector for the IIRSA projects.

There follow the basic guidelines of the "Agenda":

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[1] For the arrangement of the IIRSA Project Portfolio, a territorial indicative planning methodology was used. For the first time in South American history, this has allowed the establishment of an infrastructure integration project portfolio based on regional consensus-building among the twelve South American countries.

[2] Inter-American Development Bank (IDB); Corporación Andina de Fomento (CAF); Financial Fund for the Development of the River Plate Basin (FONPLATA).

a. The "Agenda's" projects should be implemented through an intensive, focused management process, where permanent support by the CCT is crucial.

b. High-level decision-makers in the different countries will be mobilized with respect to the collective effort for implementing the "Agenda's" projects.

c. Countries will give priority to the "Agenda's" projects in the decision processes regarding allocation of human and financial resources in the context of the necessary decision-making for the execution of works.

d. The CCT agencies will give priority to preparing, funding and supervising the execution of the "Agenda's" projects[3], allocating financial resources and experts deemed necessary.

Intensive, Focused Project Management – Special IIRSA Follow-up System

In order to support the "Implementation Agenda based on Consensus 2005-2010" it is necessary to adopt intensive, focused project management by establishing a special monitoring system for the "Agenda's" projects. Therefore, each country will encourage the creation of a system to follow-up on the "Agenda's" projects. This will allow the generation of information and monitoring mechanisms at the highest corresponding governmental levels.

Upon the countries' request, the CCT will make available a team of experts to support them in structuring the "Agenda's" follow-up system.

Management based on a project follow-up system is a simple but effective mechanism for accomplishing results. Overall, the system for monitoring the "Implementation Agenda based on Consensus 2005-2010" will be grounded on the following guidelines based on the specific situation of each country:

a. The "System" should continuously monitor preparation and execution of projects and works.

b. The IIRSA National Coordination in each country will be responsible for following-up the pertinent priority project on the "Agenda" with the objective of identifying in a timely manner and with CCT's support, if the case requires it, problems that may arise in the agencies or countries in the preparation or execution of such project.

c. The IIRSA National Coordination shall articulate all the government levels involved in the project's implementation process, thus helping to overcome any obstacles that could arise.

d. When a CCT Hub coordinator is informed of a problem in the preparation or execution of a project under his/her responsibility, such coordinator must suggest to the proper levels of the CCT institutions and to the IIRSA National Coordination the necessary measures to overcome such restrictions.

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[3] The countries can decide to replace those selected projects which show feasibility difficulties during the preparatory process by other IIRSA Portfolio projects.

e.   The IIRSA National Coordinations, with CCT support, if required by countries, will issue a bi-monthly progress report for each project to directly inform on a restricted basis all managerial levels involved in project implementation both at the country as well as at CCT agency level.

f.   IIRSA's Presidency, with CCT support, and on the basis of the bi-monthly progress reports, will prepare twice a year a Report on the "IIRSA Implementation Agenda based on Consensus 2005-2010" indicating progress achieved and problems detected in the implementation of the "Agenda's" projects.

g.   This Reports will be analyzed by the National Coordinators and will be distributed among the competent authorities of each country helping to create a shared implementation feeling at decision-making levels.

h.   The analysis and monitoring of the Agenda progress will be an issue of permanent attention of the National Coordinators, besides the rest of the instances of IIRSA.

Implementation Agenda based on Consensus 2005-2010

Strategic Projects of the Integration and Development Hubs of IIRSA and
Projects of the Sectoral Process on Information and Communication Technologies

Left-side labels:

- Navegabilidad Río Meta
- Carretera Pasto-Mocoa
- Puerto Francisco Orellana
- Carretera Paita — Yurimaguas, Hidrovía y Puertos
- Carretera Lima-Tingo Maria-Pucallpa y Puertos
- Puente Río Acre
- Carretera Iñapari-Cusco y Juliaca
- Centro Frontera Desaguadero
- Carretera Toledo- Pisiga
- Carretera Iquique- Colchane
- Puente Salvador Mazza-Yacuiba y Centro Frontera
- Gasoducto del Noreste
- Ruta 60
- Ferrovia Los Andes-Mendoza
- Corredor Río Branco-Colonia

Right-side labels:

- Centro Frontera Cúcuta-San Antonio
- Carretera Niew Nickerie-Paramaribo-Albina y Puente
- Carretera Venezuela-Guyana-Surinam (I Etapa)
- Carretera Boavista-Geogetown (I Etapa)
- Puente Río Itakutu
- Rehabilitación Tramo El Sillar
- Carretera Pailón – Puerto Suárez
- Carretera Cañada Oruro – Villamontes
- Anel Ferroviario São Paulo
- Centro Frontera Cañada Oruro –Infante Rivarola
- Puente Pres.Franco-Porto Meira
- Rodovia Palhoça-Osório
- Ruta14
- Puente Yaguarón-Río Branco
- Exportación por Envíos Postales para PYMES
- Roaming Suramericano

Leyenda

- Carretera
- Ferrocarril
- Hidrovia
- Gasoducto
- Puente
- Centro Frontera
- Puerto

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Implementation Agenda based on Consensus 2005-2010

Strategic Projects of the Integration and Development Hubs of IIRSA and
Projects of the Sectoral Process on Information and Communication Technologies

N°	PROJECTS	HUB	MILLIONS OF US$	COUNTRIES
1	Duplication of Road 14	MERCOSUR-Chile	270	AR (BR)
2	Adaptation of Río Branco-Montevideo-Colonia Corridor	MERCOSUR-Chile	90	UR (BR)
3	Construction of Yaguarón-Río Branco Bridge	MERCOSUR-Chile	12	BR-UR
4	Duplication of Palhoça-Osorio (Rodovia Mercosur)	MERCOSUR-Chile	283	BR (AR-UR)
5	Los Andes-Mendoza Railroad Project	MERCOSUR-Chile	224	AR-CH
6	Concession of Road 60 Valparaíso-Los Andes	MERCOSUR-Chile	165	CH (AR)
7	North West Gas Pipeline	MERCOSUR-Chile	1,000	AR (BO)
8	Construction of Salvador Maza-Yacuiba Bridge	Capricorn	10	AR-BO
9	Presidente Franco-Porto Meira New Bridge	Capricorn	55	PR-BR
10	Construction of Pailón-Puerto Suárez Road	Interoceanic	245	BO-BR
11	São Paulo Railway Ring	Interoceanic	300	BR
12	Cañada Oruro-Infante Rivarola Border Crossing	Interoceanic	1	BO-PR
13	Construction of Cañada Oruro-Villamontes-Tarija-Estación Abaroa Road (1° stage: Villamontes-Cañada Oruro)	Interoceanic	60	BO (PR)
14	Toledo-Pisiga Road	Interoceanic	75	BO-CH
15	Restoration of Colchane-Iquique Road	Interoceanic	20	BO-CH
16	Restoration of El Sillar stretch	Interoceanic	30	BO (BR-CH-PE)
	Subtotal		**2,840**	

Implementation Agenda based on Consensus 2005-2010

Strategic Projects of the Integration and Development Hubs of IIRSA and
Projects of the Sectoral Process on Information and Communication Technologies

N°	PROJECTS	HUB	MILLIONS OF US$	COUNTRIES
17	Desaguadero Border Center	Andean	5	BO-PE
18	Cúcuta-San Antonio del Táchira Border Crossing	Andean	2	CO-VE
19	Restoration of Meta River Navigation	Andean	12	CO-VE
20	Pasto-Mocoa Road	Amazon	71	CO
21	Paita-Yurimaguas Road, Huallaga Waterway, Paita, Yurimaguas and Iquitos Ports and Logistic Centers (including anchor project and associated projects)	Amazon	248	PE (BR)
22	Lima-Tingo María-Pucallpa Road, Pucallpa Port and Logistic Center and modernization of Port of Callao (1° stage) (including anchor project and associated projects)	Amazon	296	PE (BR)
23	Francisco de Orellana Port	Amazon	20	EC
24	Iñapari-Puerto Maldonado-Inambari, Inambari-Juliaca/Inambari-Cusco Paving	Peru-Brazil-Bolivia	700	PE-BR
25	Acre River Bridge	Peru-Brazil-Bolivia	10	BR-PE
26	Boa Vista-Bonfim-Lethem-Georgetown Road (1° stage: feasibility and environmental studies)	Guyanese Shield	2	GY-BR
27	Itakutu River Bridge	Guyanese Shield	18	GY-BR
28	Venezuela (Ciudad Guayana)-Guyana (Georgetown)-Surinam (Paramaribo) Road (1° stage: feasibility and environmental studies)	Guyanese Shield	2	VE-GY-SU
29	Improvement of New Nickerie-Paramaribo-Albina Road and Marowijna River International Bridge	Guyanese Shield	90	SU-GY
30	Exports through Postal Services for SMEs	ICTs	-	All
31	Implementation of Roaming Agreement in South America	ICTs	-	All

	Subtotal		1,476	

	TOTAL		4,316	

Implementation Agenda based on Consensus 2005-2010

Projects of the Sectoral Process on Information and Communication Technologies
(objectives and general description)

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1. EXPORTS THROUGH POSTAL SERVICES FOR SMEs (Small and Medium Enterprises)
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GENERAL OBJECTIVE:

The general objective of this project is to reduce the bureaucracy, to simplify the custom processes, to enhance logistic processes and to enlarge the competitiveness of the countries in the global market.

GENERAL DESCRIPTION:

The project consists of infrastructure implementation to increase the participation of small and medium enterprises in the international trade, by means of product exports through postal service.

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2. SOUTH AMERICAN ROAMING
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GENERAL OBJECTIVE:

To contribute to the integration of the South American countries through the implementation of an international roaming system of mobile phone.

GENERAL DESCRIPTION :

The integration of the continent through the telecommunications is an important tool to generate development among the countries and to favor, as a consequence, the economic development.

The implementation of a roaming system does not require additional investments in the current mobile phone infrastructure and it could be implemented in the short term.