



I . I . R . S . A

INITIATIVE FOR THE INTEGRATION OF REGIONAL INFRASTRUCTURE IN SOUTH AMERICA



E X E C U T I V E S T E E R I N G C O M M I T T E E

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

Eighth Meeting of the Executive Steering Committee

December 13th and 14th, 2006
Quito, Republic of Ecuador

ANNEX 11

Speech of the Minister of Transportation and Public Works of Uruguay, Mr. Victor Rossi

VIII Meeting of the Executive Steering Committee of IIRSA Ecuador – Quito, December 13th and 14th, 2006

1.- DEVELOPMENT, INTEGRATION AND INFRASTRUCTURE

There is no doubt that the economic and social development of the people of this South America is associated to the formulation of a viable and sustainable pattern, which shall give priority to the investment in productive activities that generate new opportunities and also promote the existing ones.

Should they bring about the increase in occupation levels by generating worthy jobs, the consequent and necessary reduction in poverty and marginality levels, the access to the fulfillment of the regional and local communities basic needs, we shall then be assuring that economic growth goes together with a more equitable distribution of income and, thus, we may speak of sustainable development in the only sense that our people appreciate, require and deserve it.

Beyond the storms and, by the way, the unexplainable backward movements that often hit our South American integration processes, we neither doubt that sustainable development would be easier to achieve and to take full advantage of if it became real within a framework that, respecting our differences, would promote our similarities and supplementary issues.

This is, assuming the historic legacy of finding a way, a true direction, which shall get to making real the idea that the whole means more and gets a better position than the simple sum of a few parts or even of all of them.

Under this concept frame, the integrated infrastructures, understood not as an end themselves, become essential tools or instruments. Not only as a support of the development programs of each country, but also for the definition of a strategy of regional integration that shall consolidate a joint vision of our South America.

2.- WHERE ARE WE?

We recognize in the IIRSA initiative a tool that has managed to install, in these seven years of existence, a permanent environment of debate and exchange about the physical integration of its infrastructures among the South American countries, within a framework of strategic vision of the national and regional development. This critical mass, that has been taking the political-strategic definitions of each nation as a basis, has the additional value of being after the definition of a vision for the whole that is based upon consensus, regarding physical integration.

Even though it began as an answer to a tendency basically supported by growth patterns generated in the 80s and 90s, more often responding to particular than to social interests, however, it constitutes an inevitable starting and reference point.

Specifically, through the acknowledgement of the different Integration and Development Hubs outlined over its territory and focused in Transportation, Communications and Energy, IIRSA has advanced in the definition of a South American project portfolio, which contributes to the integration and the consolidation of an Implementation Agenda Based On Consensus.

The important advances related to this effort, which have been explained in detail, in all of its aspects, along this morning session, by the National Coordinator of Ecuador and through the presentations of the members of the Technical Coordination Committee, together with the general comments made by the countries, undoubtedly constitute an essential incentive to face the future challenges and to assume the compromise of our Presidency during the following year.

3.- HOWEVER:

We understand that it is necessary and essential that we go deeper in the definition of a strategy for the integration of physical infrastructures at a regional level, that inevitably based on the support of the development programs of each country and their supplementary nature, shall be able to be summarized in a vision with common purposes that shall strengthen the harmonic development of our South America.

In such sense, we believe that we shall ineludibly advance in the incorporation of projects that shall ensure the use of every available mode as regards air transportation, railways and waterways together with roads, effectively making them part of the production chains within a framework of greater efficiency in the use of resources, with low environmental impact and strengthening intra and extra regional trade exchange.

Moreover, it becomes essential to design a regional strategy that shall make a significant advance possible in the development of energy policies, which through bi-national or multi-national agreements based on new regulatory instruments shall advance in the outlining of a new energy scenario that is sustainable both in the economic and in the environmental fields.

We consider it necessary to go deeper in the analysis of the different financing options for the integration projects, especially identifying those which make it possible to attract the investment from the private sector, as a way to lift the financing limitations that many of the South American countries are currently facing. We believe this to be a key aspect to make real many of the projects that although being currently in the IIRSA portfolio and prioritized by the countries, are still far from becoming real.

As established before and reaffirmed now, the true and authentic sense of the joint definition of a strategy of physical integration of the infrastructures, is that these shall be adequate instruments for

giving support to a policy that shall respond to the expectations of economic and social development of our people and, particularly, of their more disregarded sectors.

4.- GUIDELINES FOR THE 2007 WORK PLAN

Notwithstanding the fact that the guidelines for the 2007 Work Plan are, in general terms, those expressed in the document and calendar of activities for year 2007 that has been distributed, we allow ourselves to highlight some of its contents:

IIRSA Institutional Nature: To strengthen the National Coordinations within each country and to support the National Coordinations' Secretariat, which the country that shall exercise the Presidency shall have in charge, as a way to ensure the correct relationship among the countries and a better capacity for the fulfillment of its tasks.

Implementation: To join to the efforts made during this year, such as the establishment of an Information System for Strategic Management and new financing mechanisms for studies of the IIRSA project Portfolio, the compromise of working for the private sector to participate more actively in the financing of public projects and, moreover, identifying other alternatives that shall make it possible to lift the restrictions that countries face in this regard.

Planning: To resume and intensify the works of the Executive Technical Groups by Hubs with the aim of revising, within that framework, those projects considered necessary taking into account the strategic development plans of each country, and synthesizing, in the new proposals, the common purpose of integration and development in such a way as to reduce the regional asymmetries and to promote a balanced territorial development.

Integration Sectoral Processes: In this framework, it shall be necessary to incorporate and strengthen those projects that shall make possible the competence as well as the supplementary nature of the different logistic modes and networks.

Outreach: We consider it necessary to develop a wider outreach of the initiative towards the interior of the countries, with the purpose of making the different actors of the society participate in the purposes of the Initiative.

5. FINALLY:

What has been done is not in vain, we have advanced but we need to advance more, and to do that it is neither enough to keep on repeating definitions we all share, nor the will that goes with us.

It is necessary, although sometimes turns out to be less comfortable, to identify with clarity the problems, the differences, the obstacles that prevent us from advancing and devoting ourselves with determination to the building of the solutions, which shall require a great effort from our governments.

Not only to win back our management role, but also to give hierarchy, within the facts, to the presence of our National Coordinations, and to wholly assume our responsibility in the strategy decisions that relate the advance in infrastructures to the integration and development of our countries and of Latin America.

The Summit of Heads of State of the South American Community of Nations, held in Cochabamba on the 8th and 9th of this month, becomes for IIRSA, in our opinion, an opportunity and a challenge, as well as a risk.

During 2007, we assume the responsibility that everything accumulated in the work carried out by IIRSA shall serve as a basis for the current opportunity and challenge to become achievements and success in the short term, for the benefit of our people and the confirmation of IIRSA in its role.

Finally, we would like to thank the Minister of Public Works and Communications of Ecuador, Eng. Pedro López Torres, for the hospitality and affection with which all of his assistants have treated us during this stay in Ecuador.

In such sense, we would also like to thank every member of this IIRSA Executive Steering Committee for the distinction I have been given for Presiding this initiative during year 2007.

It is precisely in 2007 that the Ministry of Transportation and Public Works of our country will be 100 years old.

This fact coincides, on May 9th, 10th and 11th in Montevideo, with the meeting of the Latin American Infrastructure Ministers, organized by the Latin American Secretariat of Nations. We shall then have the pleasure to receive you in our country to jointly approach a topic that we believe is of shared interest: Public Work, Private Investment, Employment.

Thanks Very Much.