Financing Infrastructure Development

Expert Group Meeting

United Nations

New York - October 2017
Vienna Programme of Action (VPoA)
Decade 2014 - 2024

Transforming landlocked countries into

Land linked Countries

Through cooperation and strengthened partnerships with transit countries, private sector, civil society, public-private associations, relevant international and regional organizations.
What is happening in Latin America

LLDCs

- Bolivia
- Paraguay
We can take a look at the Publication:

Latin American Regional Report on Improving Transit Cooperation, Trade and Trade Facilitation for the Benefit of LLDCs - Current Status and Policy Implications

UN-OHRLLS, 2017
Figure 1.1.
Capricorn Hub
Figure 1.2
Central Interoceanic Hub
Infrastructure Development
Investment from Public, Private and Public-Private partnerships

Perspectives from Chile:
- Bolivia
- Paraguay
Common investment challenges for Chile

- Large section of the main roads and the integrated border facilities are located over 4,000 a.s.l.
- Increasing use of the transit complexes at the border
- Increasing transit of heavy weight trucks on roads
- Increasing trade impacting in the port facilities
- Impact of major traffic trend within the city border (sustainable transport)
### Investment Challenges at both ends and in the middle section

<table>
<thead>
<tr>
<th>Integrated Border Control</th>
<th>Roads and Railways</th>
<th>Sea Ports</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public</td>
<td>Public, public-private, Private</td>
<td>Private (Concessions)</td>
</tr>
</tbody>
</table>
## Public and Private Investments

<table>
<thead>
<tr>
<th>BORDER COMPLEX</th>
<th>Investment</th>
</tr>
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<tbody>
<tr>
<td>Chungara</td>
<td>US$ 33 million</td>
</tr>
<tr>
<td>Colchane</td>
<td>US$ 4.2 million</td>
</tr>
<tr>
<td>Hito Cajon</td>
<td>US$ 1.2 million</td>
</tr>
<tr>
<td>TOTAL</td>
<td>US$ 38.4 million</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>MAIN ROAD</th>
<th>Investment 2015-2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Road 11 CH</td>
<td></td>
</tr>
<tr>
<td>Port of Arica to Inregrated Border Complex of Chungara</td>
<td>US$ 118 million</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>PORT FACILITIES</th>
<th>Investment</th>
</tr>
</thead>
<tbody>
<tr>
<td>ZEAP</td>
<td>US$ 6.2 million</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>RAILWAY</th>
<th>Investment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Railway Arica-La Paz Chilean Section</td>
<td>US$ 32 million</td>
</tr>
</tbody>
</table>
Latest
Public and Private Investments
Border Complexes, Roads, Ports and Railways

<table>
<thead>
<tr>
<th>Grand Total</th>
<th>US$ 194.6 million</th>
</tr>
</thead>
</table>

Facing the infrastructure challenges of the (VPoA) in Latin America

*Perspectives from Chile*

*The case of Bolivia*

3 Border Complexes of Third Generation:

a) Main Border Complex: Chungará

b) Colchane

c) Hito Cajón
New Border Integrated Control Complex at Chungará – 4.680 mt a.s.l.
Integrated Border Control at Colchane - Road-Port of Iquique
Border complex at Colchane
Border complex at Hito Cajon
Border Control Complex at Hito Cajon
Chungará - Road 11 CH – Port of Arica
Private Sector Critical Role

“Enhancing the role of the private sector in the implementation of the Vienna Programme of Action (VPoA) for Landlocked Developing Countries for the Decade 2014-2024 and the 2030 Agenda for Sustainable Development”

- Held on 23 May 2017 in New York, United States in the margin of the 2017 United Nations Economic and Social Council (ECOSOC) Forum on Financing for Development (FfD) follow-up
2004: 1,092,597 Tons

2014: 3,074,883 Tons

+ 182% increase since 2004
PROYECTO ZEAP

21.6 Hectars, EPA investment outside the Port facility
Railway Rehabilitation (FCALP)
Investment of US$ 32 million
Rehabilitation

Section 1
Arica - Central

Section 2
Central - Puquios

Section 3
Puquios - Visviri
Rehabilitation

Sector 1
Lluta Km 40

Sector 2
Zona Cremallera

Sector 3
Puente Km 162 / Terraplén km 169
Environmental Measures

Security area Puquios Station - Capacity 85,000 m³
Km 112 from Arica Arica, 3,728 a.s.l.
Environmental Measures - Contingencies
Facing the infrastructure challenges of the (VPoA) in Latin America

*Perspectives from Chile*
*The case of Paraguay*

Main Border Complexes are connected through Argentina.

Current Project links the Port of Antofagasta (Chile) to Porto Mourthino at the Paraguay-Brazil border.
Free Warehouse for Paraguay

Antofagasta Port - Chile
Physical investments also need legal frameworks to facilitate trade

The most important instrument is the WTO Trade Facilitation Agreement (WTO-AFC)

Chile joined the WTO-AFC in November 2016
Some conclusions

• Financing Infrastructure Development is an enormous task that requires understanding and collaboration from all stakeholders.

• Public and private investment are needed, as well as public-private partnerships, as embodied in the VPoA spirit.

• The case of Chile as transit country, huge mobilizations of resources from all sources (Public, Private and Public-Private Partnerships) have been allocated to enhance transit facilities for borders countries including LLDCs.

• WTO AFC helps on the non-physical investment side.
Many thanks