

XIV Meeting of National Coordinators of the Initiative for the Integration of the Regional Infrastructure in South America

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Buenos Aires, Argentina

MESOAMERICA
Integration and Development
PROJECT



PROYECTO
Integración y Desarrollo
MESOAMÉRICA



Background of the regional integration:



1991 Dialogue
Mechanism and
Tuxtla
Agreement

2001 - 2006. Puebla
Panamá Plan
(PPP).

2007 - 2008.
Strengthening
of the PPP.

2008 – The
Leaders agreed
on the transition
of the PPP to the
Mesoamerica
Project.

What does the Mesoamerica Project represent?



Belize, Colombia, Costa Rica, El Salvador, Guatemala, Honduras, México, Nicaragua, Panamá and República Dominicana*

Population: 197.5 millions

3.6 millions of km²

Estimated regional GDP in 2008: US\$ 1,527 trillions.

Source : IMF

* Data does not include DR

What did the restructuring of the PPP consist of?

Change in the work dynamics

Creation of the Promotion and Funding Commission

New Guidelines for the incorporation and management of projects

Greater interaction with Sectoral Ministers and Regional Organizations



What is the Mesoamerica Project?

Dialogue and coordination mechanism that articulates cooperation efforts, as well as development and integration efforts among the countries in Mesoamerica in order to improve the quality of life of the region inhabitants.



**What is the
added value of
the PM
(Proyecto
Mesoamerica,
in Spanish)?**

Political dialogue

Regional integration

Definition of common priorities

Management of resources
(cooperation and/or funding)

Regional public assets



Organization Chart of the Mesoamerica Project



Priority Projects:

Social Projects

- Mesoamerican System of Public Health
- Mesoamerican Strategy of Environmental Sustainability
- Mesoamerican System of Territorial Information
- Program for the Development of Council Tenancy in C.A.

Economic Projects

- Road infrastructure (RICAM)
- Energy (electricity and biofuels)
- Telecommunications integration
- Modernization of Customs and Border Crossings (TIM)
- Indicators for Competitiveness (APP's)

Intervention Initial Components of the Mesoamerican System of Public Health



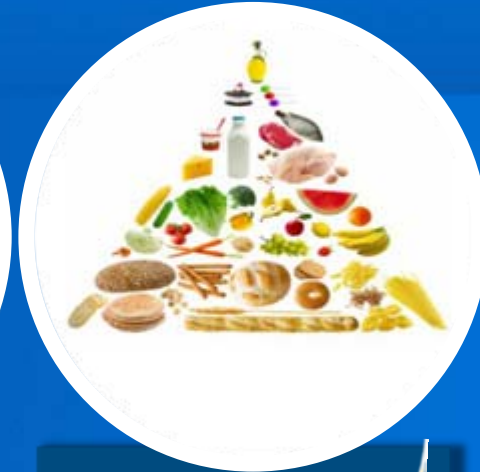
Mother and child health



Malaria and Dengue



Vaccination



Nutrition

EPIDEMIOLOGICAL SURVEILLANCE

VIGILANCIA EPIDEMIOLÓGICA

FORMACIÓN DE RECURSOS HUMANOS

HUMAN RESOURCES FORMATION

Mesoamerican System of Territorial Information



Objective:

- To develop a regional coordination system for the reduction of natural disaster risks.



Expected results:

- To improve knowledge and perception of risks
- To develop policies for the prevention of disasters
- To reduce human and economic losses
- To strengthen and integrate systems of civil protection and prevention of disasters

Program for the Development of Council Tenancy in Central America

Objective

- To develop a market to finance housing in the long term. The market should be sustainable and should serve the current housing needs as well as the future housing needs.

Characteristics

- To provide guarantees and microfunding
- To develop institutional and financial capabilities as well as regulatory frameworks
- Technical support and funding.

Expected Results

- Short term: Up to 50,000 housing actions.
- Long term: 500.000 housing actions (BCIE funding: \$1,240 million dollars)



Mesoamerican Strategy of Environmental Sustainability



Objective

- To increase and strengthen the cooperation capabilities, improving the quality of life of the population, and maintaining its natural and cultural capital.



Characteristics

- To develop projects in the following areas:
 - a) biodiversity and forests
 - b) climate change
 - c) sustainable competitiveness



Expected results

- To consolidate the EMSA as the environmental cooperation regional hub.

Objective:



To spread the knowledge and the new applications related to renewable energy, guaranteeing that the food security is not affected.

Progress:



COUNTRY	SUPPLY	STATUS
El Salvador	Castor oil plant	Under Operation
Honduras	Palm oil	Under Operation
México	Jatropha/ Palm oil	Under Execution
Dominican Republic		Funding
Panamá		Funding
Guatemala	Jatropha	Funding

Opportunities for joint work:



Exchange of experiences regarding Biofuels Research and Development.



Objective

- Use of common methodologies of measurement, monitoring and analysis of competitiveness.

Mesoamerican Indicators for Competitiveness

The project is structured in three phases:

- a) Phase I – Institutional Transfer
- b) Phase II – Transfer of the Competitiveness Index Methodology
- c) Phase III – Institutionalization of the process

Energy and Telecommunications Integration

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Electric Interconnection System for the Countries in Central America (SIEPAC, in Spanish)

Progress:

The line will operate partially as of January 2010 and it will be fully operating in 2011.

Next steps:

- To speed up the management of the rights of way
- The partners of the EPR will increase their capital as shareholders, managing complementary credits with the international banking.



Guatemala- México Interconnection

Progress:



- The building of the infrastructure of the MX-GUA interconnection was completed; as well as the enlargement of two substations in Tapachula, México, and “Los Brillantes”, in Retalhuleu, Guatemala.

Next steps:



- To start the energy commercialization between both countries.
- To strengthen the electricity system in Guatemala in order to deepen the interconnection of México with the SIEPAC.

Colombia – Panamá Interconnection

Progress:

- Agreement among the regulators in both countries.
- The firm “Interconexión Eléctrica Colombia Panamá (IPC)” started operations in order to build and operate the line.



Next steps:

- Pre-investment activities.
- To start the construction of the transmission line.

Benefits of the Regional Electrical Integration



- Competitive energy market
- Strengthening of Energy Security in the region
- Competitiveness and investment attraction
- SIEPAC is the first six-countries energy market and is also the first regional transmission system planned in the world. Additionally, it is becoming an example to reproduce.



Mesoamerican Information Highway (AMI, in Spanish)



OPGW cable

Progress:

- The placement of optic fiber online was started.
- It was created the firm: Red Centroamericana de Fibras Ópticas S.A. (REDCA), in charge of operating the optic fiber as a “carrier of carriers”.

Opportunities for joint work:



- To share experiences regarding interconnection.
- To know the experience of the IIRSA regarding the project: “Implementation of a Roaming Agreement in South America”

Speeding up of the Pacific Corridor

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Projects being designed:



Mesoamerican Railway System

- The study would have two parts: 1) Analysis of the Potential in Mesoamerica; and 2) Analysis of the feasibility of the Rehabilitation and Integration of the Railway System.



Short-distance Sea Transportation (Domestic Transportation)

Objective: to have the same regulations, to reach an agreement that sets a standardization of tariff rate quotas and to create a plan that identifies the necessary investment for port infrastructure.



Opportunities for joint work:

- To exchange experiences regarding Sectoral Integration related to border crossings, land and air transportation as well as sea and multimodal transportation.

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