

Multi-year Expert Meeting on

TRADE, SERVICES AND DEVELOPMENT

Geneva, 15-17 April 2014

SESSION 3:

**INFRASTRUCTURE SERVICES UNDER
REGIONAL TRADE AGREEMENTS**

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Recent trends in infrastructure services in Latin America

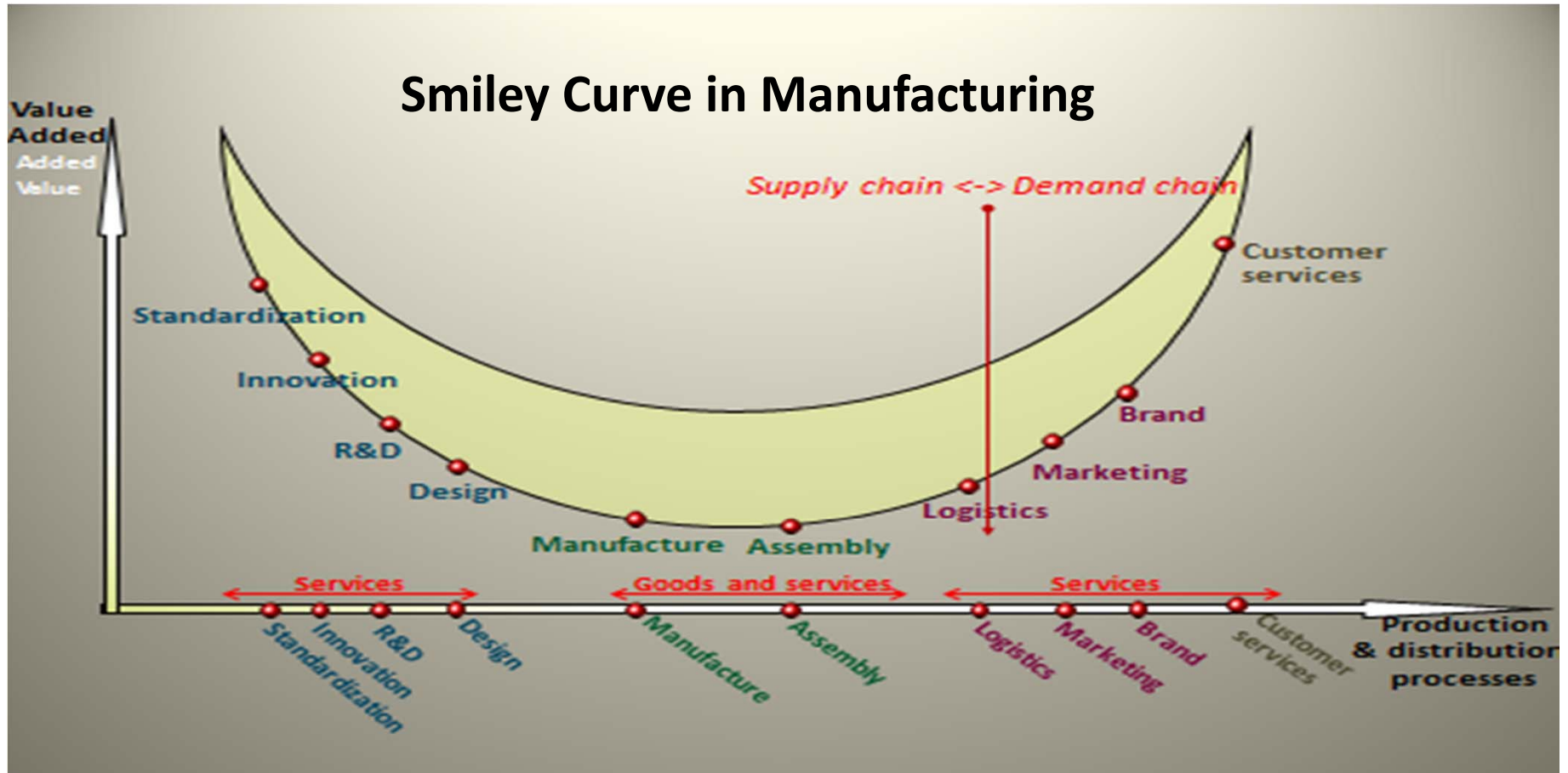
(Session 1)

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Key role of (infrastructure) services in global value chains



Relevant services :

- research & development, standards and quality control, storage and transportation logistics, branding and marketing

South America lags behind East Asia in transport, energy and communications infrastructure

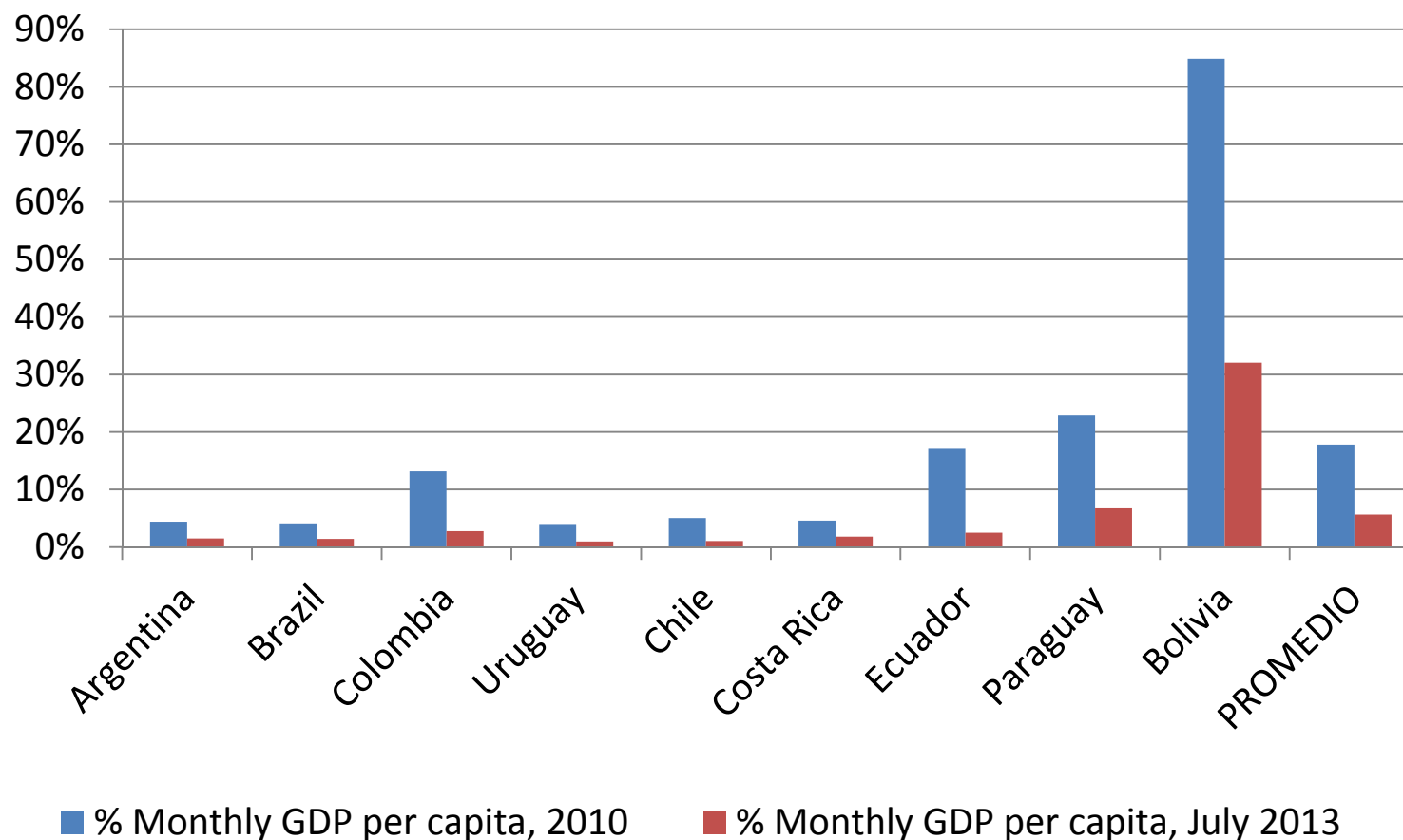
SOUTH AMERICA AND EAST ASIA: COMPARISON OF INFRASTRUCTURE, 2010

Indicator	South America	East Asia
Fixed broadband Internet subscribers (per 100 people)	5.5	24.3
Mobile cellular subscriptions (per 100 people)	104.2	141.3
Generation MW/Hour per cápita	2.9	7.2
Rail lines (total route-km)	15,553	2,522
Roads, paved (% of total roads)	15.1	93.5
Telephone lines (per 100 people)	17.6	44.1

Source: World Bank, World Development Indicators

Large intraregional differences in internet access

SELECTED COUNTRIES IN LATIN AMERICA : COST OF ACCESS TO INTERNET
(In percentages of monthly per capita GDP)

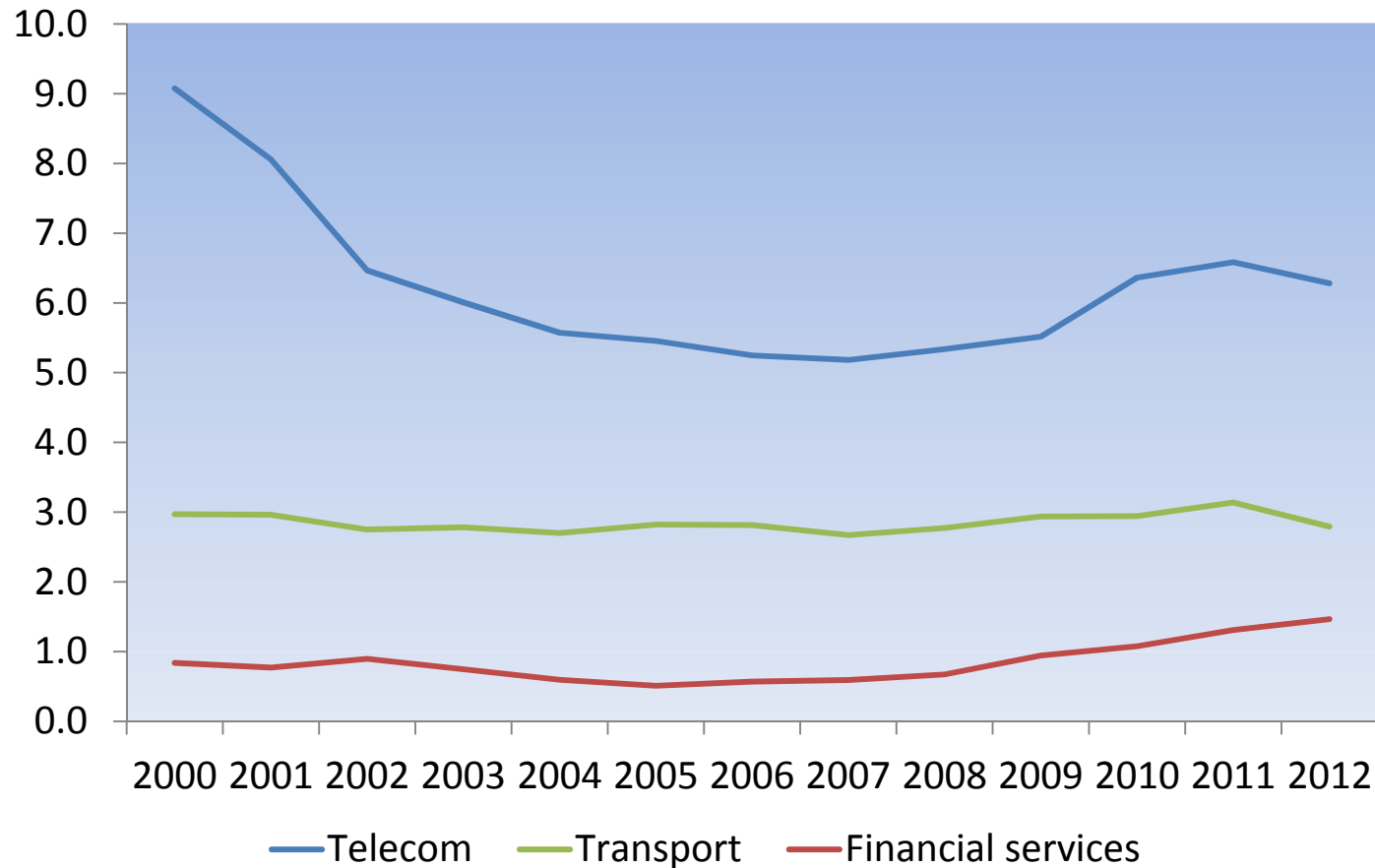


Source: Observatorio Regional de Banda Ancha (ORBA), sobre la base de datos de Ookla [en línea]
<https://www.ookla.com/>

Latin America's trade performance in infrastructure services is heterogeneous

LATIN AMERICA: SHARE IN WORLD TRADE OF SELECTED SERVICES

(Percentages)



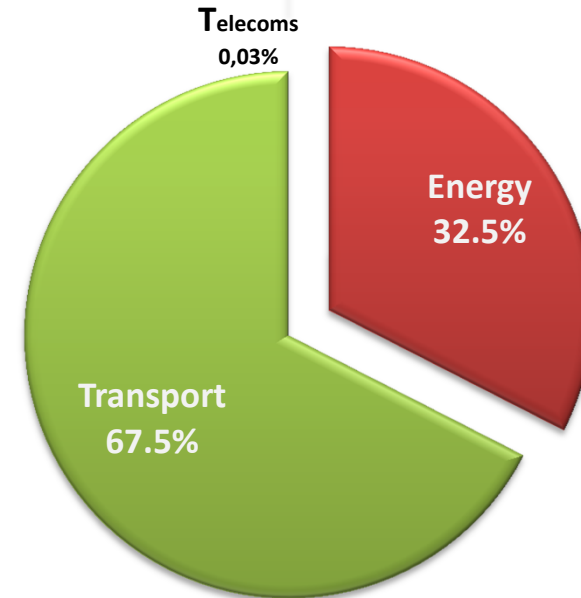
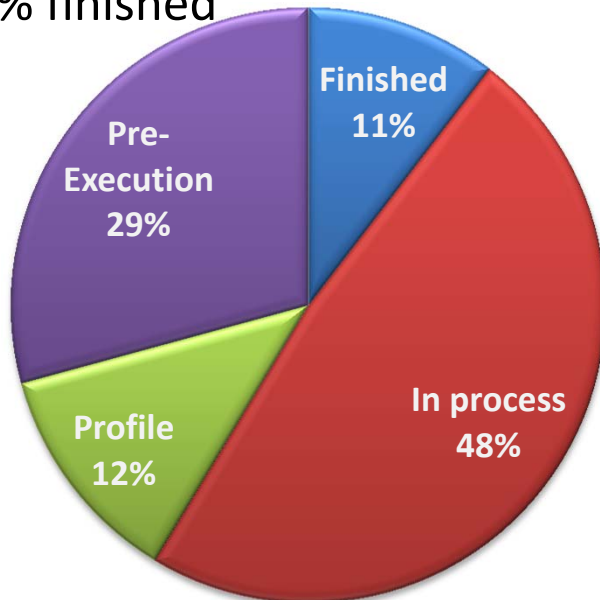
Source: ECLAC on the basis of IMF, Balance of Payment Statistics,

UNASUR/COSIPLAN/IIRSA: Project Portfolio

589 projects, amounting to USD 156 billion

- Two thirds are related to transport
- One third to energy
- 0.03% to telecoms

77% pre-execution or in process,
12% in profile
11% finished



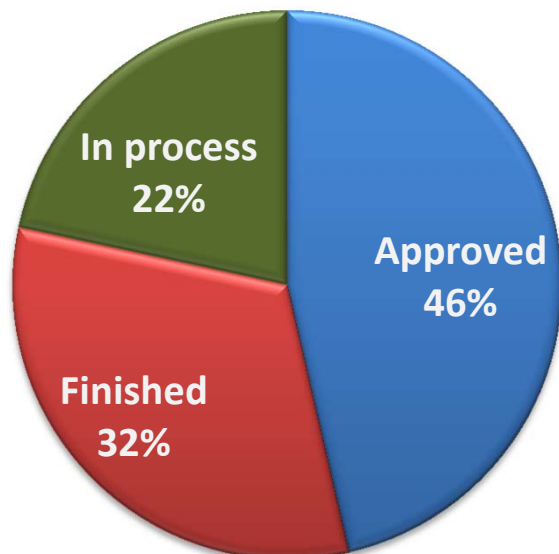
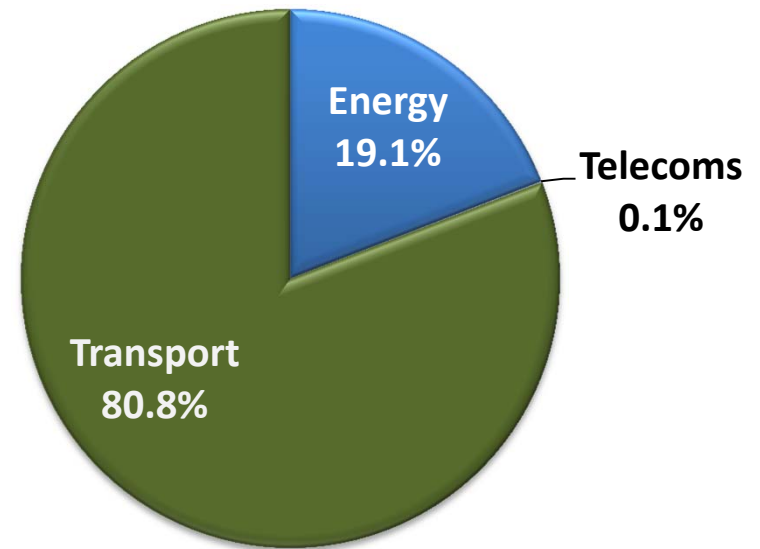
Status	Projects	Million USD
Finished	85	16.286,2
In process	177	75.316,0
Profile	160	18.987,4
Pre-execution	167	45.661,4
Total	589	156.250,9

Source: ECLAC on the basis of information from UNASUR/COSIPLAN/IIRSA, September 2013.

Mesoamerica Project

64 projects, amounting to USD 2.3 billion

- 81% are related to transport
- 19% to energy
- 0.1% to telecoms
- 22% in process
- 46% approved
- 32% finished



Status	Projects	Amount (Million USD)
Approved	13	1105,3
Finished	31	762,5
In process	20	515,3
Total	64	2383,1

Source: ECLAC, on the basis of Mesoamerica Project, September 2013.

Towards a digital cooperation agenda

- Close digital gaps, promoting access to Information and Communication Technologies (ICT) by:
 - Rural areas
 - Poor population
 - Women
 - Small and medium enterprises
- Increase use of ICT in health, education, government services
- Move towards harmonization of Internet regulation across the region, including on the protection of personal data

Financial cooperation

- Regional development banks
 - IADB, CAF (Devt. Bank of Latin America), subregional banks are currently very active in LAC
- Regional payment systems
 - LAIA: Reciprocal Payments and Credits Agreement
 - Argentina and Brazil: SML
 - Sucre (ALBA)
- Pooling of international reserves: Latin American Reserve Fund (FLAR)
 - ECLAC proposes to enlarge it to include Brazil and Mexico
 - A larger FLAR would allow more aggressive lending to countries facing BoP difficulties

More cooperation is needed to create regional public goods in infrastructure services

Transport & energy infrastructure

- IIRSA needs to:
 - step up speed of execution
 - increase number of multi-country projects (today only 10%)
- Need to create a more predictable environment for intraregional energy exchanges (electricity, gas)
 - Good progress in Central America (SIEPAC)

Telecommunications & information technology

- Enhance access to, and speed of, broadband internet

Finance:

- Expand FLAR membership

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