

LATIN AMERICA AND CARIBBEAN-OECD INVESTMENT INITIATIVE

Investing in infrastructure for jobs
and development

Crowne Plaza Hotel
Bogotá, Colombia, 6-8 July 2011

PROGRAMME



Background

The Latin America and Caribbean-OECD Investment Initiative aims to increase the contribution of private investment to economic and social development in Latin America and the Caribbean. It does so through peer dialogue, both between governments as well as between governments and investors. The Initiative helps governments create better policies at three levels: through general improvements to the investment climate (e.g. less red tape); through more focussed approaches that reflect the particular needs of specific sectors (e.g. investment in agriculture); and through initiatives that enhance the development contribution of private investment (e.g. creating fairer public-private partnerships for essential infrastructure).

This conference is hosted by the Government of Colombia, in co-operation with the OECD. It is the second event of the LAC-OECD Investment Initiative. The first event took place in Santiago, Chile, in September 2010.

In the interests of the environment, paper versions of presentations and documents will not be distributed during the conference. Rather, participants can find these on the conference website at www.oecd.org/daf/investment/lac.

Sponsorship

The organisers gratefully acknowledge the generous financial support provided by the Inter-American Development Bank.



Conference timetable

Pre-conference technical workshop	
6 July 2011	
15:00 – 18:00	<p>Technical workshop: Case study of the Ruta del Sol project</p> <p>Moderator Michael Gestrin, Senior Economist, OECD Investment Division, Directorate for Financial and Enterprise Affairs</p> <p>Panelists Maria Constanza Garcia, Vice Minister of Transport, Colombia Silvia Urbina Restrepo, Deputy Director, Contracts, Ministry of Transport, Colombia</p>
18:00	<p>Reception and pre-registration for conference participants</p> <p><i>Crowne Plaza – Tequendama Hotel (Salón Presidencial – 17th Floor)</i></p>

Conference: Investing in infrastructure for jobs and development	
Day 1 – 7 July 2011	
09:00 – 10:30	Opening high-level plenary
10:30 – 11:00	Coffee break
11:00 – 12:30	Session 1: Co-ordinating public policy for infrastructure in Latin America
12:30 – 14:00	Lunch for participants
	Luncheon meeting for the members of the Inter-governmental Steering Group for the Latin America and Caribbean Investment Initiative (IGSG) <i>(closed session)</i>
14:00 – 15:30	Session 2: Public-private partnerships: to engage or not to engage?
15:30 – 16:00	Coffee break
16:00 – 17:30	Session 3: Maximizing the social benefits of public and private investment in infrastructure
19:00	Reception and gala dinner
Day 2 – 8 July 2011	
09:00 – 10:30	Session 4: Successful public-private partnerships: the role of public policies and the institutional framework
10:30 – 11:00	Coffee
11:00 – 12:30	Session 5: Capital markets, banks and private equity funds in financing investments in infrastructure
12:30 – 14:00	Lunch
14:00 – 15:30	Closing plenary: Boosting infrastructure in Latin America: Today's opportunities, tomorrow's challenges

Investing in infrastructure for jobs and development

Main programme

Day 1 – 7 July 2011	
09:00 – 10:30	<p style="text-align: center;">OPENING HIGH-LEVEL PLENARY</p> <p>Infrastructure is fundamental not only to a well-functioning economy but also to the quality of people’s lives. Infrastructure is an area where governments and business often find themselves working side by side. Given the role of infrastructure in supporting jobs and development, it is crucial that governments and businesses work efficiently together. The opening high-level plenary will set the stage by introducing the current state of play in Latin America and the Caribbean and highlighting the present and future challenges for meeting the region’s infrastructure needs and the role of the State to improve the institutional and incentives design in infrastructure policies.</p> <p>The opening high-level plenary will begin with opening remarks by an interactive dialogue between Mr. Sergio Díaz-Granados, Minister of Trade, Industry and Tourism and followed by an interactive discussion between the Minister of Transport and Infrastructure, Mr. Germán Cardona and the Director of the OECD’s Development Centre, Mr. Mario Pezzini. This will then be followed by an interactive high-level panel discussion led by the Vice President of Costa Rica, H.E. Luis Liberman and Mr. Roberto Zurli Machado, Infrastructure Director and Board Member of BNDES.</p> <p>Opening remarks H.E. Sergio Díaz-Granados, Minister of Trade, Industry and Tourism, Colombia</p> <p>Keynote speaker H.E. Germán Cardona, Minister of Transport and Infrastructure, Colombia</p> <p>High-level Panel H.E. Luis Liberman, Vice President, Costa Rica Roberto Zurli Machado, Infrastructure Director and Board Member, BNDES, Brazil</p> <p>Moderator Mario Pezzini, Director, OECD Development Centre</p>
10:30 – 11:00	Coffee break

11:00 – 12:30	<p>SESSION 1: Co-ordinating public policy for infrastructure in Latin America</p> <p>A crucial dimension in the various phases of infrastructure delivery is the co-ordination of infrastructure policies among various actors and levels of government. How should this co-ordination be analysed? Particular attention should be paid to two aspects: (i) the institutional set-up, ranging from the planning stage to the monitoring and oversight of implementation and service provision, identifying key actors in each stage; (ii) the incentives facing each player in the system, including the presence of proper checks and balances control of conflicts of interest (accountability). This session highlights the role of the State to improve the institutional and incentives design in infrastructure policies.</p> <p>Moderator</p> <p>Natalia Salazar, Deputy Director, FEDESARROLLO</p> <p>Panelists</p> <p>H.E. Hernando José Gómez, Director, National Planning Department, DNP, Colombia</p> <p>Mario Pezzini, Director, OECD Development Centre</p>
12:30 – 14:00	Lunch for participants
	<p>Luncheon meeting for the members of the Inter-governmental Steering Group for the Latin America and Caribbean Investment Initiative (IGSG)</p>
14:00 – 15:30	<p>SESSION 2: Public-private partnerships: To engage or not to engage?</p> <p>When governments first began experimenting with public-private partnerships for boosting infrastructural investment and the provision of associated services, public-private partnerships (PPPs) were widely viewed simply as a means of tapping private capital for infrastructural investment. The difficulties that governments have encountered in establishing successful PPPs in infrastructure suggest that this view of PPPs as primarily a financing issue was overly simplistic. As earlier sessions have shown, for example, successful PPPs do not necessarily imply the need for less government capacity. Indeed, they often require governments to have more capacity.</p> <p>A question the experience with PPPs raises is whether we have expected too much of this innovation in public policy for infrastructure. This panel will explore the factors that determine the reasonable limits of what can be achieved through PPPs for infrastructure and where governments need to “draw the line”, especially once social and development dimensions of infrastructure are factored into the policy-making process.</p> <p>Moderator</p> <p>Victor Traverso, Director for Colombia, Corporación Andina de Fomento (CAF)</p> <p>Panelists</p> <p>Jean Philippe Pening Gaviria, Director, Infrastructure and Sustainable Energy Directorate, National Planning Department, Colombia</p> <p>Eduardo Bitrán, Universidad Adolfo Ibañez (former Minister of Public Works, Chile)</p> <p>Ian Hawkesworth, Policy Analyst, OECD Public Governance and Territorial Development Directorate</p>
15:30 – 16:00	Coffee break

16:00 – 17:30	<p>SESSION 3: Maximizing the social benefits of public and private investment in infrastructure</p> <p>Public-private partnerships can support a number of different social and development objectives. The environment is one area where this has been particularly the case. For example, PPPs have been used to provide communities with clean water and sanitation, and to generate renewable sources of energy. The objective of this session is to identify the types of externalities (both positive and negative) that the government should take into account in evaluating the ultimate development impact of any PPP project being considered.</p> <p>Moderator</p> <p>Anthony O’Sullivan, Head, OECD Private Sector Development Division, Directorate for Financial and Enterprise Affairs</p> <p>Panelists</p> <p>Beethoven Herrera Valencia, Economic Advisor, International Trade Union Confederation</p> <p>Julio Ratia, Director for Latin America Latina and Caribbean, Aguas de Barcelona</p> <p>Michael Gestrin, Senior Economist, OECD Investment Division, Directorate for Financial and Enterprise Affairs</p>
19:00	<p>Reception and Gala dinner to be hosted by the Government of Colombia<i>Crowne Plaza – Tequendama Hotel (Salón Esmeralda 1st Floor)</i></p>

DAY 2 – 8 July 2011	
09: 00 – 10:30	<p>SESSION 4: Successful public-private partnerships: the role of public policies and the institutional framework</p> <p>Empirical evidence shows that an inadequate regulatory and institutional framework for PPPs can be costly - in terms of higher fiscal deficits, low levels of efficiency in the infrastructure process and the failure to meet targets. In general, an inadequate policy framework for PPPs affects long term welfare and impedes effective private sector participation. A key example concerns the conditions under which PPP contracts are renegotiated once projects are underway. This session will identify critical public-policy issues and of relevance to the private and public sectors alike in the pursuit of more effective PPPs.</p> <p>Moderator</p> <p>Juan Martín Caicedo, President, Colombian Chamber of Infrastructure</p> <p>Panelists</p> <p>Maria Constanza Garcia Botero, Vice-Minister of Infrastructure, Colombia</p> <p>Erasmus de Alfonso, Director General, Aquafed</p> <p>James K. Alford, Partner, Curtis, Mallet-Prevost, Colt & Mosle LLP</p> <p>Carlos Gonzalez, Director of Infrastructure, CEMEX Colombia</p>
10:30 – 11:00	Coffee break

<p>11:00 – 12:30</p>	<p>SESSION 5: Capital markets, banks and private equity funds in financing investments in infrastructure</p> <p>Financing of infrastructure investment, including that involving PPPs, is a key issue. The objective of this session is to examine the role of capital markets in infrastructure and PPP financing, their principal advantages and disadvantages compared to traditional bank financing, as well as to analyze financing structures and key ratios for successful PPP projects</p> <p>Moderator</p> <p>Francisco Lozano, Partner, Colombia Infrastructure Fund Ashmore</p> <p>Panelists</p> <p>Luis Carlos Villegas, President, ANDI Colombia</p> <p>Felipe Almeida, Financial Director, Construtora Norberto Odebrecht SA – Colombian Branch</p> <p>Sebastian Barrientos, Director of Infrastructure Banking, Grupo BanColombia</p> <p>Professor Carlos de Faro Passos, Fundação Getúlio Vargas/ PLANEF Consultores Associados</p>
<p>12:30 – 14:00</p>	<p>Lunch</p>
<p>14:00 – 15:30</p>	<p>CLOSING SESSION: Boosting infrastructure in Latin America and the Caribbean: Today’s opportunities, tomorrow’s challenges</p> <p>This high-level panel will be comprised of the moderators of the previous sessions. It will bring together the key issues and messages that have emerged from two days of discussions between governments, business, labour, and representatives from civil society.</p> <p>Chair</p> <p>Luis Andrade, Director, INCO, Colombia</p> <p>Moderators’ sum-up</p> <p>Natalia Salazar, Deputy Director, FEDESARROLLO (Session 1)</p> <p>Victor Traverso, Director for Colombia, Corporación Andina de Fomento (CAF) (Session 2)</p> <p>Michael Gestrin, Senior Economist, OECD Investment Division (Session 3)</p> <p>Juan Martin Caicedo, President, Colombian Chamber of Infrastructure (Session 4)</p> <p>Francisco Lozano, Partner, Colombia Infrastructure Fund Ashmore (Session 5)</p>

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