Ministerio de
OBRAS PÚBLICAS
Y COMUNICACIONES

GOBIERNO
NACIONAL

Paraguay
de la gente

OHRLLS Meeting - Ulaanbaatar, Mongolia - 29 and 30.10.19

BIOCEANIC CORRIDOR
BRAZIL-PARAGUAY-ARGENTINA-CHILE

Presentation: Gilda Arréllaga- Ministry of Public Works and Communications – Republic of Paraguay

Challenges in the Infrastructure Development Area

- Due to its geographical location, Paraguay offers enormous potential for business development in the area of logistics and related services. Mainly in river navigation sector, allowing easy output of products to MERCOSUR market.
- High rates of competitiveness in the areas of agriculture and livestock, abundance of clean and renewable electricity with investment possibilities in electrical network systems.
- In order to exploit this potential, the Government of Paraguay is promoting the development of new infrastructure works and the improvement of some existing ones.
- The portfolio of investments required in the short term amounts to a total amount of approximately 4,680 million dollars.
- These investments include road works of approximately 751 km., dredged and maintenance of the Waterway and the development of railway connections.

STRATEGIC FRAMEWORK

- Road and transport infrastructure acts as an articulating element to develop the conditions that will enable the country's economic growth under criteria of social equity, fiscal and environmental sustainability and administrative transparency.
- Paraguay has the lowest indicators in social accessibility and territorial connectivity with respect to the regional average, as well as a low level of road infrastructure quality, 131 out of 137 countries studied by the World Economic Forum.
- These indicators need to be improved so that road and transport infrastructure can offer the conditions required for acceptable or satisfactory economic and social development.
- The total investment in the area of influence of the bioceanic corridor will be US $ 2,368,159,000:

- FIRST PHASE: Paving of the section Carmelo Peralta – Cruce Centinela - Loma Plata, within the framework of Law No. 5074/2013".
- Bidding Act MOPC 37/2016, awarded to Bioceanic Corridor Consortium (Queiroz Galvao S.A - Ocho A S.A.)
- Start of works: 02.2019
- 4 reinforced concrete bridges 3 of 20 m. and 1 of 25 m. of length.
- Execution period: 40 months.
- Length (km): 277
- ESTIMATED COST OF WORKS IN USD: 430,000,000

- SECOND PHASE: Paving of section Cruce Centinela - Mariscal Estigarribia - Pozo Hondo, within the framework of Law No. 5074/2013.
- The bidding of this work is planned in two sections, for the Second Half of the year 2019.
- Section 1. Cruce Centinela - Mcal. Estigarribia
- Section 2. Mcal. Estigarribia - Pozo Hondo
- Estimated term of works 48 months
- Length (km): 322.00
- ESTIMATED COST OF WORKS IN USD: 460,000,000

Venezuela
Guyana
Surinam
Guyana Francesa
Colombia
Ecuador
Perú
Brasil
Bolivia
1.594 km
Antofagasta
Paraguay
1.726 km
Santos
Argentina
Uruguay
Chile
Data SIO, NOAA, U.S. Navy, NGA, GEBCO
US Dept of State Geographer
Image Landsat / Copernicus
© 2018 Google
Google Earth

Bioceanic Corridor Working Group

ROAD CORRIDOR

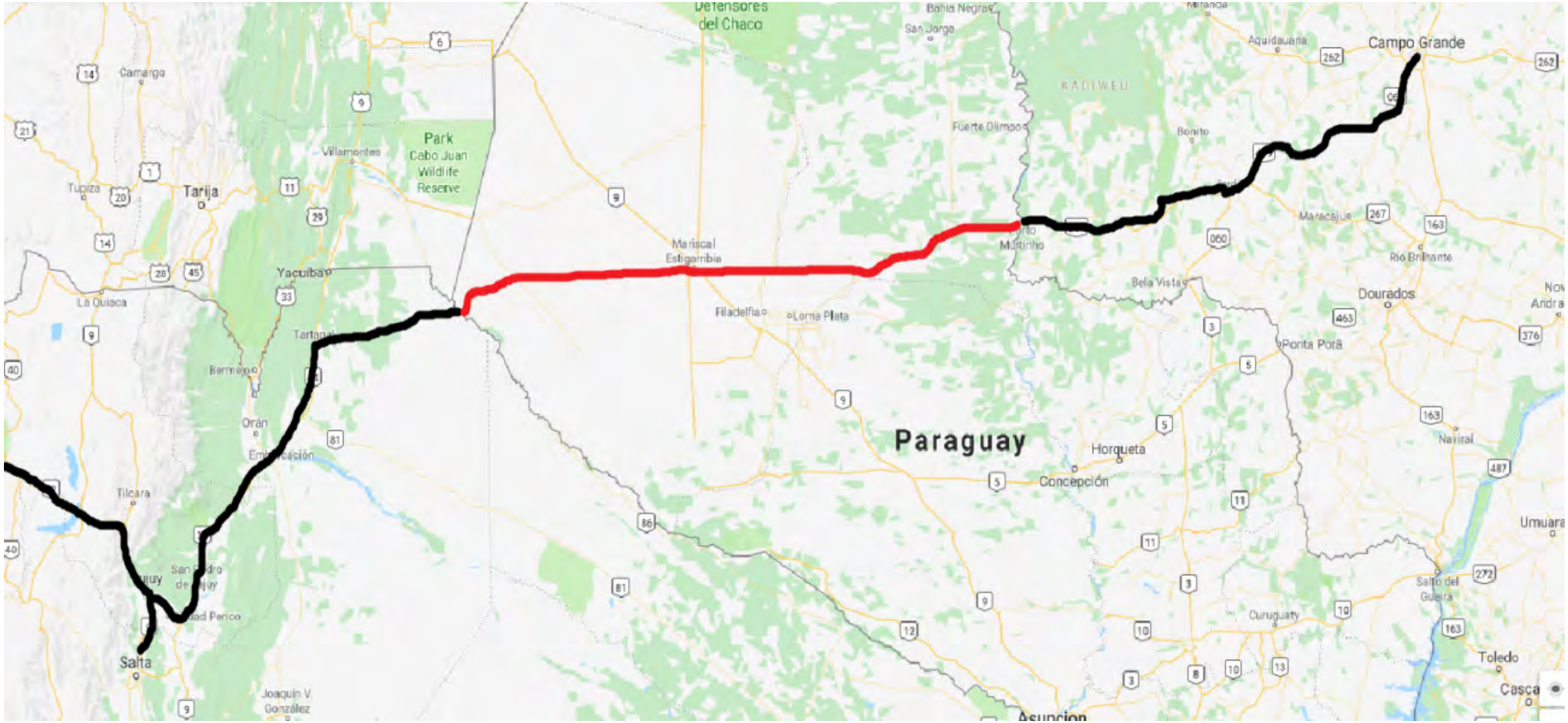
Campo Grande – Puerto Murtinho (Brasil)

Carmelo Peralta – Mcal. Estigarribia – Pozo Hondo (Paraguay)

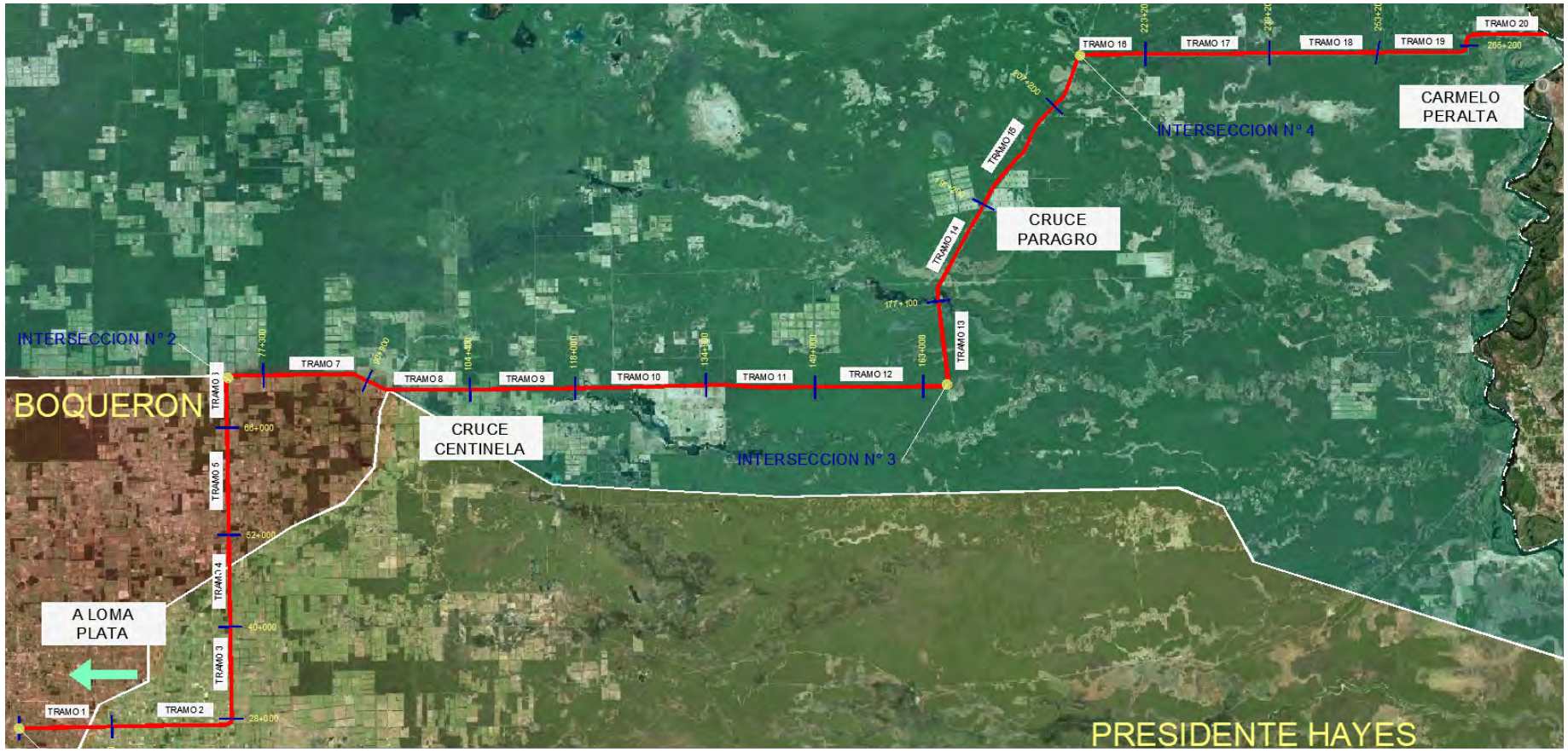
Misión La Paz – Tartagal – Jujuy – Salta (Argentina)

Sico – Jama – Puertos de Antofagasta – Mejillones – Iquique (Chile)

CHACO PARAGUAYO



PROJECT OUTLINE - PHASE I



TOTAL LENGTH: 277.2 km → 20 stretch → 2 work fronts

AREA OF INFLUENCE → 12.300 homes → 61.500 inhabitants

DEPARTMENTS → Boquerón, Presidente Hayes, Alto Paraguay

EXECUTING AND FINANCING TEAM

- The project is carried out under the modality “Work + financing” (Law 5074):

- Contractor: Bioceanic Road Corridor Consortium

queiroz galvão CONSTRUÇÃO

8a Ocho A S.A. CONSTRUCTORA

- Bank performing financial support

UBS

“WORK WITH FINANCING” MODE (LAW 5074)

- ✓ The advantage of this modality is that the work is carried out under the global sum system, that is, the price readjustment is not contemplated.

- ✓ A Certificate of Payment Obligation Recognition (CROP) is generated only at the end of each stretch. This generates the incentive that the contractor delivers the stretch (Functional and usable milestone) in time and form.

- ✓ The mentioned CROP is a debt title. So debt is only generated to the Paraguayan state when the stretch is delivered.

- ✓ The design and construction risk is transferred to the contractor.

PHOTO REPORT - PHASE I

WORK FACILITIES

Aggregate Manufacturing Facility
Asphalt concrete and base manufacturing plants

PHOTO REPORT - PHASE I

WORK PHOTOGRAPHS

Compacted Granular Base

Stabilization of soil with cement

PHOTO REPORT - PHASE I

WORK PHOTOGRAPHS

Cement soil layer

Embankment Layer

PROJECT OUTLINE - PHASE II

PHOTO REPORT - PHASE I

CURRENT STATUS OF THE SECTION

Cruce Centinela - Mariscal Estigarribia Section

Km 10

Km 52

PHOTO REPORT - PHASE II

CURRENT STATUS OF THE SECTION

Mariscal Estigarribia - Pozo Hondo Section

Km 12

Km 132

CHACO PARAGUAYO

STRENGTHS

- Open and dynamic economy.

- Trade focused on the countries of the Corridor.

- Implementation of MERCOSUR standards as a basis.

- Better access to the Asian market through Chilean ports.

- Experience in the transport of grains through the Waterway, Access to the Atlantic Ocean.

- Integration of the Paraguayan Territory.

CHACO PARAGUAYO

OPPORTUNITIES

- Paving will boost the economy of the región.
- Best international insertion of the Paraguayan economy.
- Creation of logistics with international levels.
- Development of metallurgical / steel industries from energy surpluses.
- Greater Integration with State of Mato Grosso do Sul and Centro - Oeste Brasil.
- Investment attraction.
- Tourism.

CHACO PARAGUAYO

WEAKNESSES

- Expensive and insufficient logistics in the region.

- Digital déficit.

- Low intermodality.

- Insufficient political prioritization of the logistics sector.

- Aerial integration little explored.

CHACO PARAGUAYO

THREATS

- Delay in the construction of railway connection.

- Concurrent Port Services.

- Lack of investments in ICTs.

- Inefficient customs processes.

CARMELO PERALTA – PUERTO MURTINHO BRIDGE

INTERNATIONAL BRIDGE OVER THE PILCOMAYO RIVER BETWEEN POZO HONDO (PY) AND MISION LA PAZ (AR)

THE CHACO IN CHANGE PROCESS

BIOCEANIC
CORRIDOR
PARAGUAY
THANK YOU!