



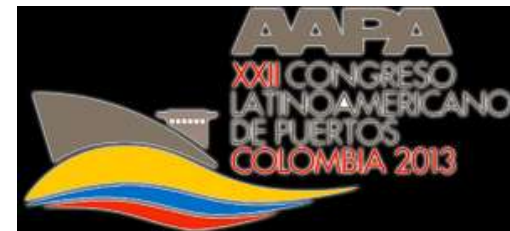
WorleyParsons

resources & energy

Robert West

bob.west@worleyparsons.com

26 de junio 2013



La Oportunidad de los Puertos Latinoamericanos en el Marco de los TLC s y Mercados Comunes con el Resto de América y el Mundo





People

41,000

Offices

150

Latin America	
MEXICO	COSTA RICA
COLOMBIA	ECUADOR
PERU	CHILE
ARGENTINA	BRAZIL

Countries

49

Ports and Terminals

All continents

Corporate Goal

ZERO HARM





WorleyParsons

resources & energy

Let's Get Started!



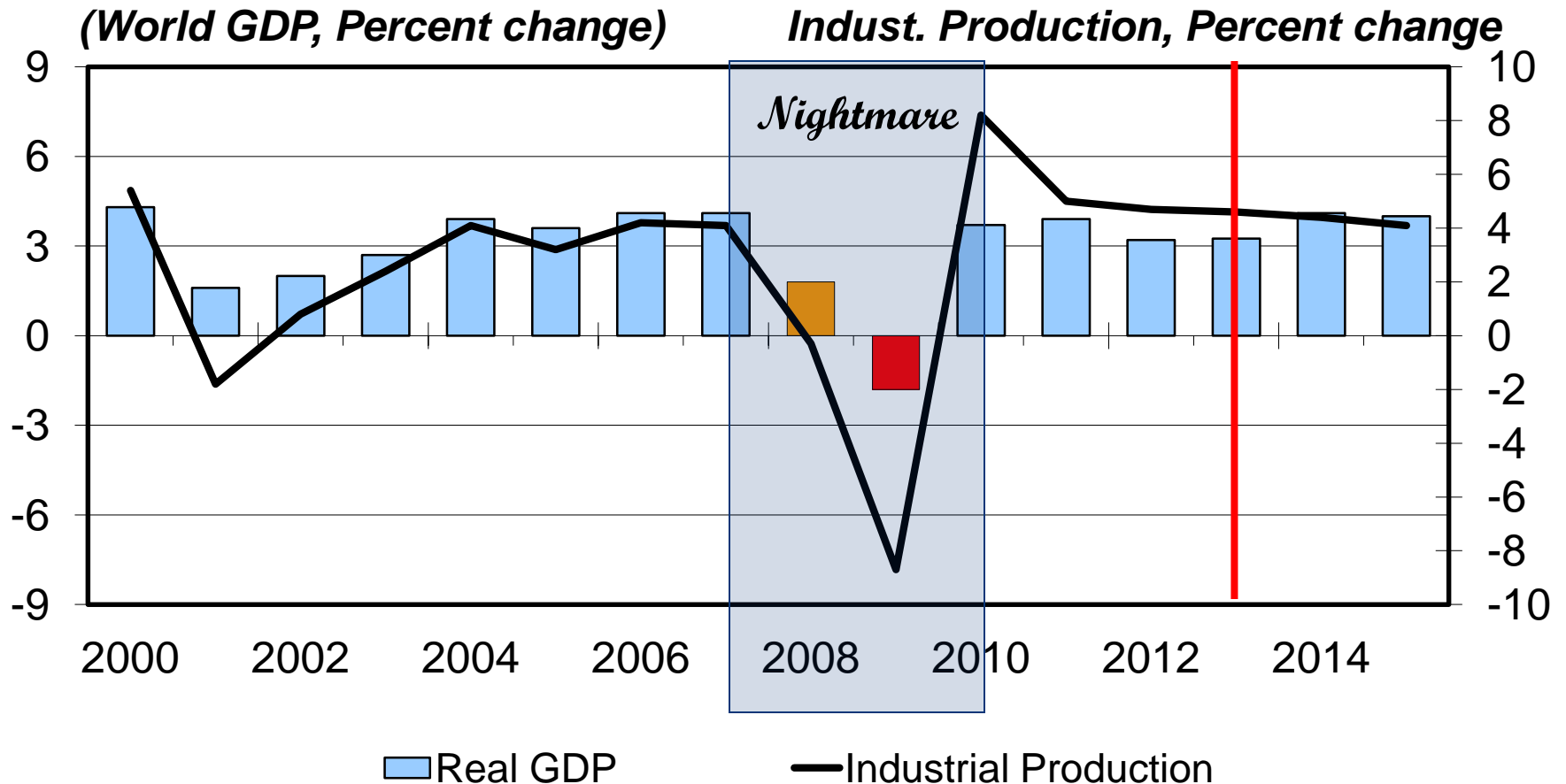


- ➔ Global Economic and Trade Outlook
 - ▶ Who's winning the TLC race?
 - ▶ The Americas & the Rest of the World
 - ▶ Conclusions



The World Economy is still recovering from the nightmare of 2008-09

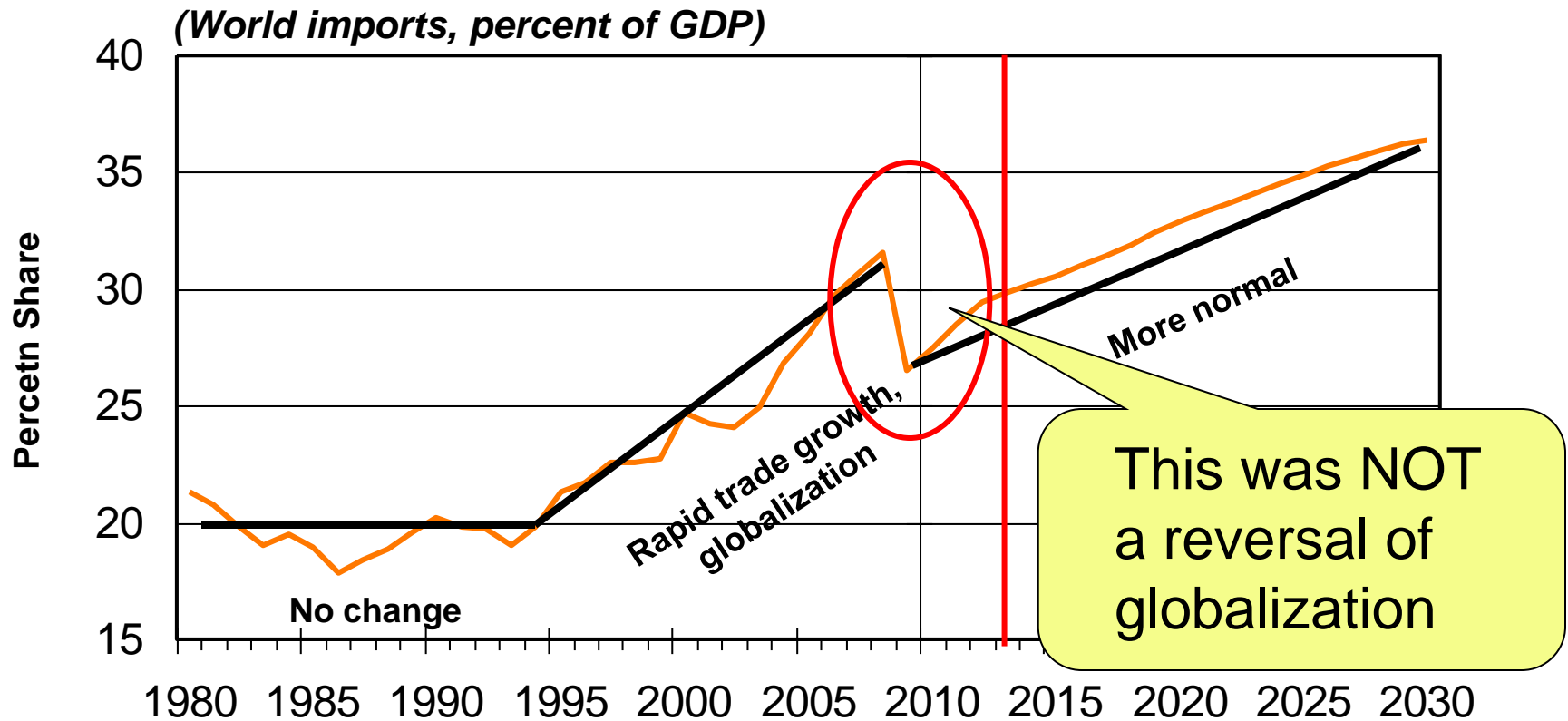
Cargo trade demand reflects more volatile industrial production





World trade's share of the economy is still climbing – FTAs are helping

Globalization trend is *long-term* and has not reversed or stopped





WorleyParsons

resources & energy

Ship Happens...



© Reuters

Source: Jean-Paul Ridrigue



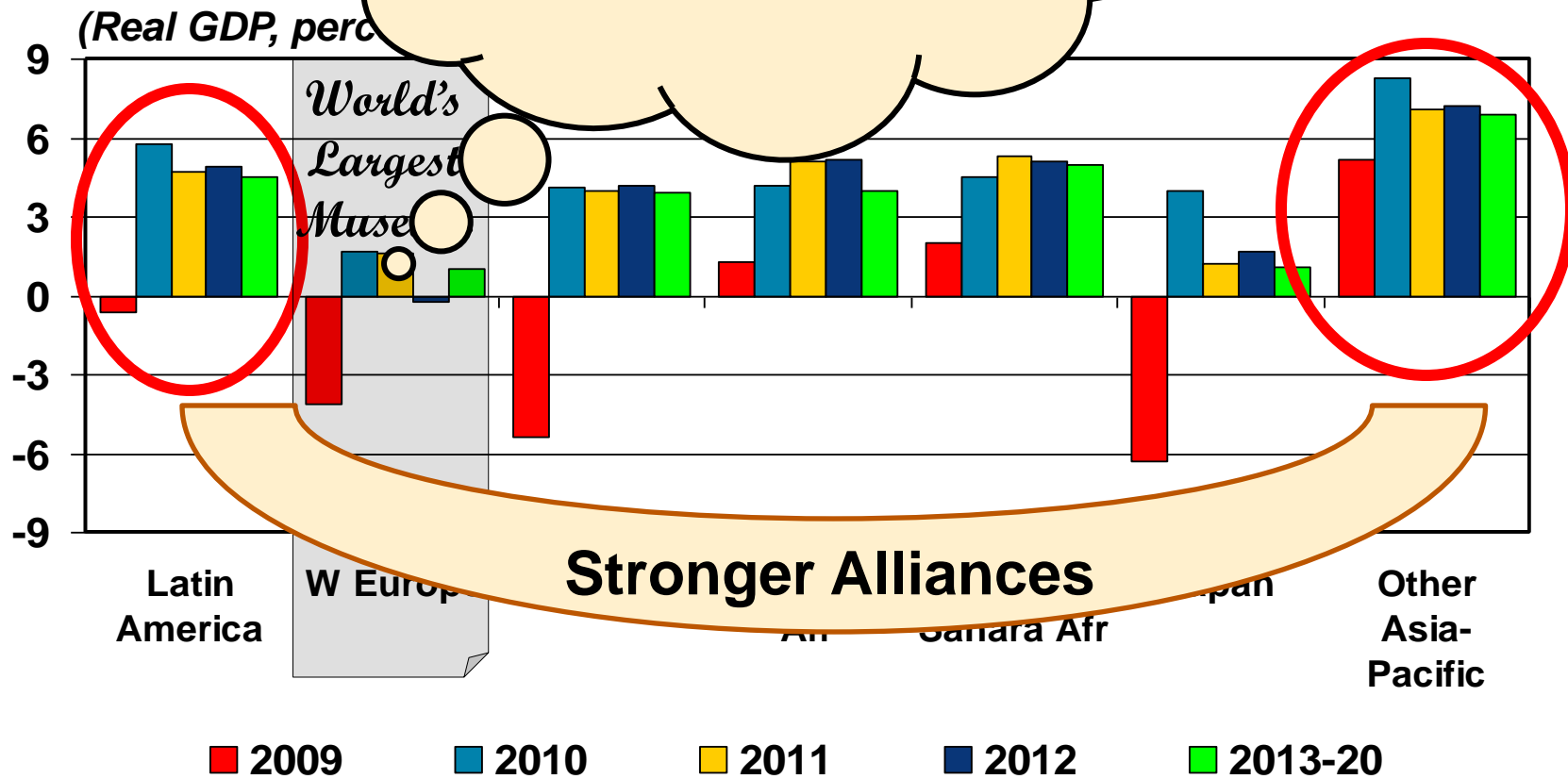


GDP growth rate differences pace of trade growth by trade route

Geography of prod
grow 6% on average

emerging markets
advanced countries.

Aging
Expensive
Not much growth –
recession in 2013!





▶ Global Economic and Trade Outlook

▶ Who's winning the TLC (FTA) race?

▶ The Americas & the Rest of the World

▶ Conclusions





We're becoming more connected – a good thing for everyone

USA – powerful but not a leader in making FTAs



Mexico, Central America, Panama, Colombia, Chile, Peru





USA and FTAs – Slow Progress

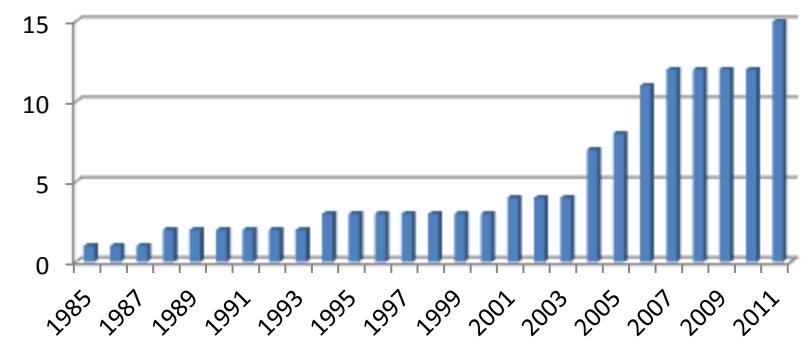


Colombia - \$1.1 billion more trade
Panama – exports up 34%,
imports by 50%

Out of 283 FTAs in the world, the USA has only 15 (with 20 countries)

\$495 billion in goods trade with Mexico, 2012

US FTAs -
25 years to reach 15





WorleyParsons

resources & energy

Short Sea Shipping in MesoAmerica is getting a boost.





WorleyParsons

resources & energy

Not all FTAs are FTAs.





Some agreements are just agreements - ALADI



Good intentions
Lots of meetings
Lofty goals

Not much
accomplished yet





European Union



= Working

- Mexico 2000
- Chile 2005
- Cen Amer 2012 (DR)
- Colombia & Peru 2012



= Discussing





China – looking for UN votes



- Mainly focused on imports of resources
- Willing to invest in the transportation
- Signing FTAs and building transport infrastructure – good ways to win votes.



Presenting : **The Pacific Alliance**



Principals
Democracy
Free Trade

Costa Rica now joining
Zero tariffs on all goods and services by this weekend
Visas – none. 215 million
MILA – Bigger than Bovespa
Act as a unified bloc

Observers
China, Japan, NZ
Canada, Guatemala, Panama





Economic Growth

4+%/yr in emerging economies



Trade Growth

8+%/yr in value terms (\$\$\$)



Maritime Trade

5-7 %/yr in volume terms (TEUs)



Bigger Ships

18,000 TEUs. Lower costs



Bigger & Better Equipment

Faster, more TEU/hour



PORTS

Not enough resources (\$\$)

Slow to react

Bottlenecks





WorleyParsons

resources & energy

WHY ISN'T TRADE MORE "OPEN"?

OBSTACLES TO TRADE ON THE GROUND





Borders – make it simple!





WorleyParsons
resources & energy

We need more than just one window!





And customs should be streamlined!

- Containerization
- Use of computers and Internet





WorleyParsons

resources & energy

Transport to/from the port must be improved





WorleyParsons

resources & energy

Port safety and security – A safe port is an efficient port!

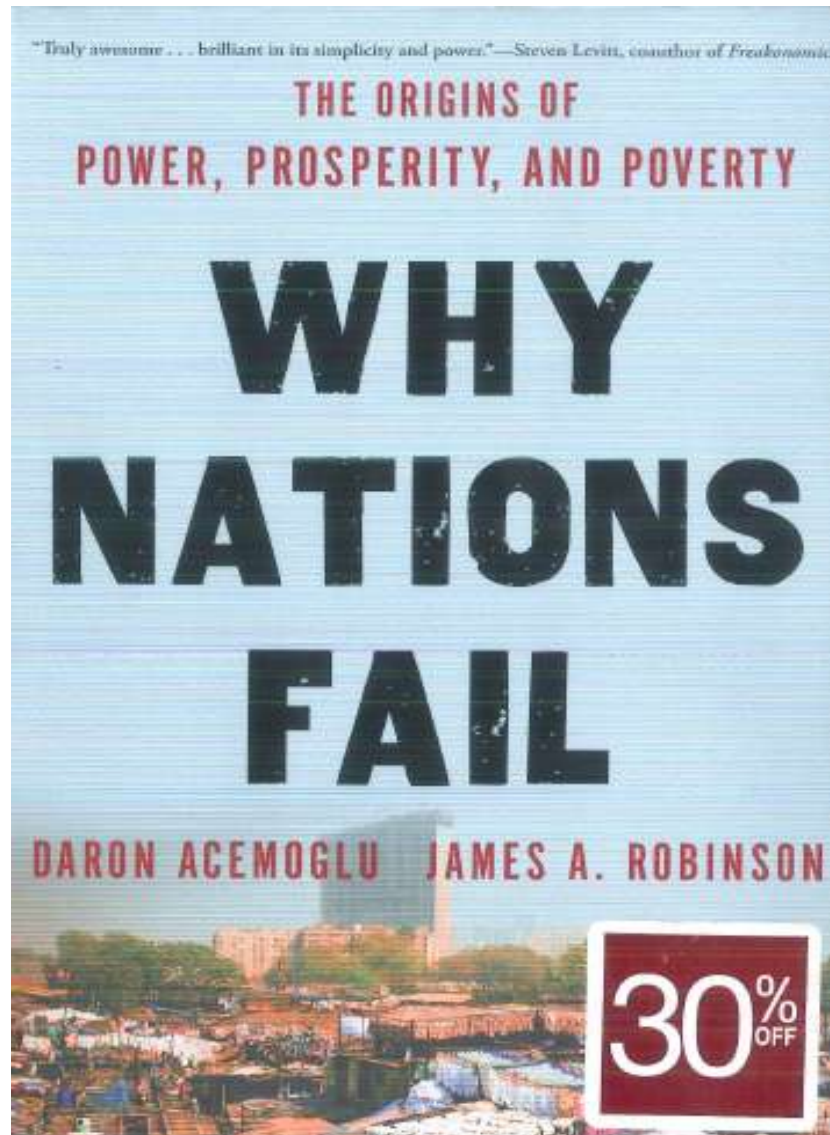




WorleyParsons

resources & energy

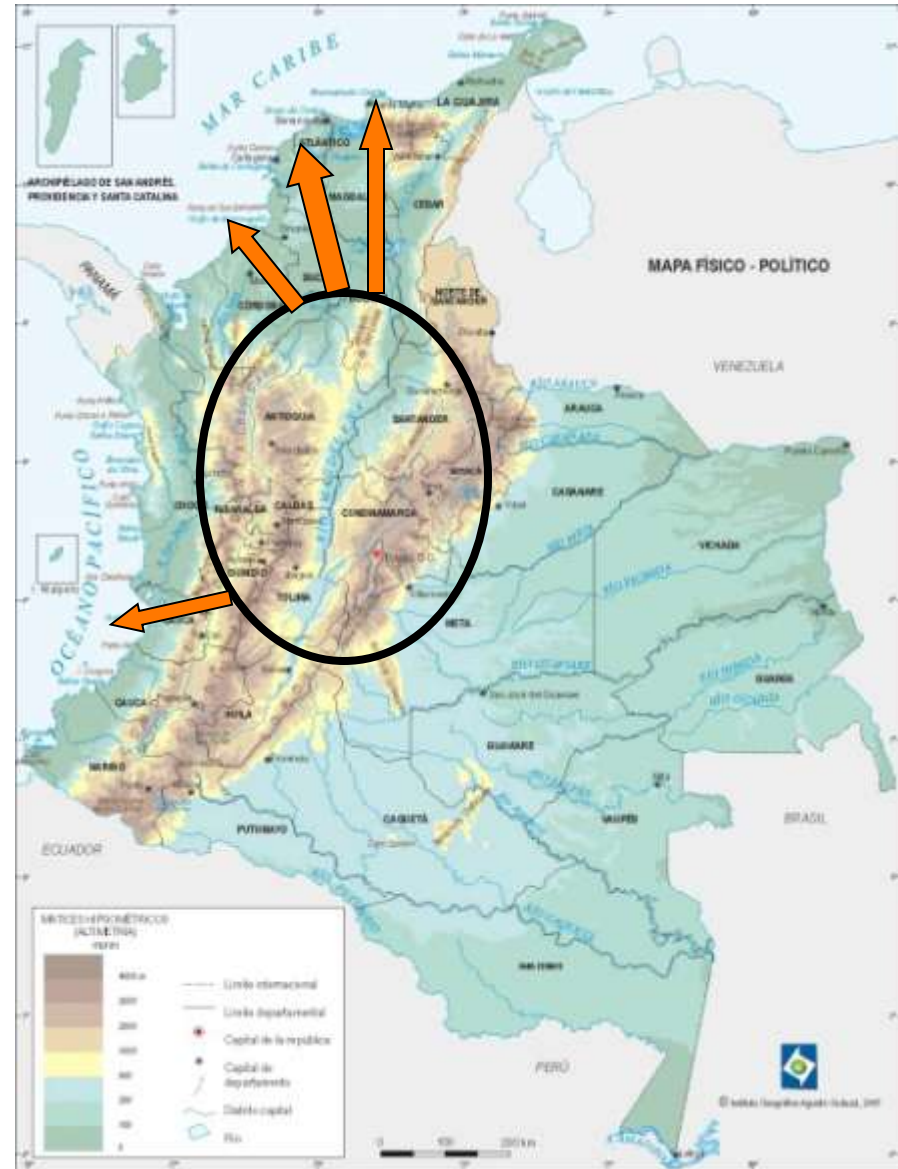
It's all about the institutions






In desperate need of a **BIG PUSH** to move the port sector ahead

- **No new concessions in 3 years?**
- **Thorough review of new applications . . .**
- **But quicker response**





- ▶ Global Economic and Trade Outlook
- ▶ Who's winning the TLC race?
- ▶ The Americas & the Rest of the World
- ▶  Conclusions



- ▶ The more connected the country by trade agreements, the more it grows economically
- ▶ Free Trade Agreements are one of the keys to fixing the supply chains in Latin America
- ▶ Trade must be facilitated through institutions that actually work to unblock bureaucracies and stimulate expansion



WorleyParsons

resources & energy

Let's Get Started!





WorleyParsons

resources & energy



Success!!