# **Roads to** development

CAF invests in roads to connect Latin American and Caribbean communities to labor, goods, and services markets to improve their wellbeing.



### **DURING THE LAST FIVE YEARS...**

USD 4.8 billion

approved to finance urban and rural roads projects in **10** countries

at least

# **58 credit** operations

with at least one road component

of new, improved, and 14,000 km rehabilitated roads

# 47%

of operations include a component of road maintenance or rehabilitation

# CAF's road investments contribute to:

### Increased access to markets

- reduced transportation costs ٠
- increased availability of ٠ transportation services
- higher traffic, people, and cargo
- more access to input and final product and service markets

Expected

impacts

(based on evidence)

• increased availability of logistics services

- higher level of employment and production
- increased specialization and productive agglomerations
- increased exports
- greater diversification of economic activity
- economic growth

greater access to labor markets,

Better quality of life

- productive inputs, and public services
- increase in per capita income • and consumption
- higher school enrollment and attendance (!)
- greater use of **preventive health services** (!)and improved nutritional status

of particular importance in rural areas

### Impacts can be affected by:

#### **Project selection**

- Prioritize social, environmental, and economic benefits alike
- Very positive impacts when destinations already have more developed markets and greater availability of services

#### **Quality of projects**

- 0.65% of GDP can be saved in LAC with better-designed, implemented, and managed road projects
- Road maintenance is very cost-effective

#### **Environmental considerations**

- Adoption of adequate protection measures to minimize biodiversity losses
- Road maintenance is key to reducing • emissions

# employment real wages

in Peru, thanks to road investments between 2003 and 2010

**16.7%** in **Mexico**, thanks to road improvements in the 1980s

# 0.3-0.5%

in **Bolivia** and **Brazil**, thanks to the construction of the Santa Cruz-Puerto Suarez road, financed in part by CAF

**16.4%** in **Peru**, thanks to road investments between 2003

and 2010

exports

GDP

to CAF's road investments between 2006 and 2017

0.5% in **Bolivia**, thanks









# **ROADS:** CAF'S WORK IN THE LAST FIVE YEARS



OUR CONTRIBUTION

# Argentina

USD 802 million approved

8 loan agreements

IMPACTO CAF

**5** with maintenance, improvement, and/or rehabilitation components

**5** with pavement or new road construction components

**2** multipurpose projects with roads components



#### Barbados

USD 50 million approved

**1** loan agreement with maintenance, improvement, and/or rehabilitation components



#### Panama

USD **75** million approved

**1** loan agreement with maintenance, improvement, and/or rehabilitation components and with pavement or new road construction components

### Paraguay

USD 1.012 million approved

6 loan agreements

**5** with maintenance, improvement, and/or rehabilitation components

**3** with pavement or new road construction components



# Bolivia

USD 762 million approved

11 loan agreements



#### Peru

USD 233 million approved

**1** loan agreement with maintenance, improvement, and/or rehabilitation components



# **10** with maintenance, improvement, and/or rehabilitation components



### Brazil

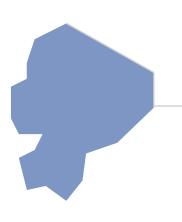
USD 675 million approved

14 loan agreements

**7** with maintenance, improvement, and/or rehabilitation components

**13** with pavement or new road construction components

**13** multipurpose projects with roads components



#### Ecuador

USD 819 million approved

10 loan agreements

**5** with maintenance, improvement, and/or rehabilitation components

**7** with pavement or new road construction components

**7** multipurpose projects with roads components

# Trinidad y Tobago

USD **375** million approved

**2** loan agreements

**1** with maintenance, improvement, and/or rehabilitation components

**2** with pavement or new road construction components

## Uruguay

USD **36** million approved

4 loan agreements

**1** with maintenance, improvement, and/or rehabilitation components

**3** with pavement or new road construction components

