

8.1 Long-term strategy for sustainable infrastructure

A long-term strategic vision for infrastructure projects provides clarity on a project's objectives and ensures that investment plans are financially sustainable. Long-term infrastructure plans help governments to align projects to policy objectives such as climate change mitigation, gender equality, human rights and regional development, increasing their joint impact and enhancing the projects' benefits. However, for long-term planning to be effective, it should define a transparent, coherent and accountable institutional framework which entrusts the relevant institutions and levels of government with clear and consistent mandates, ample decision-making powers, and the right skills and competencies (OECD, 2020).

Long-term infrastructure planning in the Latin America and Caribbean (LAC) region is more common for individual sectors than at a cross-sectoral level. Only 4 out of 15 surveyed countries (27%) have a long-term national cross-sectoral infrastructure plan in place, while 11 countries (73%) have sector-specific plans (e.g. education, energy or transport). For long-term strategies to be effective and sustainable over time, countries need institutions to monitor and co-ordinate their implementation and provide continuity across government terms. In most surveyed countries, each line ministry or agency assesses its own long-term infrastructure needs (10 out of 15 countries, 67%). The exceptions are Bolivia, Colombia and Costa Rica, where the Ministry of Planning/Infrastructure is in charge of these assessments; and Brazil, which created its Inter-ministerial Committee for Infrastructure Plan in 2020. Only four of the surveyed LAC countries have mechanisms to co-ordinate the development and review of infrastructure plans across sectors, and four across levels of governments, with Brazil and Costa Rica having both (Figure 8.1).

Although long-term infrastructure plans are usually sector specific, a majority of LAC countries (8 out of 15, 53%) explicitly consider how to align their infrastructure strategies with key policy areas. In 6 out of 15 countries (40%), long-term infrastructure plans are aligned to national long-term visions or other national documents that set overall strategic priorities. A few countries have plans that consider how to align the strategic vision for infrastructure to specific policy areas, such as climate and environmental plans (four countries); gender mainstreaming policies (three countries); or land use, regional development or human rights commitments (two countries each) (Figure 8.2). The small number of countries considering how to integrate their infrastructure plans with climate action plans and gender policies demonstrates that there are still challenges to overcome in long-term infrastructure planning.

Tracking the implementation of long-term infrastructure plans serves to verify the correct use of the resources and to evaluate whether the established objectives of the infrastructure plan are

being met. Four of the six surveyed LAC countries with long-term infrastructure plans that span over more than ten years have benchmarks in their planning documents to monitor them. One of the most common benchmarks is a project timeline to monitor their plans (used by three countries). For instance, sectoral plans in Brazil have benchmarks to monitor costs, timeliness and the need for institutional reforms and capacity building. Brazil, Costa Rica and Chile use cost estimations as a benchmark for tracking the effectiveness of their long-term planning (Figure 8.3).

Methodology and definitions

Data are from the 2022 IDB-OECD Survey of Infrastructure Governance conducted in July 2022, with responses from 15 LAC countries. Respondents were predominantly senior officials in central/federal ministries of infrastructure, public works and finance, as well as in infrastructure agencies and other line ministries.

Governance of infrastructure refers to the policies, frameworks, norms, processes and tools used by public bodies to plan, make decisions, implement and monitor the entire life cycle of public infrastructure.

A long-term national infrastructure plan is a politically sanctioned document that requires concrete action in terms of infrastructure services to society over the long term. This might go beyond a normal political mandate period. The design of the vision requires a process that distils complex and multi-faceted infrastructure issues, cutting across a multiplicity of actors, sectors and interests, into a coherent set of decisions with long-term impact, including projects and processes.

Further reading

OECD (2020), "Recommendation of the Council on the Governance of Infrastructure", *OECD Legal Instruments*, OECD, Paris, <https://legalinstruments.oecd.org/en/instruments/OECD-LEGAL-0460>.

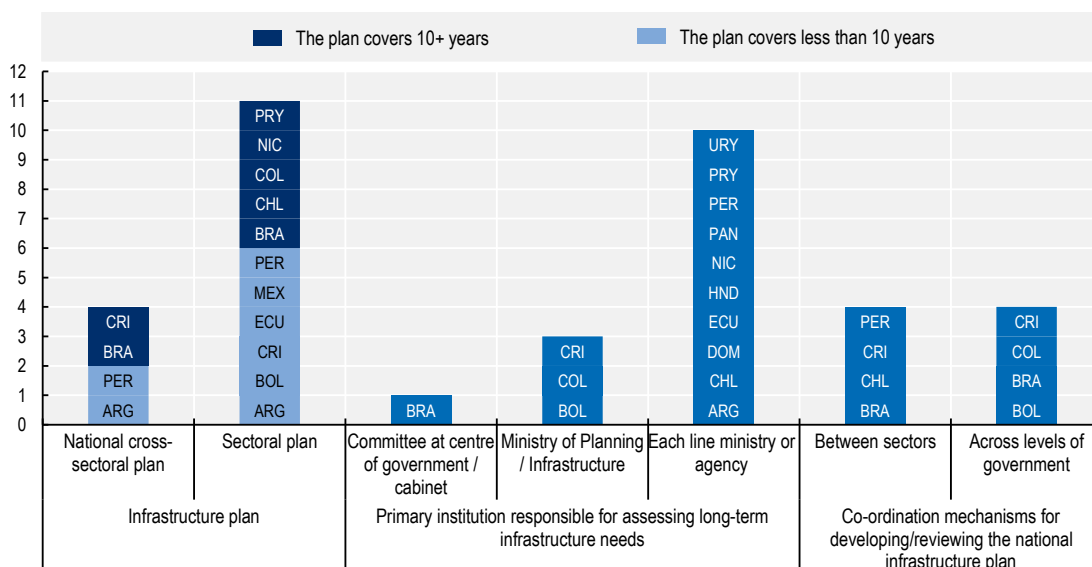
OECD (2017), *Getting Infrastructure Right: A Framework for Better Governance*, OECD Publishing, Paris, <https://doi.org/10.1787/9789264272453-en>.

Figure notes

Figure 8.2. While regional development programmes are not a common practice in Mexico, there is a development program for municipalities of the region Isthmus of Tehuantepec.

Figure 8.3. This figure only includes countries with long-term infrastructure plans (Brazil, Chile, Colombia, Costa Rica, Nicaragua and Paraguay).

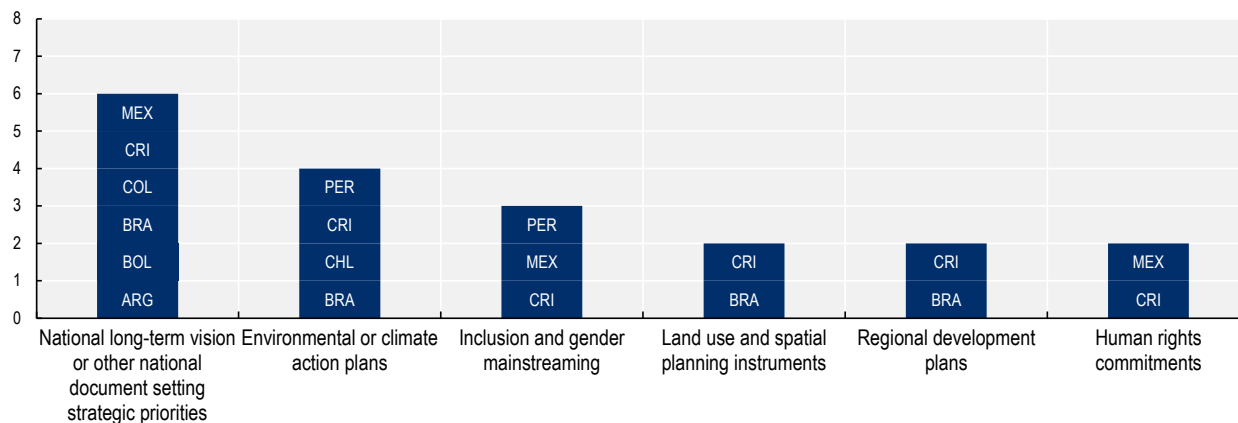
Figure 8.1. Framework for the governance of long-term infrastructure planning, 2022



Source: 2022 IDB-OECD Survey on the Governance of Infrastructure.

StatLink <https://stat.link/0w3l9p>

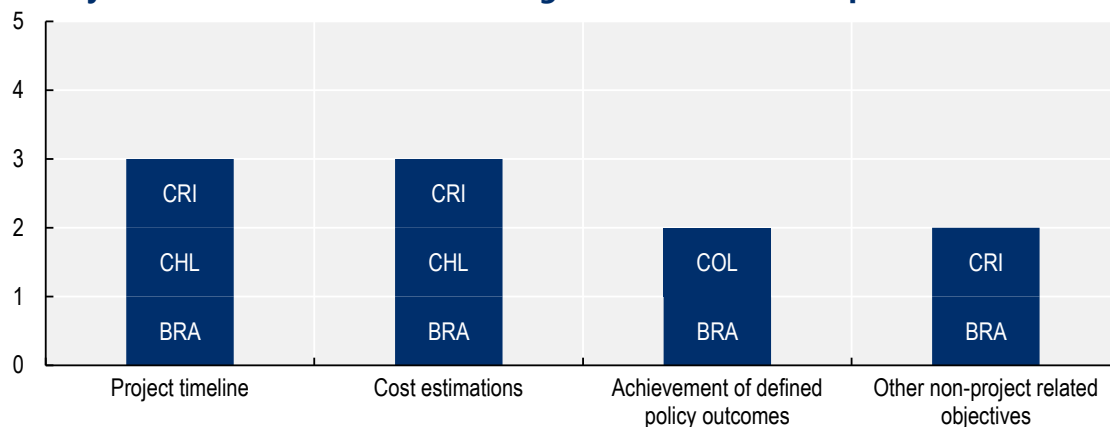
Figure 8.2. Alignment of a long-term infrastructure plans with key policy objectives, 2022



Source: 2022 IDB-OECD Survey on the Governance of Infrastructure.

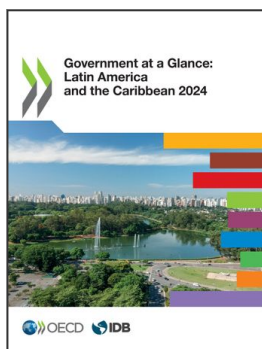
StatLink <https://stat.link/6ku0tc>

Figure 8.3. Project benchmarks included in long-term infrastructure plans, 2022



Source: 2022 IDB-OECD Survey on the governance of infrastructure.

StatLink <https://stat.link/9qep8k>



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