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Target \$3 bn Set for 2012
India, Argentina to
Double Bilateral Trade

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Dear Reader,

Greetings. India's engagement with Latin America and the Caribbean (LAC) has been steadily growing, thanks to interdependence on each other's strengths. India has already identified Latin America as a Focus area and accordingly initiated steps to boost bilateral trade with that region in the last few years. The LAC region has reciprocated in good measure. This mutual resolve found expression during the recent visit to India of Argentine President Cristina Fernandez de Kirchner for talks with Prime Minister Manmohan Singh. In a joint statement, the two leaders identified the untapped potential existing in various fields, especially in agriculture and agro-processing industries and called for initiatives to more than double the bilateral trade to US\$ 3 billion by 2012 from US\$ 1.33 achieved in 2008. The cover story of the current issue of Indo-LAC Business highlights the outcome of the Argentine President's visit and the proposed follow-up action. Throughout his diplomatic career linked with Latin America, R. Viswanathan, India's current Ambassador to Argentina, Uruguay and Paraguay has been untiringly promoting the resource-rich LAC region as an ideal destination for Indian investment. We carry a personality profile of this envoy par excellence. We present a detailed study of Photovoltaic (PV) technology as an innovative facilitator of renewable energy, conducted by the Export-Import Bank of India (Exim Bank). Countries from the LAC region have been in the forefront in carrying out economic reforms in order to make it easier for potential partners to do business with them. The issue carries a World Bank report in this respect. We also highlight two other World Bank reports that predict a revival of Latin American economies which have successfully come out of the current global fiscal crisis with fewer bruises than others. In Country Focus we present an in-depth analysis of Argentina's economy by Exim Bank saying despite recessionary conditions, India's exports to that country have been rising steadily. Innovation is the mother of necessity as the prize winning Latin American entries have proved in a recent contest on "How to Protect the Planet" in the face of climate change. We carry a report. The issue presents a success story of a microfinance scheme-Cash on Hand-which has helped lift a huge population of 60 million from poverty across Latin America. Diplomat Viswanathan explores the lush green grounds of Polo in Argentina, where the game, which has its origins in India, is perfected. The Andean Development Corporation (CAF) has accomplished record approvals of loans amounting to US\$9.20 in 2009 despite recessionary conditions. We carry a report. Renuka Sugars, an Indian company, has acquired a Brazilian firm producing sugar and ethanol as part of its enterprising global expansion plan. Look it up in the news section. In tourism, we present the architectural splendour of the Argentine capital Buenos Aires, a city full of life and one that never tires of rocking to Tango.

Wish you happy reading

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Target \$3 bn Set for 2012 India, Argentina to Double Bilateral Trade

India and Argentina have agreed to fully exploit the existing potential for bilateral trade in order to more than double it to \$3 billion from the \$1.328 billion achieved in 2008. The impetus for such a boost was provided by the State visit to India of Argentina's President Cristina Fernandez de Kirchner on 14 October 2009.

The Argentine President held talks with President Pratibha Patil and Prime Minister Manmohan Singh on bilateral, regional and global issues of mutual interest. Vice President Mohammad Hamid Ansari ruling United Progressive Alliance Chairperson Sonia Gandhi and Leader of Opposition L.K. Advani called on the visiting Argentine leader.

During their talks, President de Kirchner and Prime Minister Singh expressed satisfaction at the growing engagement between the two countries in the spheres of trade and commerce. They noted that some Indian companies have made investments in Argentina and that bilateral trade had risen from US\$ 694 million in 2003 to US\$ 1.328 billion in 2008 nearly doubling in the five-year period. The two sides agreed that the bilateral trade target should touch US\$ 3

billion by 2012. Both leaders expressed keenness to expand and diversify trade and economic cooperation in areas in which Argentina and India have comparative advantages and to utilize the untapped potential in those fields.

Both sides noted that President de Kirchner's visit had coincided with the 60th anniversary of the establishment of diplomatic relations between India and Argentina and expressed their desire to carry them forward to a much higher level. The talks were held in an atmosphere of friendship, warmth and mutual understanding.

In order to boost bilateral trade, both leaders agreed that efforts should be made to facilitate exports of Argentine agricultural and agro-industrial products into India and imports of Indian pharmaceutical products into Argentina.

MoUs on Agriculture

In the context of ongoing bilateral cooperation in the agricultural sector, both leaders expressed satisfaction that separate MoUs on agriculture and allied sectors and sanitary and phytosanitary

standards are at an advanced stage of finalization.

The leaders urged their competent authorities and technical teams to take necessary measures to expand trade and investment. They agreed to work together for enhancing bilateral investments in various sectors, including in knowledge-based industries such as Information Technology and agro-industries.

The Argentine President welcomed Indian entrepreneurs stating that they would find a conducive environment for productive investment and skilled human resources. The Indian Prime Minister acknowledged the growing importance of Argentine business in India. Both sides welcomed the increasing contacts among their entrepreneurs which stress the ample business opportunities that exist.

Both leaders recognized that trade and economic relations underpin bilateral relations. In recognition of the need for fully realizing the untapped potential of bilateral trade and economic cooperation between India and Argentina, both countries have agreed,

through exchange of formal communication between the Foreign Ministers of the two countries, to facilitate on reciprocal basis, five years' multiple entry gratis visas for businessmen of each other's country. The Indian side welcomed the fact that the Argentine Consulate General and Trade Promotion Centre in Mumbai is already fully operational reflecting Argentina's decision to increase its presence in the Indian market and opening up new opportunities for entrepreneurs from both nations.

Both sides also noted the opportunities for bilateral cooperation in various sectors such as science and technology, small and medium enterprises and agro-based industries, mining and hydrocarbons and civilian nuclear cooperation. They agreed to enhance direct contacts between the business circles of the two countries, including through participation in trade/commercial exhibitions in both countries as well as through contacts between regions and cities of the two countries.

Civilian Nuclear Energy

Argentina and India, as active countries with a long tradition in the peaceful uses of nuclear energy, reiterated their intention to develop, promote and cooperate in this field in accordance with their respective international obligations and commitments. The two leaders shared the view that civil nuclear energy can play an important role as a safe, sustainable and non-polluting source of energy in meeting rising global demands for energy. Taking into account their respective capabilities and experience in the peaceful uses of nuclear energy both India and Argentina agreed to encourage and support scientific, technical and commercial cooperation for mutual benefit in this field. They will make use of the synergies existing between the two countries and the vast experience of their nuclear scientists and technologists.

Culture & Education

Underlining the importance of bilateral cooperation in culture and education for promoting greater





understanding and closer friendship between India and Argentina, both sides agreed to explore possibilities for cooperation in this area through establishment of linkages between each other's universities and think-tanks.

The two sides expressed satisfaction at the expanding cooperation and partnership encompassing political, economic, cultural, scientific and technological areas, including Antarctic research.

The two leaders expressed support for closer bilateral cooperation in the area of energy and for the utilization of renewable and alternative energy sources and respective technologies as a basis for sustainable development and as part of the global effort in addressing the challenges of climate change.

Trade Agreement

Both sides took note that the India-MERCOSUR PTA has come into force with effect from June 2009. They agreed that the operationalization of the PTA will further facilitate trade and improve market access between India and MERCOSUR. The two sides reiterated the desire of India and Argentina to widen and deepen the PTA.

The leaders welcomed the signature of several agreements in their presence as a testimony of the quality change observed in their mutual relations.

They also encouraged ongoing negotiations in several fields to conclude successfully

Dialogue towards Strategic Partnership

Both sides highlighted the importance of further enhancing the exchange of high-level bilateral visits, especially at the level of Head of State and Head of Government. The two sides reiterated their will to continue high-level talks towards a comprehensive dialogue, which should encompass trade relations, consular issues, energy, investment, services, tourism, science and technology, culture and education.

Both the leaders desired that this comprehensive dialogue should lead to a strategic partnership that will cover global issues of common concern including the framework of the UN and its specialized organizations and other global forums and groups of countries in which India and Argentina participate.

Both leaders directed their foreign ministries to continue consultations and work out a plan of action. For this purpose, foreign office consultations will be held in 2010 in India The year of the Bicentennial of Argentina's May Revolution.

President de Kirchner and Prime Minister Singh also agreed that besides the government level talks, regular interaction between the respective legislative bodies, people-to-people contacts should be

encouraged to promote tourism and develop closer cultural and academic relations.

Both sides noted that the next Joint Commission meeting is to be held in Argentina in the first half of 2010. Dates for the meeting would be finalized through mutual consultations.

Multilateralism

The two leaders exchanged views on a broad range of regional and international issues of mutual interest, as well as issues of global concern such as the current global financial crisis, human rights, countering terrorism, climate change, disarmament and non-proliferation of weapons of mass destruction and their means of delivery, promoting sustainable development, addressing the environmental challenges and strengthening the social dimension of globalization.

The Indian and Argentine sides emphasized the essential role of the UN for maintaining global peace and security, for promoting the economic and social advancement of all people and for meeting global threats and challenges. India and Argentina stressed the need to implement the process of UN reforms to make it more representative, legitimate and effective. Moreover, they agreed that any expansion and restructuring of the Security Council must reflect contemporary realities, increase transparency and democracy and include developing countries.

Combating Terrorism

President de Kirchner expressed deep shock and

anguish over the terrorist attacks in Mumbai and reiterated the need for intensifying global cooperation in combating international terrorism. Both leaders strongly condemned terrorism in all its forms and manifestations, committed by whoever, wherever and for whatever purpose and stressed that there can be no justification, whatsoever, for any acts of terrorism.

Both countries urged the international community to adopt the draft Comprehensive Convention on International Terrorism which is before the UN General Assembly. They agreed to cooperate against international terrorism in the UN and abide by relevant UN conventions and resolutions in force in the fight against terrorism. They agreed to further expand the dialogue and cooperation in combating terrorism, organized crime and drug trafficking

Global Fiscal Crisis

The two sides expressed deep concern over the international economic and financial crisis and agreed that the current situation demanded restructuring of the international financial and monetary system so that this can become a truly efficient tool for the promotion of sustainable development that would contribute to the reduction of inequalities and promote social inclusion. They underlined that the voice of emerging and developing economies, in the international financial and monetary system, should be heard in order to avoid new and potentially more calamitous crises in the future.

Role of Global Summits

India and Argentina welcomed the Pittsburgh Summit Statement of September 2009 which recognizes the need for continued coordinated actions internationally for rebuilding confidence in the global economy. They will endeavor together with the other members to ensure the implementation of the decisions taken at the Washington, London and Pittsburgh Summits, particularly those referred to reduce poverty and implement the Millennium Development Goals. They reaffirmed commitment on improving the regulation, transparency and integrity of financial markets, strengthening the



healthy functioning of the financial system and safeguarding stability. They emphasized the importance of strong commitment to reform of international financial institutions (IFIs) and recognized that greater involvement of leading emerging economies in international financial institutions will be crucial for their ultimate success. Both sides recognized the strategic role played by the G-20 in promoting concerted and effective global actions towards sustainable recovery and expressed support of G-20's new role as the premier forum for international economic cooperation.

Towards Effective WTO

Both sides underlined the importance of successfully concluding multilateral negotiations at the WTO for an ambitious and balanced outcome, in line with the Doha Mandate and the principles guiding the negotiations with a thrust on addressing core developmental concerns. Both sides recognized that negotiations must respect core Ministerial mandates such as Special and Differential treatment for developing countries, less than Full Reciprocity (LTFR) in tariff reduction commitments and a comparable level of ambition in Agriculture and Non Agriculture Market Access (NAMA). Argentina and India remain committed to engage constructively for reaching a fair and balanced result in the Doha Round. They called on developed countries to show greater flexibility for

resumption of negotiations to enable successful conclusion of the Round.

Climate Change

The two sides recognized that Climate Change is a global challenge with strong economic, environmental and social dimensions. It impacts all countries, but is particularly severe for developing countries, given their vulnerabilities, inadequate means and limited capacities to adapt to its effects.

They agreed that, in the fight against climate change, priority has to be given to mitigation and adaptation and this has to be supported by developed countries in terms of transfer of technology and finance to meet the incremental costs of adaptation and mitigation projects in developing countries.

Both sides reaffirmed their commitment to addressing Climate Change in accordance with the principle of common but differentiated responsibilities and respective capabilities of the UN Framework Convention on Climate Change [UNFCCC] and enhanced implementation of the Convention under the Bali Action Plan, so as to reach an agreed outcome at COP15 of the UNFCCC in Copenhagen.

India reiterated its support for negotiations to find a solution to the issue of the sovereignty of the Malvinas Islands in accordance with the resolutions of the UNGA and the Special Decolonization Committee. ■



An Indian Ambassador's Raging Passion for Latin America

By Joachim Bamrud, Latin Business Chronicle

In India he's called "Mr. Latin America." In Latin America he is seen as the key cheerleader for doing business with India.

Rengaraj Viswanathan, India's ambassador to Argentina, Uruguay and Paraguay and his country's leading expert on Latin America, receives widespread praise for his work in boosting Indian-Latin American business.

"Representing an Indian company has been much easier since the Ambassador arrived as he has educated the people in the Southern Cone about the advantages of doing business with India," says Gabriel Rozman, executive vice president of emerging markets for Tata Consulting Services.

Ruben Azar Scarone, president of Uruguayan logistics company Grupo RAS, agrees. "Ambassador Viswanathan has truly demonstrated his deep understanding of Latin American customs and values," he says. "Without any doubt, this distinctive value makes him highly efficient when advising Indian enterprises on the real and specific business possibilities in Latin America, and vice versa."

Case in point: When Reliance, India's top company, was planning an investment in a Latin American country they called Viswanathan for his political assessment of that nation.

Passion for Latin America

What makes Viswanathan unique, business leaders say, is his passion for Latin America. "I think the ambassador is unique ...for his passion and love of this part of the world," says Rozman, who has dealt with many Indian ambassadors in Latin America. "He truly enjoys talking to local people and assisting these countries to prosper."

Azar agrees, calling the Indian ambassador a "declared passionate and lover of Latin America." In fact, the ambassador's e-mail signature always features "Passionate about Latin America."

Viswanathan is especially fond of Latin Americans' way of life. "I like the Latinos who have mastered the art of enjoying life," he says. "This is attractive for Indians who have been brought up in the Indian tradition of karma, sacrifice and simple living and high thinking and the advice to endure suffering for a better reincarnation.... Latinos are warm, open and friendly. I feel at home in any part of Latin America whether it is San Salvador or Sao Paulo. Of course, I like salsa and samba, tequila and caipirinha, football and carnival and Copacabana and Ipanema."

That passion is combined with a deep understanding of Latin America spanning more than a decade. Apart from his current post held since October 2007 Viswanathan has served as India's ambassador to Venezuela (2000-03), consul general in Sao Paulo in Brazil (1996-2000) and as head of the Latin America



division at India's foreign ministry in New Delhi (2004-07).

In addition to a hectic travel schedule both within Latin America as well as promoting Latin America back home in India, Viswanathan shares his knowledge and passion through a web site, Business With LatinAmerica.com and two blogs, one that is tied to the web site and another one called latinamericanaffairs.blogspot.com.

"When he writes his blog, one can see that this assignment is something that he enjoys and one where he adds a lot of value," Rozman says.

The results of Viswanathan's efforts are clear. Indian business with Latin America has taken off dramatically. Last year, Indian trade with Latin America jumped by 45.5 percent to \$16 billion. Meanwhile, Indian companies have invested \$9 billion in Latin America in pharmaceuticals, agrochemicals, IT, steel, mining and other areas.

While much has to do with the fact that the areas are emerging markets keen on expanding to new export destinations, much of the results are also due to the aggressive efforts by Viswanathan.

"In the particular case of TCS, we have benefited in many ways. He is always available to be with us when we open new activities in Argentina and in Uruguay," Rozman says. "When important Indian visitors arrive, we are always notified and invited to meet them. Most of all, when there are business opportunities like acquisitions, the ambassador puts TCS in contacts with potential partners or targets."

When Viswanathan started the campaign about the Latin American business opportunities for Indian business twelve years ago, there were very few takers. "Today many CEOs and policy makers in the Indian government have realized the potential and future of what I have been calling as the New Latin America," he says.

Indian companies and executives are now familiar not only with the big business centers of Sao Paulo and Mexico City, they have ventured even to less familiar countries like Bolivia and Nicaragua, he adds.

"He is an untiring and proud promoter of the incredible economic Indian revolution," says Azar, who calls the ambassador "an exceptional human being.

Following is a brief interview that the author has

conducted with the Indian envoy.

Latin Business Chronicle: What do you like most about your current position?

Viswanathan: After having worked for four years in Brazil and 3 years in Venezuela and traveled to every country in Latin America, I chose to come to Argentina for two reasons. The first is the quality of life here. I love Buenos Aires city with its cafes, bars, restaurants, bookshops and the active cultural scene. Argentina has the largest number of golf courses in the region and has the best golfers too. This was irresistible for a golf fanatic like me.

Secondly, Argentines puzzle me. Although I come from India, the land of eternal contradictions, I do not understand how Argentina, which has so much of natural, agri and mineral resources as well as quality human resources, has managed to create poverty out of prosperity. I am still searching for answers, like the many Argentines who do the same sitting in cafes and bars.

What do you like most about Latin America?

The people. I like the Latinos who have mastered the art of enjoying life. This is attractive for Indians who have been brought up in the Indian tradition of karma, sacrifice and simple living and high thinking and the advice to endure suffering for a better reincarnation.

Latinos live for the day as though there is no tomorrow. The culmination of weekday work is the weekend, as this popular Brazilian song goes

Hoje est sexta feira... traga mais cerveza

Today is Friday..bring more beer

Latinos are warm, open and friendly. I feel at home in any part of Latin America whether it is San Salvador or Sao Paulo. Of course, I like salsa and samba, tequila and caipirinha, football and carnival and copacabana and ipanema....

What do you like least?

Latin America and the Latinos come as a package. You have to take the best in them along with their imperfections. I do not like the crime, violence, drug problem, poverty, inequality and some political leaders who give a bad name to the region. Again, I am used to these issues in India, so they don't bother me much.

What is your proudest achievement in Indian-Latin American business relations?

I think I have contributed to the positive change in the mindset of Indian business and political leaders towards Latin America. Twelve years back, when I started the campaign about the Latin American business opportunities for Indian business, there were very few takers. Today many CEOs and policy makers in the Indian government have realized the potential and future of what I have been calling as the New Latin America. Indian companies and executives are now familiar not only with the big business centers of Sao Paulo and Mexico City, they have ventured even

to less familiar countries like Bolivia and Nicaragua.

I was proud when the mentor of the Confederation of Indian Industry called me as Mr Latin America while inviting me to speak at a business-ambassadors meeting in Delhi in August this year in Delhi. And I was proud when Reliance, the number one company of India, called me a few weeks back asking for my political assessment about a country in which they were to decide on investment.

Courtesy: Latin Business Chronicle ■

Venezuelan Thermoelectric Project Gets \$339-mn CAF Loan

CAF President & CEO Enrique García, and Ali Rodríguez Araque, Venezuelan Minister for Economy and Finance and Jesús Rangel, President of C.A. Energía Eléctrica de Venezuela (ENELVEN), have recently signed a US\$339-million loan agreement to finance the Termozulia III Thermoelectric Project, which ENELVEN will execute. The agreement is part of a total of the US\$600 million approved by CAF in favor of this project last August.

García said, "with these funds we are contributing to increasing

the geographical diversification of the country's electricity infrastructure, and improving the reliability of the service." The CAF chief executive emphasized the positive impact of the project for the expansion of the Venezuelan productive sector. "

An efficient energy platform is indispensable for achieving sustained and quality economic growth. To date CAF has approved funds for strategic investment projects in the national electricity sector for around US\$1.60 billion.

The Termozulia III Project covers development of engineering, and equipment and materials procurement, including construction of the thermoelectric generating plant, and installation of transformers and transmission lines. The plant uses combined-cycle technology which achieves greater energy efficiencies by generating large additional amounts of electricity for the same quantity of fuel.

The project is located in La Cañada de Urdaneta municipality in Bajo Grande sector, Zulia state, in the Rafael Urdaneta thermoelectric complex. ■



PV Tech Effective Renewable Energy Source for Rural India



- Exim Bank Study

The Photovoltaic (PV) technology across the globe is rapidly progressing and is increasingly being considered as an innovative source of renewable energy, according to a study made by the Export-Import Bank of India (Exim Bank). India is holding significant potential in generation of renewable energy using solar PV, as the country can make use of sunlight in nearly 300 days in a year. Other drivers of PV industry in India include the country's rapidly rising energy needs, the persistent energy deficit situation, and dependency of imported coal and oil for the energy generation requirements, the Exim Bank study says.

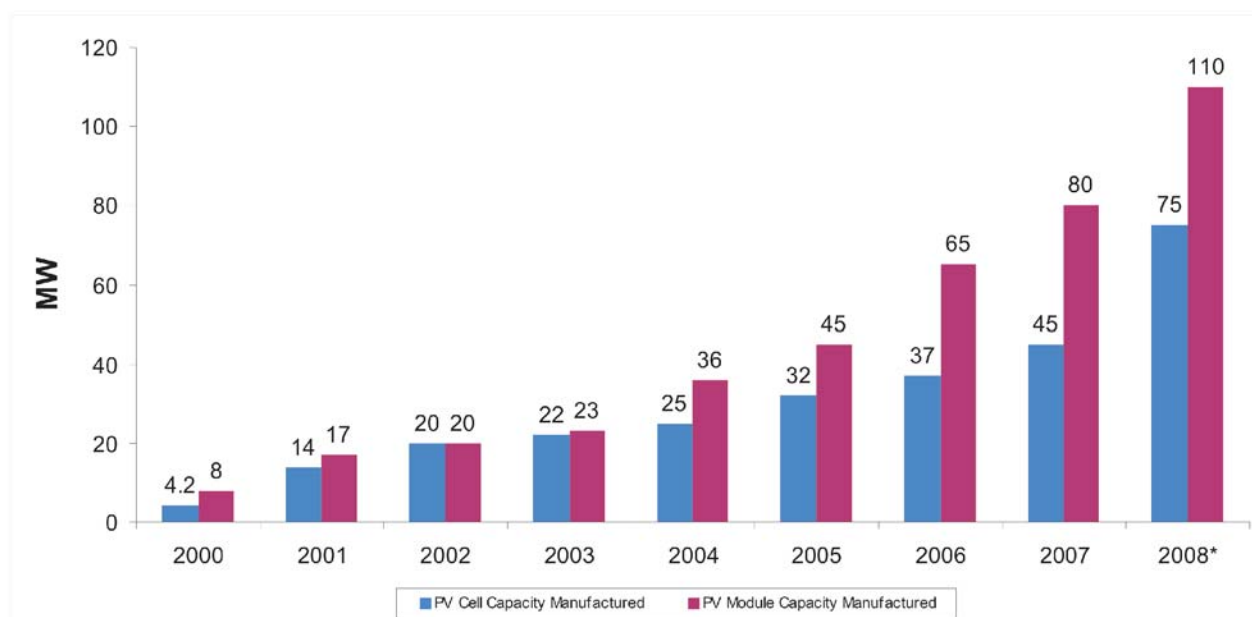
Capacity and Production

According to the Ministry of New and Renewable Energy, (MNRE) Government of India, the total PV cell manufacturing capacity in India is estimated to be 75 MW, and the total PV module manufacturing capacity was estimated to be 110 MW, in 2008. The industry thus has grown at over 35 percent in the last three years.

Solar PV Cell and Module Manufacturing Capacity in India

According to a report by the Indian Semi-Conductors Association, in the last five years, India exported more than 220 MW of PV products. The indigenous production of silicon wafer is limited in India; hence, most of the cell manufacturers are importing silicon wafers and some of the module manufacturers are also importing silicon cells. The industry also imports significantly raw materials and components for PV modules.

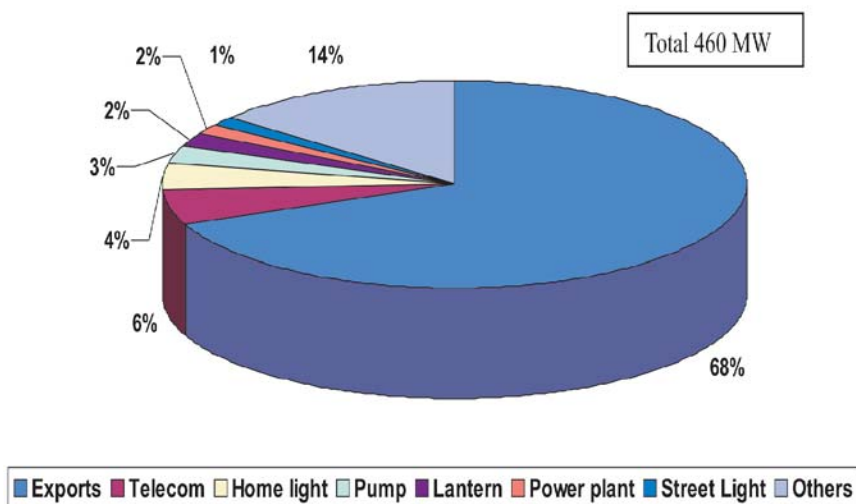
According to MNRE, Government of India, as of 2008, there were nine firms engaged in the manufacture of solar cells and 19 firms were involved in the manufacture of PV modules. In addition, about 50 firms were actively engaged in the manufacture of PV systems. PV systems with aggregate capacity of over 460 MW (about 15,00,000 systems) have been utilized in India as on 31 March 2008, for various applications, including export with an aggregate capacity of about 275 MW of PV products (68 percent).



* Estimated

Source: Ministry of New and Renewable Energy, Government of India

Sector-wise Usage of PV Systems in India



Source: MNRE, Government of India

Trade

Directorate General of Commercial Intelligence and Statistics (DGCIS) has classified the data related to India's trade of PV products (like solar cells/photovoltaic cells including assembled modules and panels), under HS code No. 85414011. In 2007-08, India exported PV products worth US\$238 million, which had increased to US\$348 million during the first nine months of 2008-09 (April-December 2008), a growth of 116 percent over the corresponding period the previous year.

In terms of target markets, Germany and Spain are the two largest markets for Indian PV products in 2008-09 (April-December 2008), accounting for 42 percent and 40 percent respectively of total exports. In terms of imports too, Germany is the leading market with a share of 43 percent, followed by Taiwan (36 percent), Japan and Spain (5.0 percent each). It may be mentioned that most of the imports are in the form of silicon wafers (imported by cell manufacturers), and silicon cells (imported by module manufacturers).

Government Initiatives & Policies

Various policy initiatives taken by the Government of India are recognizing the significance of the PV sector, within the renewable energy, and its potential. At a broad level such policies include: The Action Plan for Climate Change, National Solar Mission, and Semi-Conductor Policy, Specific to the PV industry. There are capital investment subsidies, introduction of generation-based incentives (similar to that of feed-

in-tariffs) for grid interactive solar PV generation projects, and support for R&D in PV technologies.

The Government has introduced a Solar Photovoltaic (SPV) programme, which has accelerated the development of the PV technology in India, and encouraged countrywide usage of various PV applications through demonstrations. The R&D base in Indian PV industry has also been developed, in areas such as development of new materials, processes, systems, production and testing equipment for solar cells and modules, and electronics used in

PV systems, supporting the indigenous production capabilities. Under this programme, MNRE, Government of India will support grid interactive solar power generation projects up to a maximum capacity of 50 MW. The registered companies, as project developers, would be eligible to set up solar power projects on build, own and operate basis. A maximum of 10 MW capacity solar photovoltaic power generations would be considered in a state. Preference would be given to projects from the states where State Electricity Regulatory Commission has announced/or in the process of announcing tariff for solar power. In the absence of tariff for solar power, the utility should provide the highest tariff offered for medium term power purchase, or the maximum tariff fixed for power from any other renewable energy source.

MNRE, Government of India, under this programme, will provide generation based incentive up to Rs. 12 per kWh for solar photovoltaic power fed to the grid by the project developers, after taking into account the tariff provided by the utility organizations.

Several recent government announcements and policy measures suggest that PV adoption may be entering a phase of major expansion. The states of Andhra Pradesh, Gujarat, Karnataka, Maharashtra, Punjab, Rajasthan, Tamil Nadu and West Bengal have announced their own solar PV projects, policies, plans, and incentive packages in recent months, including those for grid-connected generation. MNRE, Government of India has targeted grid

connected PV generation capacity of 50 MW by 2012, which is expected to be achieved well in time.

PV Industry & Carbon Credits

Carbon credits and carbon trading would play an important role in enhancing the cost competitiveness of PV projects. For example, India could set up (currently) high cost solar power plants and reap the economic advantages obtained by saving emissions and earning money from trading of saved emissions, instead of building a low cost coal power plant, whose overall economic advantages may not be much. It is equally important to note that such an economic environment would help to create a global market for solar energy technologies, and help to kick-start the global transition towards zero emission technologies. It may be mentioned that developing countries have more solar energy than Western countries, and if global warming is to be averted in the long run, developing countries should generate more solar energy instead of energy generated from fossil fuel. Also, developing countries have millions of settlements even today which do not have grid-supplied electricity. Solar energy systems should serve this objective in the future.

PV Market Outlook in India

Renewable resources, in the forms of solar, wind, hydroelectric, biomass, and geothermal energy, provide energy while addressing environmental

concerns. Of these technologies, solar photovoltaic energy provides the most reliable, scalable, and long-term economically viable solution with the least environmental impact. Moreover, solar energy generation profiles match usage patterns well (i.e. high energy is consumed when the sun is at peak). It may be mentioned that over two-third of India's population is involved in agriculture and other rural-based activities. Around 500 million Indians are estimated to be having no access to grid electricity, as an estimated 80,000 villages are not connected to the grid. This segment presents significant opportunities for the PV industry.

The usage of photovoltaic technology in India is critical given the power shortages that the country faces and the potential the photovoltaic industry may play in mitigating this gap. It is useful for providing grid quality, reliable power in rural areas where the line voltage is low and insufficient to cater to connected load. Solar photovoltaic modules are uniquely suited for small-scale off-grid applications such as rural electrification projects. Installations can be as small as 100 kW, panels and equipment are easy to transport and install in remote locations, and facilities require little space. Another area of growth is in the irrigation sector, especially installation of solar irrigation pumps. Telecom sector offers significant growth opportunities for PV industry; cellular telephone base stations and towers are growing across the country, which could install solar PV systems than using diesel generators. The use of PV systems in urban areas is also increasing, with growth in building integrated PV, use of PV for billboards, development of street and traffic lighting solutions, and highway lighting. In the industrial sector, the PV power generation plants could replace diesel based captive power generation.

The grid parity situation will open up opportunities for new business models, such as the leasing of solar energy systems. This could remove the hurdle facing private households of making an initial solar system investment. A new type of energy company could emerge from this where one owns the PV system on the customer's roof and sells the solar electricity generated per kWh to the homeowner. With a number of companies taking the inorganic growth path and diversifying into the PV industry, the scenario envisaged is one of unprecedented growth potential and industry growth in the country. ■

Exim Bank along with European Investment Bank facilitates Clean Energy

Export-Import Bank of India has signed an agreement for a long-term loan of Euro 150 million equivalent with tenor upto 15 years with European Investment Bank (EIB) in December 2008. This is the first time in the past 15 years that EIB has extended a credit line to an Indian entity. The purpose of the EIB loan to Exim Bank of India is for supporting projects that contribute to climate change mitigation and to enhance EU presence in India through FDI, transfer of technology or know-how from Europe. The borrowings under this facility will enable the Bank to on-lend for import of equipment for projects including renewable energy projects (eg. wind, solar, biomass etc.), energy efficiency enhancement (eg. fuel switching, plant modernisation etc.) as well as projects that would reduce greenhouse gases emission, clean environment, afforestation.

Doing Business: LAC Leads in Global Reform Race

Latin America as a whole has intensified its efforts to implement regulatory reforms. Most popular reforms are in the areas of starting businesses, dealing with construction permits, trading across borders and registering property. Colombia and Peru have been the region's leading reformers, implementing changes in up to eight key areas of doing business.

In a record year worldwide, Latin America intensified its business regulatory reform efforts to expand opportunity for local firms, according to a global report, titled *Doing Business 2010: Reforming through Difficult Times*, which has been released in Washington recently.

The seventh in a series of annual reports published by the International Finance Corporation (IFC) and the World Bank, the report found that between June 2008 and May 2009, as many as 14 of 20 economies in the

Latin American region implemented regulatory reforms.

Colombia is the region's leading reformer, ranking at 37 out of 183 global economies in terms of overall ease of doing business. Colombia is also among the world's 10 most active reformers - for the fourth time in seven years. Colombia reformed in eight of the 10 regulatory areas assessed by *Doing Business*. It facilitated business start-ups, improved access to credit, expedited trade, strengthened investor protection, and simplified construction permits, property registration, and tax payments.

Peru, the region's runner-up reformer, moved up to 56 from 65 in the global ease of doing business ranking by implementing reforms in six of the 10 areas measured by the report. It reformed business start-ups, property registration, and contract enforcement, made it easier to pay taxes, and sped up international trade.

Renewed Efforts

"Latin American economies have continued to implement regulatory reforms, with efforts intensifying this year," said Sylvia Solís, lead author of the report. "The region's most popular reforms involve starting businesses, dealing with construction permits, trading across borders, registering property, and creating online systems to pay taxes. Seven economies made it easier to start a business, four made it easier to trade, and another four made construction permits more efficient," she added.

As part of its program to simplify business licensing, Brazil made it easier to start a business, as did Argentina, Colombia, Guyana, Honduras, Mexico, and Peru. Guyana and Paraguay shortened trade times by introducing electronic declaration systems; Paraguay also added a risk-based inspection system.

Other active reformers in the region include Guatemala, which improved property registration and remains Latin America's best performer on ease of registering property, made it easier to deal with construction permits, and expanded access to credit by improving credit information and creating a collateral registry for movable assets. Mexico introduced electronic filing to simplify tax payments,



while Panama eased dealing with construction permits and expedited property transfers.

Doing Business analyzes regulations that apply to an economy's businesses during their life cycles, including start-up and operations, trading across borders, paying taxes, and closing a business. Doing Business does not measure all aspects of the business environment that matter to firms and investors. For example, it does not measure security, macroeconomic stability, corruption, skill level, or the strength of financial systems.

Consistent Reformer

Meanwhile, the Caribbean economies also intensified their reform efforts to create a better local business environment. The Dominican Republic, a consistent reformer, strengthened investor protections with a new company law - making it the runner-up global reformer in protecting investors and improving its global ranking on overall ease of doing business from 102 to 86 among 183 economies.

The report finds that economies tend to be inspired by the reform activity of neighbors. Three Caribbean

island states - Grenada, St. Kitts and Nevis, and St. Lucia - reformed for the first time. Grenada eased contract enforcement and improved customs administration. St. Kitts and Nevis implemented an electronic data interchange system that expedited cross-border trade. And St. Lucia eased business start-up by introducing an electronic company registration system.

"Caribbean economies have intensified efforts to improve the business environment this year," said Ms Solf, "Around the world, more small-island states are paying attention to the quality of business regulation to make their economies more competitive. Making it easy to start and run a business is always important, but especially during these difficult times."

St. Vincent and the Grenadines made it easier to start a business, while Jamaica cut the property transfer tax from 6.5 percent of property value to 5 percent. Haiti expanded access to credit by broadening the types of assets that can be used as collateral and sped up trade by implementing an online document handling system and 24-hour port operations. ■

Meet on Good Corporate Governance Practices



The fourth annual conference of Development Finance Institutions (DFIs) on corporate governance was held recently in Rio de Janeiro, Brazil. The meeting was coordinated by CAF on behalf of the working committee formed by various regional development banks.

As part of CAF's efforts to disseminate and implement good corporate governance practices, the conference focused on defining the role of DFIs in the global crisis as an effective vehicle for confronting the international situation.

The objective of the meeting was to follow up the points contained in the Joint Declaration on Corporate Governance, signed in 2007 by a group of 31 DFIs committed to development. The occasion was ideal for sharing experiences and checking progress on implementation of the principles of good corporate governance practices in Africa, America, Asia and Europe. The event brought together more than 50 representatives from various multilateral organizations. The next conference will be held in Jeddah, Saudi Arabia. ■

Overcoming Global Fiscal Crisis...

LAC on Road to Recovery



Latin America seems to be turning the corner on the financial crisis, with clear signs of an early rebound emerging in some large regional economies, according to the World Bank's latest economic forecast.

Overall, the region's contraction has been mild compared to other parts of the world, and countries such as Brazil are already experiencing a recovery spurred by increased economic activity in Asia, which has strong trade ties with the South American giant.

With the exception of Mexico, which has experienced a 7.0 percent decline in 2009, the region is poised for a strong and fast recovery, said World Bank chief regional economist Augusto de la Torre, in his assessment of Latin America's economic prospects for 2010.

"Latin America has not suffered any systemic damage and it's in better position to benefit from a fast recovery, while it establishes itself as a better investment destination because of its strong

macroeconomic framework", de la Torre told a group of government and business leaders gathered at the influential Americas Conference in Miami recently.

De la Torre also predicted a two-tier recovery where Brazil, Argentina and Chile belong in the first group, and Peru, Colombia and the Dominican Republic follow suit. Still reeling from a deep recession, regional powerhouse Mexico will only see a rebound - albeit strong - by 2010, he said.

"These economies benefited from implementing strong macroeconomic frameworks that withstood well the crisis, and from keeping in place the right fiscal policies", de la Torre said.

Still, the World Bank's top regional economist warned that growth will not only depend on sound domestic policies but also on the strength of global recovery and the sustainability of world growth in the medium term.

De la Torre said that overall growth hinges on the way the rich economies exit the stimulus policies that

were set in motion to counter the crisis impact. "If they exit the countercyclical measures too soon we won't be able to see all the benefits, and if they leave too late it can cause inflation", he said.

The decade-old Conference of the Americas focused this year on future opportunities for the region as it exits one of the worst economic and financial crises on record.

A delegation of World Bank officials and economists including de la Torre, regional Vice President Pamela Cox and Poverty Reduction Director Marcelo Giugale, provided their assessment of Latin America's development prospects in the years ahead.

At the top of their agenda is concern for the most vulnerable who have taken the brunt of the crisis impact.

"Central to the conference's deliberations about political and economic challenges ahead during the post-crisis should be a simple idea: human concerns should go hand in hand with economic ones," said Cox.

The top World Bank executive added that in 2003-2008, 60 million people were lifted out of poverty in Latin America and the Caribbean "which reminds us that few periods have seen so much progress in so little time," she said.

"Yet today, the World Bank projections so far indicate that the crisis will push eight million Latin Americans back into poverty, that is back to living on less than \$4 a day," noted Cox.

The Americas Conference is a key discussion forum and wields a great deal of influence on the region's economic and political agendas. This time around hundreds of government leaders, executives discussed the many challenges facing the region as it maps out its post-crisis future. One such challenge is the new role of the state in future regional growth.

"There's a renewed faith in public investment following the financial crisis", said the World Bank's Giugale. As a result of this, he noted, growth goals can be set while public investment is built into long-term strategies that work both during good and bad times.

The World Bank experts also told the Miami forum that during the post-crisis period it is key for the region to use wisely the lessons learned from the crisis in order to stay on the growth path.

"Some of those lessons tell us that in order to keep growing Latin American economies should remain open and linked to the global economy, while looking to diversify its growth sources to become less dependent on the United States," said de la Torre. ■


Green Growth in Mexico Feasible: World Bank Report

Mexico has the ability to keep in check the increasingly unrestrained forces of nature and maintain harmony in the world around it, as it continues on its rapid growth path, says a World Bank report.

According to "Low Carbon Development for Mexico", carbon emissions, the environment's worst enemy, could be reduced by 42 percent if Mexico takes decisive action in several key areas of its economic structure. That amounts to 477 million metric tonnes less of CO₂ produced instead of the projected 1,137 million metric tonnes by 2030. In practical terms this means that carbon emissions would remain frozen at 2008 levels even as the economy grows both as per capita income and GDP.



CO₂ reductions would come mainly from agriculture and transport - two high-impact areas in climate change- but the study also suggests economies in the energy, oil and electricity sectors. ■



GDP Growth Projected at 4.1%

ECLAC Predicts LatAm Economic Revival in 2010

Economic recovery from the international crisis in Latin America and the Caribbean will be quicker than expected a few months ago, with growth in the region projected at 4.1 percent in 2010, according to the latest ECLAC (Economic Commission for Latin America and the Caribbean) estimates released recently.

In its annual report **Preliminary Overview of the Economies of Latin America and the Caribbean 2009**, the regional commission of the United Nations projects positive growth rates for most countries, but explains that there are still doubts about whether this recovery will be sustainable over time, given that the external scenario continues uncertain, which may affect growth expectations in the region.

"The worst of the crisis is behind us. The motors of growth have been turned on again, but we don't know how long the fuel will last," stated ECLAC Executive Secretary Alicia Bárcena, while presenting the report.

The most notable recovery will take place in South America and Central America (with the exception of Mexico), which next year will have growth rates of 4.7 percent and 3.0 percent, respectively. Economic growth in the Caribbean is expected to be lower (1.8 percent).

According to ECLAC, Brazil will top the list of countries with higher growth in 2010, with expansion estimated at 5.5 percent, followed by Peru and Uruguay (5.0 percent), Bolivia, Chile and Panama (4.5 percent) and Argentina and Surinam (4.0 percent).

Mexico, Costa Rica and the Dominican Republic will grow 3.5 percent.

Overcoming the crisis has been swifter thanks to a set of countercyclical policies that helped countries

address the external turbulence effectively, says the report. These policies included reducing interest rates, increasing State-owned bank loans, expanding public expenditure and implementing a broad array of social programs, such as consumer subsidies and support for low-income households.

The ECLAC report also examines in detail the evolution of the region's economies in 2009, as the crisis hit, putting an end to six years of consecutive economic growth in Latin America and the Caribbean. The region's economies will contract this year by -1.8 percent (better than the -1.9 percent estimated last July), which means that GDP per capita will fall about 2.9 percent.

Unemployment in the region will also be higher than in 2008. This year, it will rise to 8.3 percent (lower than the 9.0 percent projected earlier this year) of the economically active population, with a deterioration in the quality of new jobs.

The steepest fall in economic activity this year will take place in Mexico and some countries of Central America and the Caribbean. ECLAC expects positive average growth rates for South America, with the exception of Chile, Ecuador, Paraguay and Venezuela. In any case, growth rates this year will be significantly lower than those experienced between 2004-2008 in all countries of the region, states the report.

For 2010, better growth expectations and the higher prices of some commodity exports from the region will boost fiscal income in the region, improving the fiscal balance.

As growth consolidates, there may be a moderate inflationary pressure that could lead central banks to restrict monetary policies perhaps late in the year.

Economic growth will push up employment and probably improve its quality, says the report. Unemployment could drop to around 8.0 percent in 2010, about midway between the unemployment levels before and after the crisis, and this will have a positive effect on poverty indicators, asserts the report.

Beyond the short-term, ECLAC stresses that the

current crisis will lead to profound changes in the international scenario that will create a less favorable environment for growth than that experienced in the region between 2003 and 2008.

This poses the urgent need to redefine standards for productive and trade specialization, encourage innovation, include more know-how and diversification in products and seek new destination

markets, with greater participation of Asian countries.

Likewise, nations need to define the role of the State and provide it with the resources and instruments they need to prevent and address crises as well as promote sustainable economic and social development. ■



Boosting Entrepreneurial Spirit via Seed Capital Funding

CAF has reaffirmed its support for the Seed Capital Co-financing Fund (SCF) with investor angels in Panama with US\$400,000. The Fund will promote the development of an entrepreneurial culture in the country and growth of investments in new enterprises by expanding the range of financial instruments available to new entrepreneurs. CAF is supporting this initiative jointly with City of Knowledge Foundation, Multilateral Investment Fund (MIF) and Venture Club, S.A.

A top CAF official said, "With this contribution, CAF is supporting the Panamanian

government's efforts to improve economic competitiveness, especially innovations in technological and telecommunications infrastructure, while fostering cooperation among companies and in generating new sources of employment."

The objective of the operation is to co-finance about 12 new dynamic enterprises - with annual sales under US\$1.5 million, less than 50 employees and maximum of four years of operations - which are receiving capital investment from the members of a Panamanian investment network, which will be grouped in Venture Club, S.A.

The SCF is a legal entity whose aim is to start a technically and financially sustainable scheme for promotion, incubation and financing of dynamic enterprises by creating incentives and supplementing finance from investors, in the framework of a trust fund.

For CAF, participation in this initiative is in line with one of the pillars of its mission: to contribute to the development of financial support mechanisms for entrepreneurship through joint efforts between public and private sectors. In recent years, CAF has backed similar initiatives involving support for new enterprises and financing entrepreneurs in Bolivia, Costa Rica, Uruguay and Venezuela.





Recession Hits Argentine Economy but Indian Exports Sustain Growth

Argentina's economic growth slowed down in 2008 due to global recession but trade with India while took a dip. However, India's exports to Argentina rose 19.8 percent imports fell 43.5 percent during the year, according to a study by the Export Import Bank of India. While petroleum products accounted for higher exports, a drop in vegetable oil import was the reason for fall in imports, the study says.

The real GDP of Argentina slowed down to 6.8 percent in 2008, as compared to 8.7 percent in the previous year, primarily as a result of fall in industrial output. In absolute terms, GDP stood at US\$ 328.5 billion, and GDP per capita was US\$ 8,274.6 in 2008. Average consumer price inflation fell marginally to 8.6 percent in 2008 from 8.7 percent in 2007, as global commodity prices started falling.

In Argentina, the services sector dominates the economy, accounting for 56.5 percent of GDP in 2007, followed by industry (34.0 percent of GDP) and agriculture (9.5 percent of GDP) sectors. Total international reserves increased to US\$ 46.4 billion in 2008 from US\$ 46.1 billion in 2007. Reserves represent an import cover for 10.1 months. Total external debt decreased to US\$ 125.9 billion in 2008 (38.3 percent of GDP) from US\$ 127.8 billion in 2007.

The local currency of Argentina is Peso (Ps). Peso depreciated to Ps 3.14: US\$ 1 in 2008 from Ps 3.10: US\$ 1 in 2007 (Table).

Trade and External Sector

Exports from Argentina increased by 25.0 percent to US\$ 70 billion in 2008 from US\$ 56 billion in 2007, mainly owing to higher exports of processed agricultural products. Imports grew by 28.5 percent to US\$ 54.6 billion in 2008 from US\$ 42.5 billion in the previous year, particularly due to higher import of intermediate goods. As a result, Argentina's trade surplus increased to US\$ 15.4 billion in 2008 from US\$ 13.5 billion in 2007. The main items in Argentina's export basket in the year 2008 were processed agricultural products (US\$ 24.1 billion), manufactures (US\$ 22.1 billion), primary products (US\$ 16.4 billion) and fuel & energy (US\$ 7.9 billion). Argentina's principal imports during the same year comprised of intermediate goods (US\$ 20.2 billion), capital goods (US\$ 12.6 billion), consumer goods (US\$ 6.3 billion) and fuels (US\$ 4.3 billion). The leading destinations of exports from Argentina in 2007 were Brazil (17.4 percent of total exports), China (9.6 percent), US (7.8 percent) and Chile (7.1 percent). The major origins of imports in 2007 were Brazil (31.7 percent of total

imports), US (14.4 percent of total), China (8.7 percent) and Germany (5.8 percent). Argentina's current account surplus narrowed to US\$ 7.1 billion in 2008 from US\$ 7.4 billion in 2007, largely because of higher deficit in services and income account.

Table: Argentina Macroeconomic Indicators

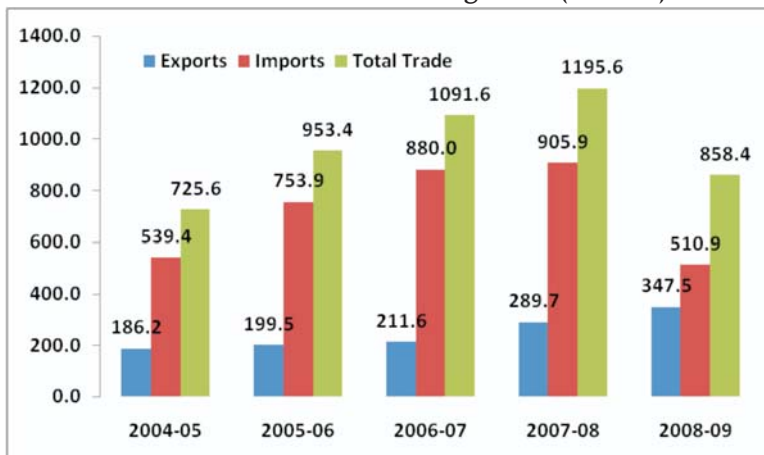
Economic Indicators	2005	2006	2007	2008	2009b
GDP (US\$ bn.)	183.2	214.3	262.5	328.5	299.4
GDP at market prices (Ps bn.)	532	654	812	1,033	1,127
Real GDP growth (%)	9.2	8.5	8.7	6.8	-0.5
Consumer price inflation (av.; %)	9.2	8.5	8.7	8.6	6.2
Population (mn.)	38.6	39	39.4	39.7	40.1
Exports of goods fob (US\$ bn.)	40.4	46.5	56	70	58.9
Imports of goods fob (US\$ bn.)	27.3	32.6	42.5	54.6	37.6
Current-account balance (US\$ bn.)	5.3	7.8	7.4	7.1	14.4
Total international reserves (US\$ bn.)	28.1	32	46.1	46.4	43.3
Total external debt (US\$ bn.)	125	115.9	127.8	125.9	108.6
Exchange rate (avg.; Ps: US\$)					
Local currency is Argentine Peso	2.90	3.05	3.10	3.14	3.76

Note: b: Estimates. Source: IMF; EIU.

Bilateral Relations with India

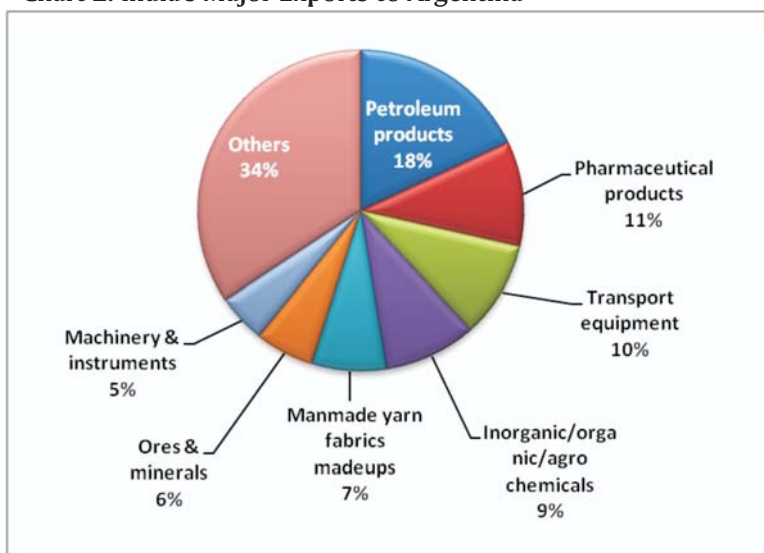
India's exports to Argentina increased by 19.8 percent in 2008-09 to US\$ 347.5 million from US\$ 289.7 million in the previous year, mainly due to higher exports of petroleum products. India's imports from Argentina decreased by 43.7 percent in 2008-09 to US\$ 510.9 million from US\$ 905.9 million in 2007-08, primarily as a result of fall in imports of vegetable oil and wheat (Chart 1). As a result, India's trade deficit with Argentina narrowed from US\$ 616.2 million in 2007-08 to US\$ 163.4 million in 2008-09. Petroleum products (US\$ 62.5 million), pharmaceutical products (US\$ 36.8 million), transport equipment (US\$ 33.7 million), inorganic/organic/agrochemicals (US\$ 32.0 million), manmade yarn fabrics made-ups (US\$ 25.6 million), ores and minerals (US\$ 20.4 million) and machinery & instruments (US\$ 17 million) were the principal commodities in India's export basket to Argentina in 2008-09 (Chart 2). Vegetable oil is the major item in India's import basket from Argentina, accounting for 81.0 percent of India's total import from Argentina in 2008-09, followed by

Chart 1: Trend in India's Trade with Argentina (US\$ mn)



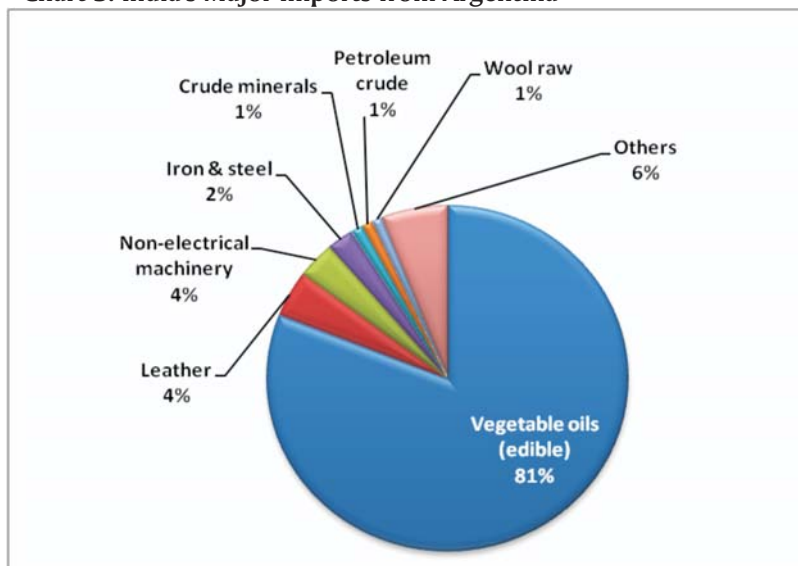
Source: Ministry of Commerce and Industry, GOI.

Chart 2: India's Major Exports to Argentina



Source: Ministry of Commerce and Industry, GOI.

Chart 3: India's Major Imports from Argentina



Source: Ministry of Commerce and Industry, GOI.

leather (US\$ 22.3 million, non-electrical machinery (US\$ 17.6 million), iron & steel (US\$ 12 million), and crude minerals (US\$ 5.5 million) (Chart 3).

Macroeconomic Outlook

Real GDP growth of Argentina is estimated to contract by 0.5 percent in 2009, due to global economic slowdown and poor performance of manufacturing sector. However, economic growth is expected to reach 1.4 percent in 2010, as the global economy slowly recovers. Consumer price inflation is estimated to fall to 6.2 percent in 2009, owing to weak international prices. Assuming higher global commodity prices and a modest recovery in domestic demand, inflation is projected to rise to 8.3 percent in 2010. The government is expected to stick to the policy of intervening to maintain stability in the exchange rate against the dollar. Peso is estimated to depreciate to an average of Ps 3.76: US\$ 1 in 2009, and further to Ps 4.18: US\$ 1 in 2010. Current account surplus is estimated to widen to US\$ 14.4 billion in 2009, as import declines faster than exports. However, current account surplus is projected to narrow to US\$ 10.7 billion in 2010.



Export-Import Bank of India in the LAC Region

Export-Import Bank of India (Exim Bank) operates a range of lending, services and support programmes to facilitate and promote India's trade and investment relations with the Latin America & Caribbean (LAC) region. Exim Bank has currently 15 operative LOCs amounting US\$ 167.89 million covering 23 countries in the LAC region. Exim Bank has also signed MOCs with a number of institutions in LAC region, which include: Caribbean Association of Industry & Commerce (CAIC), Trinidad & Tobago; Banco Mercantil, Venezuela; Central American Bank for Economic Integration (CABEI), Honduras; National de Comercio Exterior, S.N.C. (Bancomext), Mexico; and Corporacion Andina De Fomento, Venezuela. Further, the Bank has supported several Indian project exporters to execute contracts, in the LAC region, in various sectors including: chemicals (Colombia); pharmaceuticals (Mexico); construction (Guyana and Barbados); and power transmission (Brazil). Exim Bank has supported several Indian companies to set up joint ventures in LAC region, in various sectors, which include, pharmaceuticals and electricals (Brazil), and chemicals and construction (Cayman Islands). The Bank has also carried out a number of research studies to examine India's trade and investment potential with the LAC region.



LatAm Ideas to Save Planet *Win*

Climate Change Contest

Innovative ideas from Latin America took centre stage in Washington this week, with projects from the region being awarded more than \$2.5 million in grant money through the 2009 Global Development Marketplace, a competitive grant program to fund innovation in development.

This year's contest - '100 Ideas to Save the Planet' - set a simple challenge: come up with one idea from their own communities to help save the planet and its people from the effects of climate change. This ninth annual Development Marketplace was co-sponsored by the Global Environment Facility (GEF), the International Fund for Agricultural Development (IFAD), the Danish Ministry of Foreign Affairs, and the World Bank Institute.

This year's event, which ran from 10 to 13 November, featured 100 finalists from 47 countries selected from over 1,700 project proposals. Entries from Latin America performed extremely well this year, with 13 projects from the region winning grants - more than half of this year's winners.

"The Development Marketplace is an important part of our mission to break down funding barriers and promote innovative entrepreneurial ideas at the grass-roots level." said Monique Barbut, CEO and Chairperson of the Global Environment Facility (GEF).

Stand-out ideas from the region this year contest included:

- **From Ecuador:** International Network for Bamboo and Rattan's idea to build elevated bamboo houses, essentially lifting communities in flood zones out of harm's way; and

- **From Peru:** Peruvian Native Community, Kechwa Copal Sacha's, ingenious project that fuses traditional knowledge and biomathematics - marrying ancestral and scientific knowledge to improve sustainable agricultural production

- **From Colombia:** Zonal Indigenous Organization of Putumayo's idea to develop environmental land management plans based on traditional knowledge

- **From the Dominican Republic:** Universidad Nacional Pedro Henríquez Ureña's idea to help mitigate seaside erosion by converting the energy of waves into electrical energy

Winning ideas receive up to \$200,000 in seed money, as well as guidance, training, and technical support as projects move into implementation. More than this though, all participants benefit from being able to hone their project design skills; by participating in knowledge and skills development sessions designed to help make them better development practitioners on their return home - win or lose.

"Managing risks from climate change will require not only one hundred, but thousands of ideas from communities all over the world," said Katherine Sierra, Vice President of Sustainable Development at the World Bank. "This year's contest was an opportunity to showcase the kind of creative thinking that can deliver tangible results in our work on climate adaptation. We will be watching how this year's winners put their ideas into action."

This year's contest took place amid a wider pre-Copenhagen international discussion around climate change and its effects on developing countries. Many ideas combined traditional knowledge with 21st-

century technology, as participants found creative ways to innovate, taking cues from both the ancient and the modern. Ideas included painting rocks around glaciers white to slow melting, to leveraging mobile telephony and SMS technology to strengthen disaster preparedness.

"Agriculture is where climate change, food security and poverty reduction intersect," said Kanayo F. Nwanze, President of the International Fund for Agricultural Development (IFAD). "The Development Marketplace is an excellent platform for scouting and collecting new ideas from diverse sources, fostering innovative solutions, and developing partnerships in support of climate change adaptation."

Past winners have gone on to address pressing needs in their home communities. Many have seen their project concepts replicated elsewhere. The Kanchan Arsenic Filter project, a 2003 winner sponsored by the Massachusetts Institute of Technology, has been scaled up with compelling results. The project, first implemented in Nepal, has been expanded to Cambodia, Vietnam and Bangladesh. To date, over 7,000 filter units have been distributed, serving 30,000 people in the region. Pump Aid, a 2006 winner of a \$120,000 grant, went on to secure an additional \$25 million to expand water and sanitation services to reach eight million people in Zimbabwe and Malawi over five years.

"I believe that Development Marketplace is a very good example of how to facilitate innovation giving us tangible solutions on complex development issues like climate change adaptation," said Ulla Toernaes, Danish Minister for Development Cooperation. "We have through our own experience seen how innovation has helped transform Denmark's energy consumption patterns and created new business opportunities like wind energy."

Speaking at the Development Marketplace award ceremony, Sanjay Pradhan, Vice President of the World Bank noted, "Among the World Bank's most important roles is scanning the horizon for innovative emerging ideas. Then our job is to identify, select and help scale up those innovative solutions. Development Marketplace winners over the years have proved the value of bringing fresh voices and ideas to the development discussion, and that it is possible to turn good ideas into tangible results."





Cash on Hand Scheme Helps Lift 60 Million out of Poverty

A new form of fighting poverty is sweeping the developing world. Conditional Cash Transfers (CCTs), which began in Latin America in the mid-90s, give poor families money on condition that they spend it on their children's health and education.

From 2003 to 2008, a huge population of 60 million people were lifted out of poverty in Latin America and the Caribbean. Few periods perhaps none have seen so much progress in so little time and CCTs have played a role in this process.

Conditional Cash Transfers (CCTs) play an important role in reducing poverty and inequality and improving human development outcomes in Latin America and the Caribbean.

A recent BBC documentary called 'Cash in Hand' based on the CCTs, looks at the results and challenges facing these programs in Mexico, Colombia, Brazil and even New York, where mayor Michael Bloomberg instituted it in 2007 on the heels of Mexico's Oportunidades success. Oportunidades currently helps about 25 million people - one quarter of the country's population - and since it was set up over a decade ago, high school enrollment rates have risen 33 percent while drop-out rates have fallen 20 percent. Meanwhile, preventive healthcare appointments - key to reducing disease - grew by 35 percent across the country.

The World Bank premiere screening of the

documentary for the international community took place recently at Bank's headquarters in Washington, DC, in an event that included top-level World Bank and multilaterals officials.

A special guest, Santiago Levy, Inter-American Development Bank (IADB) Vice President for Sectors and Knowledge and widely credited with bringing Oportunidades started under his stewardship in Mexico, gave a keynote address on his experiences participating in the BBC post-documentary debate. He also touched the likely successes and challenges for the next generation of CCTs.

"It is really nice that the BBC decided to do this important film. What 12 years of accumulated experience in Latin America shows, as well as from other parts of the world, is that CCT programs are feasible through budgeting and that it is important to design a program that helps the welfare of the poor people they aim to serve," added Levy.

Pamela Cox, the Bank's Regional Vice President for Latin America, gave introductory remarks which provided the audience with a broader understanding of the World Bank-IDB collaboration in the development and implementation of CCT programs and highlight trends that will shape their future in the region going forward.

"The World Bank projections so far indicate that the crisis will push eight million Latin Americans back into

poverty, that is back to living on less than \$4 a day. In spite of this sobering figure, early indications suggest that CCTs have mitigated the impact of the crisis," said Cox during her opening remarks.

"There has also been a growing emphasis on complementing the safety nets with investments to reduce malnutrition and ensure access to social and employment services for the poor. The World Bank has supported safety net programs for more than a decade, and in the majority of countries in the region through investment operations and programs of studies and non-lending technical assistance," concluded Cox.

This innovative documentary was introduced by Robert Lamb, Director for One Planet Pictures who was interested in capturing the essence of poverty reduction programs in developing countries, said Sergio Jellinek the Bank's regional Communications Manager highlighting how the film came about.

"The World Bank was delighted to be able to contribute to the overall concept of the documentary and post-documentary debate and provided suggestions to highlight successes and challenges of CCT program in Brazil, Colombia and Mexico," Jellinek concluded.

Unlike traditional government handouts, however, this popular anti-poverty program, which has spread throughout Latin America and even to New York City, requires that children stay in school. The children also must have frequent health check-ups and be vaccinated against diseases.

CCT programs go by different names - Bolsa Familia

(Family Fund) in Brazil and Oportunidades (Opportunities) in Mexico, the most populous countries it's in - and has slightly different rules depending on the country. Analysts say it's become the most successful anti-poverty program in years because it requires the poor to do something meaningful and measurable in exchange for government charity.

"Middle-income countries contain half the world's population and a third of the world's poor," said Helena Ribe, the Bank's regional Sector Manager for Social Protection during the questions and answers period Washington film screening.

"Macroeconomic shocks have been influential in shaping safety net policy in a number of these countries, with many current safety net programs having begun as initiatives to ameliorate past crises. Most of the volatility in safety net lending is in IBRD countries. This reflects their greater exposure to global shocks and the pre-existence of programs that can be expanded in times of stress. The IBRD itself serves as a safety net, providing funding for programs in times of fiscal crises," emphasized Ribe.

Fiscal year 2009 (FY09) was a particularly active year, as safety nets were put in place and expanded in response to global economic crisis. About US\$2.7 billion was approved in FY2009 for safety net programs to protect the most vulnerable through conditional cash transfers, in-kind assistance and public works, reaching the poor and vulnerable in many IBRD countries including, Mexico, Colombia, Argentina, Peru, El Salvador, Guatemala, Indonesia, Poland, and Macedonia. For example, in financial year 2009, the IBRD directed major infusions of funding for safety nets to Mexico (US\$1.5 billion for their conditional cash transfer program Oportunidades), Argentina (US\$440 million for two income support programs), Colombia (US\$318 million for the social safety net) and Poland (US\$221 million to mitigate the social cost of the economic crisis out of a total policy-based loan of US\$1.3 billion).

"I have worked in this field for 30 years in every region of the world," said the World Bank's Ribe. "This is the one (program) that works. It has showed that you can reach poor people today and position them to improve opportunities over a lifetime."





Royal Game of Polo: Born in India, Perfected in Argentina

R. Viswanathan, Ambassador of India to Argentina, Uruguay & Paraguay

The game between Dolfina and Ellerstina teams at the Argentine Polo Open recently was a Dream Game. The two teams had the perfect 40 handicaps each. It was a rare opportunity and incredible excitement to watch the masters play at the Palermo polo stadium in Buenos Aires, considered as the cathedral of polo.

Here are the perfect handicappers and their ages in brackets from left to right: Dolfina team in white Castagnola (39), Mariano Aguerre (40), Lucas Monteverde (32) and Adolfo Cambiaso (34); Ellerstina team in black, left to right-Facundo Pires (23), Gonzalo Pires (26), Pablo Mac Donough (27), Juan Martin Nero (28)

Both the teams played an impressive and fast paced game and were neck to neck all the time. Adolfo Cambiaso of Dolfina and Facundo Pires of Ellerstina, the top players, displayed their magic with the ball while flying on the horses. The match ended as a draw with 16 goals each at the end of the eight chukers. They went for a sudden death play-off. Dolfina made

the golden goal and became the winner of the Argentine Open 2009.

Ellerstina had earlier won in this season the Tortugas Open and the Hurlingham Open and was hoping to make it a grand slam with the Palermo Open, which is also called as the Argentine Open. But they were outplayed by Dolfina, who took revenge against Ellerstina who beat them in the 2008 Open. Dolfina has won the Argentine open four times in the last five years.

The game was a reconfirmation of the fact that Argentina is the undisputed leader of polo in the world. Argentina has, at this moment, 11 ten handicap players out of the twelve in the world. Argentina has not only the best players in the world but also has the largest number of top ranked players. All the top 30 ranked players of the world are Argentines except for the sixth ranked Uruguyan David Stirling. There are over 1000 polo fields in Argentina which also has the best polo horses in the world.



Adolfo Cambiaso is the best polo player in the world. He was the youngest player to reach ten handicap, at the age of 19 in 1994, when he won the Grand Slam of Argentina. Since then he has been winning tournaments in Argentina and around the world.

While Argentina has perfected the game, it was born in India. The modern game of polo, formalized and popularized by the

British, originates from Manipur in India. The first polo club was established in the town of Silchar in Assam in 1834. The second polo club came up in Calcutta in 1862. The British took the game from India to Britain, Europe and Americas and popularized them. While the glamour of polo was kept up by the royalty of Jaipur and Jodhpur, the level of the game in India has remained low. The highest handicap in India is said to be six. Since it is an expensive game it has been maintained mainly by the Indian army, which could afford horses. Now there is a boost to the game by the entry of Indian corporate chiefs who play and patronize the game. Even with this, India is likely to continue in the minor league while Argentina has taken the game to new levels of excellence. They say that there are two levels of polo: world class and Argentine class...

Felicitaciones Argentina..... Felicitaciones Cambiaso.... ■

Indian IT Firms Explore M&A Avenues in Latin America

India's top outsourcing companies in Bangalore and Mumbai are now exploring acquisition opportunities in the Latin American countries, as more customers demand nearshore delivery capabilities for physical proximity and ease of managing an outsourcing relationship.

Smaller service providers in Brazil, Argentina and Mexico such as Globant, whose top clients include Adidas, LinkedIn and Citi among others and has around \$100 million in revenues, are increasingly being approached by some Indian tech firms, according to industry sources.

"Even as we hire more locals, we continue to look at focused nearshore companies such as Globant for strategic alliances," said a top executive of an Indian tech firm. He did not wish to be quoted because his company does not want to disclose its acquisition plans before they materialize. While customers such as GE and Citi continue to send more IT work to

offshore locations such as India, some customers and vendors are discovering that nearshore locations in Latin America are offering almost similar cost advantages for back-office projects apart from better proximity to customers.

Customers such as HNI Corp, one of the biggest American office furniture manufacturers, recently chose a nearshore partner in Brazil instead of an outsourcing vendor from India because it was not comfortable with the time zone difference.

"While there is no doubt about Indian companies' ability to serve customers across time zones, some customers still prefer to work with a vendor located nearer," said an outsourcing consultant familiar with HNI's decision.

For Indian companies seeking to serve customers locally and from nearby locations, outsourcing companies in Brazil, Mexico and Argentina offer lucrative M&A opportunities. ■

CAF Approves Record \$9.20bn despite Economic Recession

President & CEO of Andean Development Corporation (CAF) Enrique García has said that the financial institution had accomplished record approvals during 2009, a difficult year in which the world economy had passed through the deepest economic crisis since the Great Depression.

Announcing the results for 2009, recently at the CAF headquarters in Caracas, Venezuela, García said that despite adverse conditions during the year under review, CAF had achieved record approvals of over US\$9.20 billion, welcomed the entry of five new full members: Argentina, Brazil, Panama, Paraguay and Uruguay, and Portugal as shareholder, and approved a new capital increase of US\$2.50 billion, in addition to the US\$1.50 billion already in process of execution.

García said the global economy seemed to have touched bottom given that there are clear signs of recovery. "These signs can be seen in the financial markets which have begun to recover their level of activity, in a lower perception of risk on credit markets, in the recovery of raw material prices, and the apparent stabilization of home prices in the United States, among others."

The CAF president, however, said recovery in advanced countries would be slow and - in the medium term - would not repeat the dynamism of recent years. "China has been a decisive factor in helping to overcome this crisis," García said in reference to the rapid recovery of the emerging economies, mainly stimulated by that country's public policies.

How has the region responded to the crisis?

Although the crisis affected the Latin American region much more than expected, García said, "prospects are moderately positive thanks to the adoption of anti-cyclical policies, recovery of raw material prices, and resumption of capital flows into the region, all of which has led to a lower cost of external credit, recovery of stock markets, and stronger Latin American currencies."

However, so far recovery has been mainly limited to financial markets, while rates of reactivation are incipient in the productive sector. The CAF chief executive referred to the challenges facing the region in view of the "loss of importance at global level" in relation to the Asian continent and other regions. "We have to consider not only the macro-



economy but also the microeconomic dimension of development, which is what accelerates growth." In his opinion, Latin America needs a transformation to make its economies "more productive, create more quality employment and involve excluded sectors more actively, to counteract the effects of poverty and inequality."

A bridge between Latin America and the world

After Portugal's recent adhesion, CAF now has 18 shareholders. García emphasized the decision to increase the paid-in capital by US\$2.50 billion, in addition to the ongoing capitalization process of US\$1.50 billion, following the full membership of Argentina, Brazil, Panama, Paraguay and Uruguay. As a result the CAF capital will increase by over US\$4.00 billion over the next few years.

CAF continued to play an important role as link between Latin America and other regions of the world; especially the range of activities and agreements with China, Russia, Italy and India among other countries, with the aim of compatibility between their economies and Latin America.

Approvals in 2009 increased 17 percent

According to García, "in a very difficult global economic environment, CAF provided decisive anti-cyclical and opportune support for member countries in the crisis, at the same time as obtaining highly satisfactory financial and operating results."

In 2009 approvals exceeded US\$9.20 billion, growth of almost 17 percent in the year and 96 percent in the last five years, while lending grew 13 percent in 2009, doubling the rate of the previous year.

Of total approvals in 2009, 36 percent were destined for financing projects related to economic and integration infrastructure, and social development, with 15 percent of the total going to develop the region's energy capacity both public and private. "CAF is now the main source of multilateral financing for infrastructure in Latin America."

Also in 2009 CAF approved a record amount of over US\$37 million in cooperation funds, mainly non-reimbursable, destined for institutional strengthening, promotion of sustainable development, social inclusion and cultural identity of the region, as well as programs related to competitiveness, research and public policies which stimulate quality and inclusive economic growth.

Opportune measures in the midst of a crisis

In relation to the anti-cyclical measures adopted by

CAF in response to the crisis, the CAF CEO highlighted approvals of over US\$2.00 million for freely usable and rapid disbursement operations. This support was channeled through contingent lines of credit, wide-approach sectoral programs, intensification of financing for financial systems and development banks, which also contributed to improving the financial conditions and debt profiles of partner countries.

García also mentioned the strengthening of the Compensatory Financing Fund, through which CAF lowers interest rates applicable to operations for marginal sectors, integration projects and reducing asymmetries between countries.

The CAF president reported the issue of over US\$1.30 billion in bonds in 2009, including a bond for US\$1.00 billion in the United States, the largest in the Corporation's history. He referred to the net profit of over US\$200 million which builds confidence on international capital markets, a key factor for consistent improvement in risk ratings which is necessary for continued competitive participation on international markets."

"These results - García concluded - are due to various factors, especially the backing from shareholder countries as reflected in the timely payment of capital subscriptions and debt service, reinvestment of profits to increase capital, the confidence placed in the CAF administration, and recognition of the institution's catalytic role and valuable contribution to sustainable development and regional integration.

About CAF

The Andean Development Corporation (CAF) is a multilateral financial institution whose mission is to promote the sustainable development of its shareholder countries and regional integration. Its current members are 18 countries in Latin America, the Caribbean, and Europe, namely: Argentina, Bolivia, Brazil, Chile, Colombia, Costa Rica, Dominican Republic, Ecuador, Jamaica, Mexico, Panama, Paraguay, Peru, Portugal, Spain, Trinidad & Tobago, Uruguay and Venezuela, along with 14 private banks from the Andean region. With headquarters in Caracas, Venezuela, the CAF has representative offices in Buenos Aires, La Paz, Brasilia, Bogota, Quito, Madrid, Panama City and Lima. ■





Promoting the Spirit of Enterprise in Panama

The CAF has reaffirmed its support for the Seed Capital Co-financing Fund (SCF) with investor angels in Panama with US\$400,000. The Fund will promote the development of an entrepreneurial culture in the country and growth of investments in new enterprises by expanding the range of financial instruments available to new entrepreneurs. CAF is supporting this initiative jointly with City of Knowledge Foundation, Multilateral Investment Fund (MIF) and Venture Club, S.A.

CAF President & CEO Enrique García said, "with this contribution, CAF is supporting the Panamanian government's efforts to improve economic competitiveness, especially the factor of innovation, development of technological and telecommunications infrastructure, while fostering cooperation between companies and generating new sources of employment."

The objective of the operation is to cofinance about 12 new Dynamic Enterprises - with annual sales under US\$1.5 million, less than 50 employees and maximum of four years of operations - which are receiving capital investment from the members of a Panamanian

investment network, which will be grouped in Venture Club, S.A.

Long-term financing facility

The Seed Capital Cofinancing Fund (SCF) is a legal entity whose aim is to start a technically and financially sustainable scheme for promotion, incubation and financing of Dynamic Enterprises by creating incentives and supplementing finance from investors, in the framework of a trust fund.

The contribution to SCF will be used exclusively to cofinance Dynamic Entrepreneurship in a one-to-one relation with members of Venture Club, SA, permitting the Fund to offer long-term loans to the entrepreneurs.

For CAF, participation in this initiative is in line with one of the pillars of its mission: to contribute to the development of financial support mechanisms for entrepreneurship through joint efforts between public and private sectors. In recent years, CAF has backed similar initiatives involving support for new enterprises and financing entrepreneurs in Bolivia, Costa Rica, Uruguay and Venezuela. ■

Renuka Sugars Buys Brazilian Sugar & Ethanol Co for \$240mn



In the first-ever overseas acquisition of a sugar mill by an Indian sugar company, Shree Renuka Sugars Ltd (SRSL), one of the largest producers in the country, has acquired Brazil's Vale Do Ivaí SA Açúcar e Álcool (VDI) paying \$240 million (Rs 1,112 crore).

It is also the first acquisition of any foreign sugar and ethanol unit by an Indian company. Sugar companies are looking for opportunities abroad, partly due to restrictions on undertaking farming directly.

SRSL will pay \$82 million (Rs 380 crore) now and the balance over eight years. It plans to finance the acquisition by leveraging the \$105 million (Rs 506 crore) it raised through a qualified institutional placement (QIP) of shares in July. Narendra Murkumbhi, MD of SRSL, had earlier said the proceeds would be used on refinery and cogeneration plans.

The company operates eight sugar mills, five owned and three leased, with a cumulative daily crushing capacity of 35,000 tonnes.

The acquisition of VDI includes two sugar and ethanol production facilities in the southern Brazilian state of Parana, with a combined cane crushing capacity of 3.1

million tonnes a year. VDI holds strategic stakes in several logistics assets, including terminals for storage and loading of sugar and ethanol at the port of Paranagua.

The acquisition also includes 18,000 hectares of cultivable land under VDI, through which the company meets the larger part of its sugarcane requirements. The land is on long-term lease and used to cultivate cane with an average yield of 95 tonnes a hectare, with recovery of 13 per cent. In India, the yield (around 60-65 tonnes per hectare) and the recovery (a maximum of 11.5 per cent) are lower.

VDI has a third production facility in state of the Minas Gerais, which will be spun off to its current shareholders as a consideration for the acquisition.

Through this acquisition, SRSL is planning to feed raw sugar demand at its refineries in Gujarat and Haldia, where huge capacity expansion work is under progress.

"To meet our objective to focus on sugar refinery, we imported about 0.7 million tonnes of raw sugar last sugar year (October-September) and plan to import

about 1.3 million tonnes next year. Going forward, our refinery will require two million tonnes of imported raw sugar to meet the enhanced refinery capacity of 9,000 tonnes per day by 2011,” said Gautam Watve, SRSL's head for strategy and planning.

The company is working to meet up to half of its refinery capacity requirements through import of raw sugar, he added.

The acquisition has got the approval of leading creditors of VDI and the other remaining conditions

are expected to be completed over the next 45 days. Motilal Oswal Investment Advisors is the strategic advisor to SRSL for this acquisition.

Brazil is the largest producer and exporter of sugar, with India being the largest consumer of the sweetener in the world. With the prevailing shortage of white sugar in India, SRSL's acquisition of crushing units, along with the plantation area, will provide encouragement to other industry stakeholders for a similar move, which the government has also been advocating. ■



Bangalore-based Infosys Technologies has recently opened its second development centre in Monterrey, Mexico, serving as a near shore unit to serve the regions of North America, Latin American and Europe. The development centre will provide technology services for clients in all industries including banking, financial services, manufacturing, retail, distribution, insurance and many others, Infosys said in a notice to the stock exchanges.

“From our first development centre opening with a few clients and a dozen employees, we now have some 30 clients and 330 professionals,” said Ashok Vemuri, senior vice president, Infosys. After examining several countries in the region, Infosys chose to establish its presence in Mexico due to the broad language skills available in the region, its geographical proximity to Canada, the US and the Europe, the notice said. ■

Buenos Aires

A City of Architectural Splendour Rocking to Tango

Despite its European connections, Buenos Aires has a flavor all its own. Street performers doing the tango are as much a part of the landscape as famous buildings like the opulent, French-designed Teatro Colon. Local culture is celebrated in the weekly Mataderos Fair, featuring regional food, crafts and horse races. The city's dozens of neighborhoods, each with its own personality, offer museums, restaurants, shopping, history, dancing and outdoor activities to suit any taste or budget.

But Buenos Aires' European heritage is evident in its architecture, boulevards and parks. Recoleta Cemetery is the final resting place of many of the city's tycoons and presidents, as well as still-beloved first lady Eva Peron. Cafe Tortoni, the city's oldest bar, will transport you back to 1858, and the spectacular Teatro Colon impresses just as it did in 1908.

Latin America's shopping capital offers exciting experiences along its grand, wide boulevards. Galleria Pacifico and Patio Bullrich are upmarket malls, crammed with Argentine fashions. You'll find fabulous shoes, bags and other items for appealing prices throughout the city, known for its leather goods.

Tango: The birthplace of the sensual tango is an

incredibly romantic city to sashay to. Old neighborhoods present captivating corners and enticing restaurants to linger in. Restaurants and nightlife options are appealingly priced, making it even easier to enjoy any number of romantic meals out.

Palermo neighborhood

Recently divided between Palermo Hollywood, Palermo Soho and Palermo Viejo, Palermo is the biggest and the most classic Buenos Aires neighborhood and one of the best locations to stay for a tourist with a plenty of furnished apartments, hostels and exclusive house hotels. Full of beautiful colonial houses adorned with romantic balconies, trendy windows of designers stores, fancy restaurants and nice pubs, Palermo is always a nice place to eat, to shop and to walk around between its small cobbled streets bordered by huge and leafy trees.

Plaza Cerrano -
Palermo Hot Tourist

Plaza Serrano:
pubs, crafts and urban market at the

Botanic Garden: This

Palermo
Spots:

Restaurants, designers weekends.

national

institution is almost 170 years old and carefully designed with more than 5.000 species of plants, beautiful sculptures and winter-houses.

Bosques de Palermo: The park and its area around are the city lung. Decorated with rose gardens, groves and lakes it is a perfect place to enjoy a tour at any season. At the park's north eastern side you can get to the Rio de la Plata and its beautiful waterfront promenade called Costanera Norte.

Puerto Madero: This waterfront part of the city is Buenos Aires trendiest architectural and entertainment neighborhood. Founded in the 19th Century and rescued in the 90s after years of decadence, Puerto Madero was converted in an elegant four docks area surrounded by restaurants, a floating casino and tall buildings where most important Argentine companies are located.

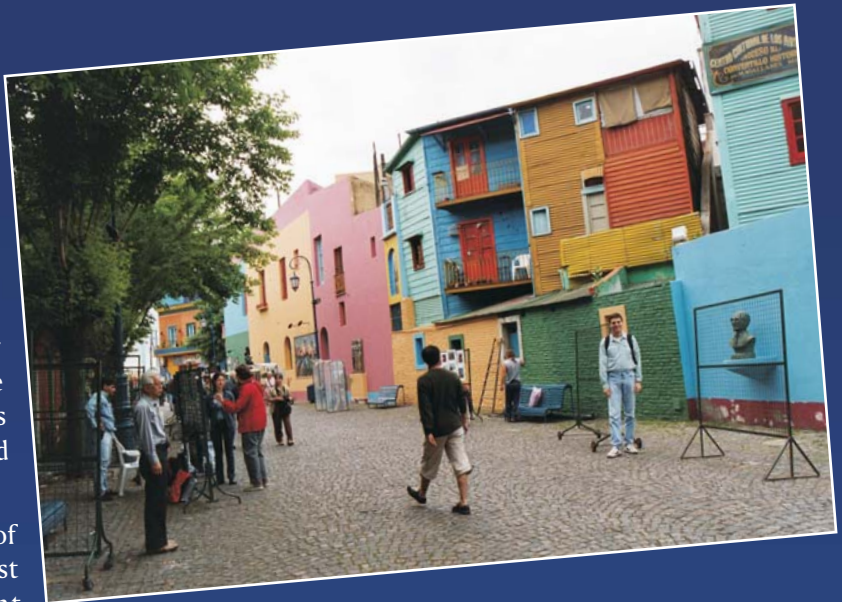
Puerto Madero

Puerto Madero Hot Tourist Spots

Woman's bridge: Locally called Puente de la Mujer, this contemporary urban sculpture has become an important tourist attraction since its asymmetrical shape and elegant aesthetics remind the locals of a woman dancing tango.

Ecological Reserve: Behind the architectural explosion of Puerto Madero lies the Costanera Sur or Southern waterfront promenade with the Ecological Reserve, a place to enjoy one of the most beautiful Buenos Aires landscapes and the nature's richness through different trails that lead to the Rio de la Plata shore.

La Boca: Located at the south eastern



side of the city close to the old port of Buenos Aires, La Boca is the synonym of tango and football. Adorned with colorful houses and taverns, the neighborhood jealously keeps the influence of the first Italian settlers and remains today as one of the most important cultural centers and tourist attractions of the city.

Caminito - La Boca

La Boca Hot Tourist Spots:

Caminito: Received this name from a famous tango tune composed by the famous musician Carlos Gardel. More than a single street, Caminito is an open air tango museum and art market that will enrapture your senses with its houses painted in bright colors and plenty of typical restaurants, tango dancers, artists and musicians exhibiting their abilities to every one walking around.

Boca Juniors stadium: Better known as La Bombonera because it resembles a chocolate box, the Boca Juniors stadium represents the passion Argentines feel for



football and the eternal loyalty sworn to their team. Is not a remarkable spot because of the building's aesthetics but the uniqueness of the atmosphere created inside makes it so.

San Telmo: It is the oldest residential neighborhood in Buenos Aires and was most important during the 19th Century. San Telmo became one of the architectural treasures of the city with its many museums, antique stores and old churches that nowadays frame the busy neighborhood's cultural activities and attract crowds of tourists at any season.

Plaza Dorrego - San Telmo

San Telmo Hot Tourist Spots

Plaza Dorrego: Located at the heart of San Telmo, Plaza Dorrego maintains its original colonial structure and design offering one of the most authentic experiences to tourists. During the weekends the central square is reserved to the flea and antiques market and during the afternoon becomes an open place for spontaneous tango dancers.

Microcentro: The name means small center as it represents Buenos Aires downtown area and where most of the city's businesses, banks, main offices and governmental institutions are concentrated. The European architecture and its energetic activity are the main characteristics of this area that vibrates until midnight especially on Fridays, when businessmen loosen their ties and drink a glass of beer in one of the many Irish pubs and taverns located in the area.

Florida Street

Microcentro Hot Tourist Spots

Florida Street: It is an elegant street converted pedestrian use since 1913. Starts at Avenida de Mayo and continues for a kilometer until the beautiful Plaza San Martin in Retiro. Surrounded by

shopping malls like Galerías Pacifico, brand stores, leather and souvenir stores, Florida is an interesting place to observe Buenos Aires' daily activity and to enjoy a day of tourist shopping.

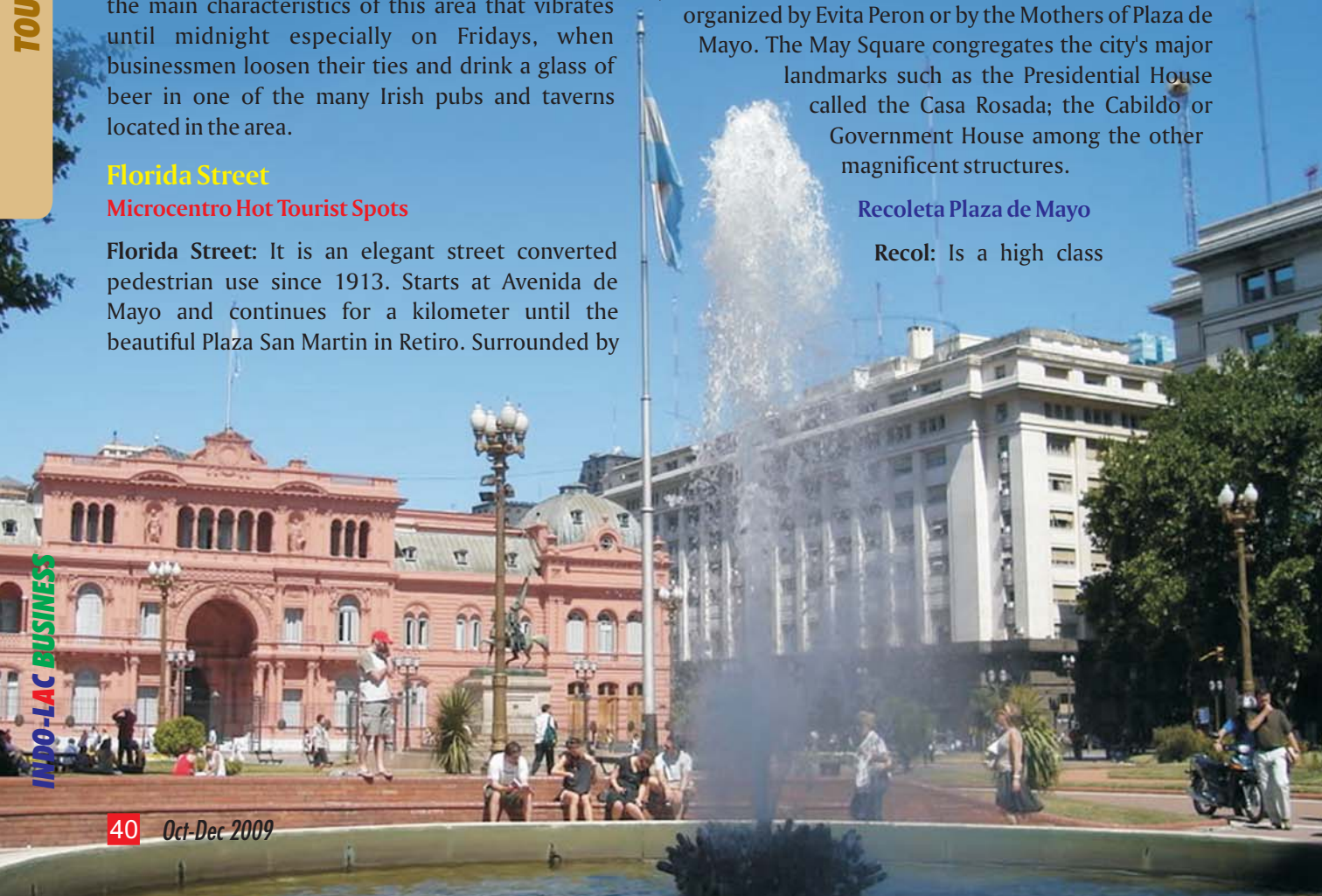
Avenida de Mayo: It connects Plaza de Mayo with Plaza Congreso in a beautiful 10-block path of neoclassic and art nouveau structures that reflect the European influence on the city. Named after Buenos Aires foundation in 1810, it keeps the most important memories of the Argentinean history alive with places like the Café Tortoni or the Cultural Center of Buenos Aires.

9 de Julio Avenue & the Obelisk: The widest avenue in the City and probably one of the widest in the world is one of the places you surely would not miss in Buenos Aires. With the obelisk elegantly standing at the 9 de Julio with Corrientes junction, this avenue is a wonderful place to take a walk at day or at night and enjoy tourist landmarks such as the Colon Theatre, the French Embassy and other sculptures and monuments placed by its sidewalks.

Plaza de Mayo: Became the most important political scene of Buenos Aires since the Argentine Independence in 1810. People with different political ideologies are continuously gathering in this place to participate in massive demonstrations like the one organized by Evita Peron or by the Mothers of Plaza de Mayo. The May Square congregates the city's major landmarks such as the Presidential House called the Casa Rosada; the Cabildo or Government House among the other magnificent structures.

Recoleta Plaza de Mayo

Recol: Is a high class



residential and commercial district full of French style buildings and other historical constructions. Recoleta is one of the most expensive and elegant neighborhoods of Buenos Aires and one of the most popular tourist attractions. Its central square Plaza Francia is an important meeting point, surrounded by coffee shops, restaurants and other hot tourist spots like the Del Pilar Church, the Palaise de Glace or the University of Buenos Aires Law Faculty and continuously offers different cultural activities and a colorful craft market at the weekends.

Recoleta Square

Recoleta Hot Tourist Spots

Cemetery of Recoleta: More than a cemetery, this place is a museum of art that dates back to the year 1800. In the Cemetery of Recoleta are lying the remains of the most influential and important personalities of the Argentine history including Eva Peron. Its marble mausoleums are dedicated to entire families and their descendants and adorned with sculptures and other outstanding monuments reminding the opulence of the Argentine high and mighty.

Recoleta Cultural Center: The building was donated to the city by the Franciscans in 1716 and since its renovation in 1980 it operates as a cultural center and one of the most popular venues of the city.

The Congress: This is not the real name of the neighborhood

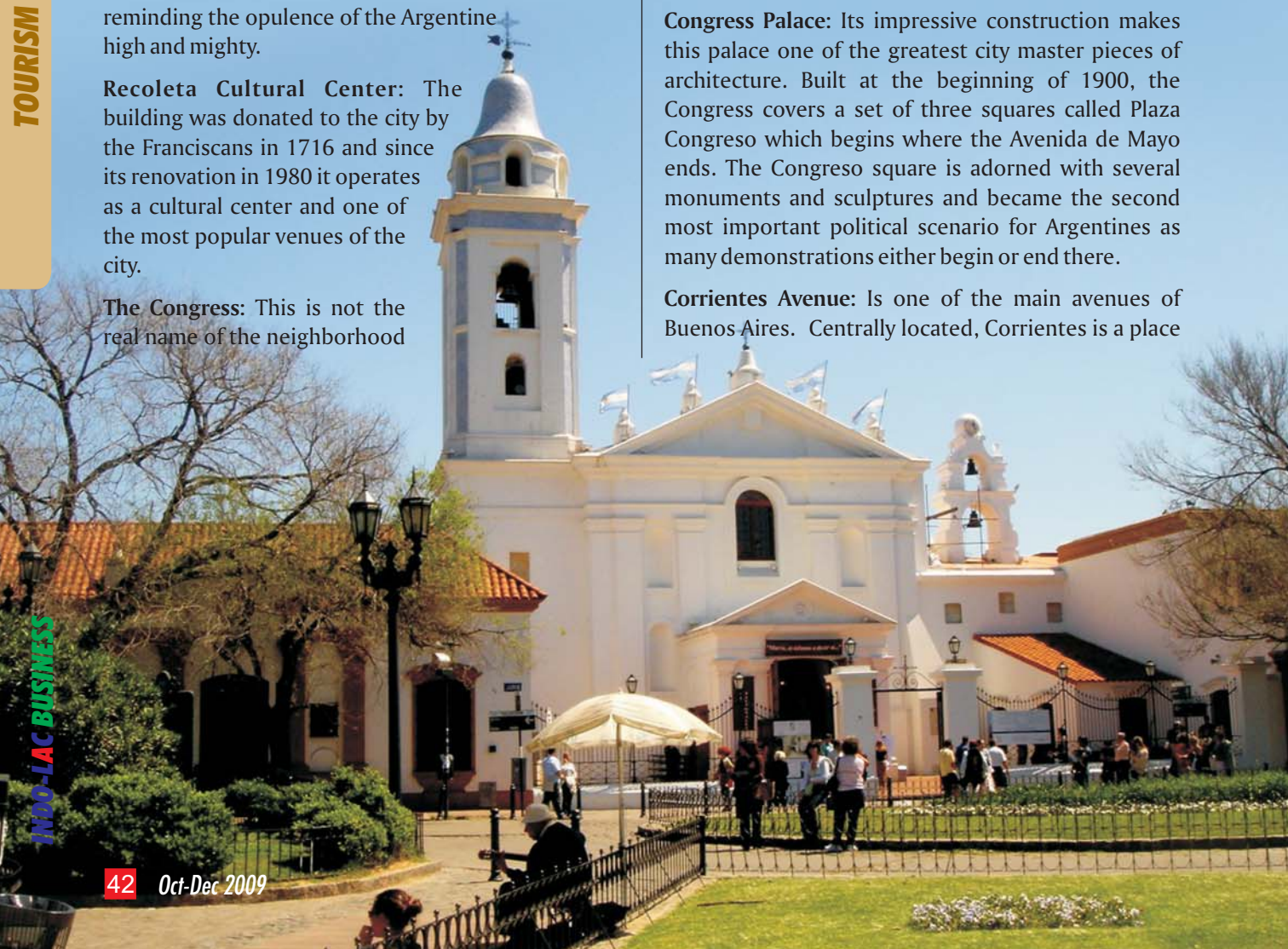
but the way how locals call the area due to the imposing presence of the Congress Palace. It is a middle class neighborhood with a strong commercial activity that will let you have a taste of what is going on in the real Buenos Aires.

Congress Square

Plaza Congreso Hot Tourist Spots

Congress Palace: Its impressive construction makes this palace one of the greatest city master pieces of architecture. Built at the beginning of 1900, the Congress covers a set of three squares called Plaza Congreso which begins where the Avenida de Mayo ends. The Congreso square is adorned with several monuments and sculptures and became the second most important political scenario for Argentines as many demonstrations either begin or end there.

Corrientes Avenue: Is one of the main avenues of Buenos Aires. Centrally located, Corrientes is a place



with a strong relevance to the Porteño culture. Its nightlife embraces all sorts of theatres, tango, libraries and Italian pizza houses that till late hours entertain the citizens of Buenos Aires.

Belgrano: A residential northern neighborhood of Buenos Aires, inhabited by an upper middle-class population that keeps the leafy aesthetics of the city creating a nice quiet place to live. Belgrano's main thoroughfare is the Cabildo Avenue, a very busy street with all kinds of shops, corner cafes and grocery stores to enjoy a day of city shopping.

Belgrano Neighborhood

Belgrano Hot Tourist Spots

Belgrano Square: Is the central square of the neighborhood, surrounded by the Belgrano cathedral popularly called "La Redonda" or the "the rounded one" because of its circular shape, the Enrique Larreta Museum House of Spanish Art, the Yrurtia House Museum and the Sarmiento Museum. The square is an important meeting point especially on weekends where artists open a craft market there.

China Town: Is not officially a neighborhood and not completely Chinese as its first settlers from Far East were Taiwanese immigrants, followed by Chinese, Korean and Japanese that moved there in mid-80s. Over the years it became a place where their ancient culture, religion and food are kept intact. Even though it is small, the place still counts with a plenty of grocery stores, Asian restaurants and other typical stores.

Tigre: Although it is not in Buenos Aires but near the city at a distance of 28 km. It is a beautiful and unique town on the Parana Deltas shore. Tigre offers a different type of attraction to the tourist. You can either take a tour through the Delta Islands, walk around the town to enjoy the unique atmosphere of the river or get an exciting journey at the Luna Park or the Casino.

Tigre Port

Tigre Hot Tourist Spots

Tigre Museum: It was originally built to be a Social Club and it certainly



became an important meeting place for the rich and famous. Its beautiful structure stands at the Lujan River shore at the end of the Paseo Victorica.

Puerto de frutos: Received this name because it used to be a fruits and vegetables port many years ago. Nowadays it is a crafts market that brings all the artists of the area exhibiting their wood works and decorative articles in other materials found in the area.

Buenos Aires Free Tours offers two tours per day. One in the morning and the other one during the afternoon. Local guides show you the city that never sleeps, with their stories and secrets. They now also offer private tours which is a great way to see the city if you have limited time and are unable to join their regular group.

Sky diving: Just outside the city of Buenos Aires, there is a great opportunity to go sky diving. You are connected to a professional jumper at all times, so there is no reason to feel unsafe. You get to go to a little ranch with a restaurant, children's park and swimming pool. The instructors are very professional and make sure you trust them and feel comfortable--comfortable enough to jump out of a plane with them at 3,000 meters in the air!



River Plate vs Boca Juniors

If you go to Buenos Aires, you have to catch a game between River Plate and Boca Jr.'s, the city's two biggest and most popular teams. The rivalry is fierce and the stadium atmosphere is intense. Many tourists decide to go with a group, which is a safer option that still gives you the incredible experience of seeing the legendary game. These groups can often provide bilingual tour guides to help you get in and out of the stadium easily and safely. The tickets are very difficult to get, so it's best to order them ahead of time. And they are only twice a year...

Wines from Mendoza

Argentina is renowned for its excellent selection of wine. The most popular being from Mendoza which is rated amongst the worlds most popular regions due to its high altitude, volcanic soils and proximity to the Andes Mountains. The terrain seems to complement the European grape varietals with interesting notes not present when produced in other climates, this allows the Argentine wine to be positioned in a league of its own.

The best way to experience and understand the selection of Argentine varietals is a wine tasting. There are very few places that offer wine tastings in Buenos Aires. The only service that actually let's you pick the wines and also ships to the U.S. is Anuva Wines.

If you are looking for a quick taste, your best bet will be one of the wine merchants that are located near the touristy areas of town including downtown and Florida street areas. For the more serious wine aficionados, seek out one of the small independent tour companies that offer a complete package. Also you can contact Nigel Tollerman at 0800-VINO, an English sommelier who trained in BA and is a bit of an urban legend, he hosts high-end tastings and sells direct from his impressive cellar in the Abasto neighbourhood, and also offers special travel packaging.

On the issue of taking wine back, make sure you get proper advice on what wines are exported out of Argentina, and how to properly package wine for it to be allowed as checked luggage... remember that wines are still no-nos when it comes to carry-on (cabin baggage) on most all airlines. ■

La tecnología fotovoltaica: fuente de energía renovable eficaz para la India rural



- Estudio del Banco Exim

La tecnología fotovoltaica está progresando rápidamente a través del globo y es considerada cada vez más como fuente innovadora de energía renovable, según un estudio hecho por el Export-Import Bank of India (Banco Exim). La India tiene potencial significativo en la generación de energía renovable usando energía solar fotovoltaica, pues el país puede hacer uso de luz solar en casi 300 días en un año. Otros conductores de la industria fotovoltaica en la India incluyen las necesidades energéticas cada vez más crecientes del país, la situación persistente del déficit de energía, y la dependencia del carbón y aceite importados para los requisitos de la generación de la energía, dice el estudio del Banco Exim.

Capacidad y producción

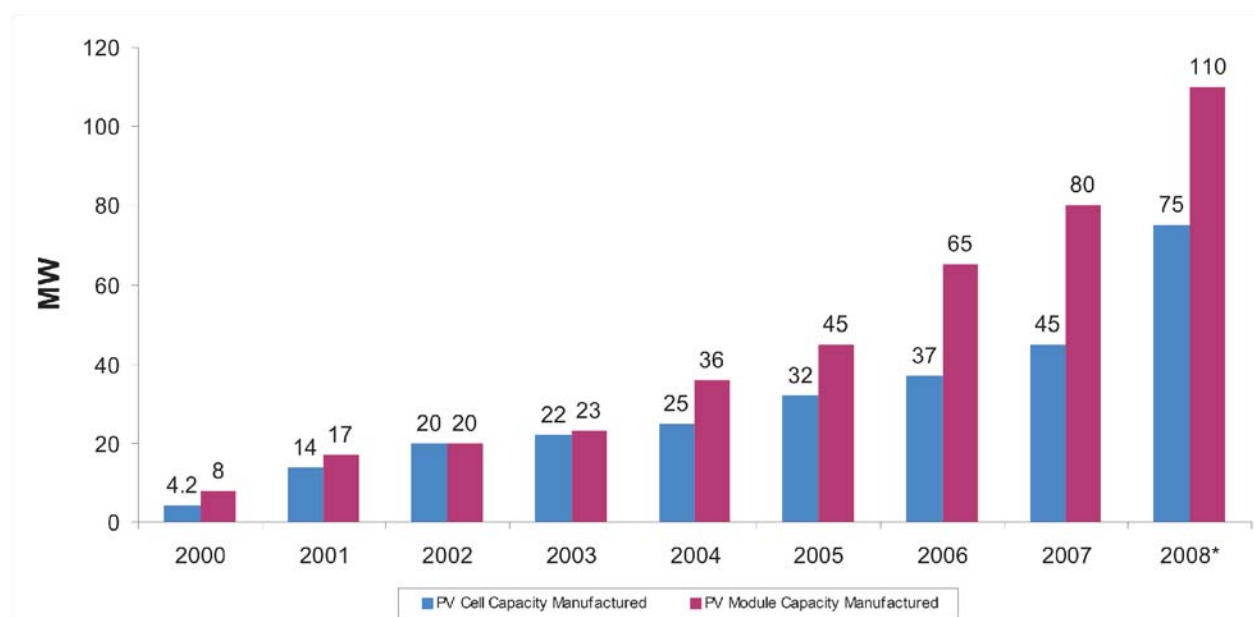
Según el Ministerio de la Energía Nueva y Renovable (MNRE) del gobierno de la India, la capacidad de fabricación total de células fotovoltaicas en la India se estima ser de 75 MW, y la capacidad de fabricación total de módulos fotovoltaicos fue estimada ser de 110 MW, en 2008. Así, la industria ha crecido a más de 35 por

ciento en los últimos tres años.

Capacidad de fabricación de células y módulos solares fotovoltaicos en la India

Según un informe por la asociación india de los semiconductores, en los últimos cinco años, la India exportó más de 220 MW de productos fotovoltaicos. La producción indígena de oblea de silicio en la India es limitada; por lo tanto, la mayor parte de los fabricantes de la célula están importando las obleas de silicio y algunos de los fabricantes del módulo también están importando células de silicio. La industria también importa las materias primas y los componentes para los módulos fotovoltaicos.

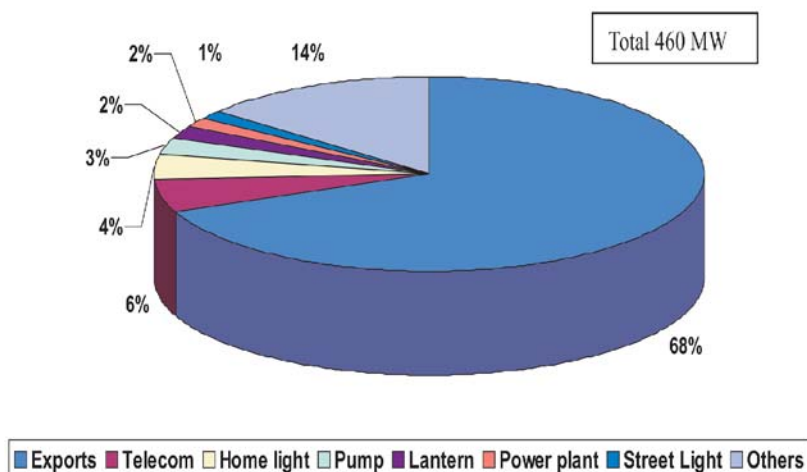
Según el MNRE, gobierno de la India, en fecha de 2008, había nueve firmas dedicadas a la fabricación de células solares y 19 firmas estuvieron implicadas en la fabricación de módulos fotovoltaicos. Además, cerca de 50 firmas estuvieron dedicadas activamente a la fabricación de sistemas fotovoltaicos. Los sistemas fotovoltaicos con capacidad agregada de sobre 460 MW (cerca de 15.00.000 sistemas) se han utilizado en la India



*Cálculo aproximado

Fuente: Ministerio de la Energía Nueva y Renovable (MNRE), Gobierno de la India

Uso según sector de los sistemas fotovoltaicos en la India



Fuente: Ministerio de la Energía Nueva y Renovable (MNRE), Gobierno de la India

tal como en 31 de marzo de 2008, para varios usos, incluyendo la exportación con una capacidad agregada de cerca de 275 MW de los productos fotovoltaicos (el 68 por ciento).

Comercio

La Dirección General de Inteligencia y Estadísticas Comerciales (DGCIS) ha clasificado los datos relacionados con el comercio de la India de los productos fotovoltaicos (como las células solares/las células fotovoltaicas incluyendo los módulos y los paneles montados), bajo código No. 85414011 del HS. En 2007-08, la India exportó productos fotovoltaicos de US\$238 millones, que había aumentado a US\$348 millones durante los primeros nueve meses de 2008-09 (abril el diciembre de 2008), un crecimiento de 116 por ciento sobre el período correspondiente del año previo.

En términos de mercados meta, Alemania y España son los dos mercados más grandes para los productos indios fotovoltaicos en 2008-09 (abril el diciembre de 2008), explicando el 42 por ciento y el 40 por ciento respectivamente de exportaciones totales. En términos de importaciones también, Alemania es el mercado principal con una parte de 43 por ciento, seguida por Taiwán (36 por ciento), Japón y España (5.0 por ciento cada uno). Puede ser mencionado que la mayor parte de las importaciones están en la forma de obleas de silicio (importadas por los fabricantes de células), y las células de silicio (importadas por los fabricantes de módulos).

Políticas e iniciativas del gobierno

Las varias iniciativas de política tomadas por el gobierno de la India están reconociendo la significación del sector fotovoltaico dentro de la energía renovable así como su potencial. En un nivel amplio tales políticas incluyen: El Plan de Actuación para el Cambio de Clima, la Misión Solar Nacional, y la Política del Semiconductores, que

son específicas a la industria fotovoltaica. Hay subsidios de inversión de capitales, introducción de incentivos basados en la generación (similares a las tarifas feed -in) para los proyectos solares interactivos de la generación fotovoltaica, y ayuda para la I y D en tecnologías fotovoltaicas.

El gobierno ha introducido un programa solar fotovoltaico, que ha acelerado el desarrollo de la tecnología fotovoltaica en la India, y ha animado el uso nacional de las varias aplicaciones fotovoltaicas por medio de demostraciones. También se ha desarrollado la base de la I y D en la industria india fotovoltaica en áreas como desarrollo de nuevos materiales, procesos, sistemas, equipo de producción y de prueba para las células

solares y los módulos, y electrónica usada en los sistemas fotovoltaicos, apoyando las capacidades indígenas de la producción. Bajo este programa, el MNRE apoyará proyectos interactivos de la generación de energía solar hasta una capacidad máxima de 50 MW. Las compañías registradas, como reveladores del proyecto, serían elegibles de fijar proyectos de la energía solar con derecho a construir, poseer y hacer funcionar. Se consideraría un máximo de 10 MW de capacidad de producción de energía fotovoltaica solar en un estado. Se dará preferencia a los proyectos de los estados donde la Comisión reguladora de la electricidad del estado tiene anunciado o está en curso de anunciar la tarifa para la energía solar. En la ausencia de tarifa para la energía solar, la utilidad debe proporcionar la tarifa más alta ofrecida para la compra a medio plazo de la energía, o la tarifa máxima fijada para la energía de cualquier otra fuente de energía renovable.

El MNRE, gobierno de la India, bajo este programa, ofrecerá un incentivo basado en la generación de hasta 12 rupias por KVH para la energía fotovoltaica solar alimentada a la red por los reveladores del proyecto, después de considerar la tarifa proporcionada por las organizaciones para uso general.

Varios avisos del gobierno y medidas políticas recientes sugieren que la adopción fotovoltaica pueda incorporar una fase de extensión importante. Los estados de Andhra Pradesh, Gujarat, Karnataka, Maharashtra, Punjab, Rajasthan, Tamil Nadu y Bengala del oeste han anunciado sus propios proyectos solares fotovoltaicos así como políticas, planes, y paquetes de incentivos estos últimos meses, incluyendo para la generación conectada a la red. El MNRE tiene como meta una capacidad de generación fotovoltaica conectada a la red de unos 50 MW antes de 2012, que se espera que sea alcanzado a tiempo.

La industria fotovoltaica y los créditos del carbón

Los créditos del carbón y el comercio del carbón desempeñarían un papel importante en el aumento de la competitividad del coste de proyectos fotovoltaicos. Por ejemplo, la India podría establecer (actualmente) plantas de energía solar del coste alto y cosechar las ventajas económicas obtenidas ahorrando emisiones y ganando dinero del comercio de emisiones ahorradas, en vez de construir una central eléctrica de carbón del bajo costo, cuyas ventajas económicas totales pueden no ser muchas. Es igualmente importante observar que tal ambiente económico ayudaría a crear un mercado global para las tecnologías de energía solar, y ayudaría a empezar la transición global hacia las tecnologías de emisión cero. Puede ser mencionado que los países en vías de desarrollo tienen más energía solar que los países occidentales, y si el calentamiento del planeta ha de ser evitado a largo plazo, los países en vías de desarrollo deben generar más energía solar en vez de la energía generada del combustible fósil. También, los países en vías de desarrollo tienen millones de establecimientos incluso hoy que no tienen electricidad provista por la red. Los sistemas de energía solar deben servir este objetivo en el futuro.

Perspectiva del mercado fotovoltaico en la India

Los recursos renovables, en las formas de energía solar, eólica, hidroeléctrica, de biomasa, y energía geotérmica, proporcionan energía y a la vez tratan preocupaciones ambientales. De estas tecnologías, la energía fotovoltaica solar provee de la solución económicamente viable más confiable, más escalable, y del largo plazo con menos consecuencias para el medio

El Banco Exim junto con el Banco Europeo de Inversiones facilita energía limpia

El Export-Import Bank de la India firmó un acuerdo para un préstamo de largo plazo de 150 millones de euros equivalentes con tenor hasta 15 años con el Banco Europeo de Inversiones (EIB) en diciembre de 2008. Éste es la primera vez en los últimos 15 años que el EIB ha extendido una línea de crédito a una entidad india. El propósito del préstamo del EIB al Banco Exim de la India es dar apoyo a los proyectos que contribuyen a la mitigación del cambio de clima y realcen la presencia de la UE en la India con FDI, la transferencia de la tecnología o conocimientos técnicos de Europa. Los préstamos bajo esta facilidad permitirán al banco a prestar para la importación del equipo para los proyectos incluyendo los de la energía renovable (eg. eólico, solar, de biomasa etc.), realce del rendimiento energético (eg. sustitución de combustible, modernización etc. de la planta) así como los proyectos que reducirían la emisión de gases de efecto invernadero, ambiente limpio, repoblación forestal.

ambiente. Por otra parte, los perfiles de la generación de energía solar corresponden bien a los patrones del uso (es decir se consume más energía cuando el sol está en el cénit). Puede ser mencionado que sobre un dos-tercero de la población de la India está implicada en agricultura y otra las actividades rurales. Alrededor de 500 millones de indios no tienen acceso a la electricidad de la red, pues casi 80.000 aldeas no están conectadas con la red de electrificación. Este segmento presenta oportunidades significativas para la industria fotovoltaica.

El uso de la tecnología fotovoltaica en la India es crítico, dada la escasez de la energía a que el país hace frente y el potencial que la industria fotovoltaica puede jugar en la atenuación de esta brecha. Es útil para proporcionar energía confiable de la calidad de la red en zonas rurales donde el voltaje está bajo y escaso para abastecer a la carga conectada. Los módulos fotovoltaicos solares se adaptan para los usos en reducida escala como en proyectos de electrificación rural. Las instalaciones pueden ser tan pequeñas como de 100 kilovatios, los paneles y equipos son fáciles de transportar y de instalar en posiciones remotas, y las instalaciones requieren poco espacio. Otra área del crecimiento está en el sector de la irrigación, especialmente instalación de bombas solares de la irrigación. El sector de la telecomunicación ofrece oportunidades significativas del crecimiento para la industria fotovoltaica; las estaciones de base y las torres del teléfono portátil están creciendo a través del país, éstas podrían instalar sistemas fotovoltaicos solares en vez de usar generadores de diesel. El uso de sistemas fotovoltaicos en zonas urbanas también está aumentando, con crecimiento en fotovoltaico integrado a los edificios, el uso de fotovoltaico para las carteleras, el desarrollo de soluciones de iluminación de calles y del tráfico, y la iluminación de la carretera. En el sector industrial, las plantas de la producción de energía fotovoltaica podían substituir la producción de energía basada en diesel.

La situación de la paridad de la red abrirá oportunidades para nuevos modelos comerciales, tales como el alquiler de sistemas de energía solar. Esto podía quitar el obstáculo al que hacen frente los hogares privados de hacer una inversión inicial del sistema solar. Un nuevo tipo de compañía de la energía podría emerger de esto donde uno posee el sistema fotovoltaico en la azotea del cliente y vende la electricidad solar generada por la KWH al dueño de una casa. Con un número de compañías que toman la trayectoria inorgánica del crecimiento y diversifican en la industria fotovoltaica, el panorama emergente es uno de potencial de crecimiento sin precedentes de la industria en el país. ■

Renuka Sugars compra compañía brasileña de azúcar y de etanol para \$240mn



En la primera adquisición de ultramar de una azucarera por una compañía india de azúcar, Shree Renuka Sugars Ltd (SRSL), uno de los productores más grandes del país, ha adquirido Vale Do Ivaí SA Açúcar e Álcool (VDI) de Brasil pagando \$240 millones. Es también la primera adquisición de cualquier unidad extranjera de azúcar y de etanol por una compañía india. Las compañías del azúcar están buscando oportunidades en el exterior, en parte debido a las restricciones sobre firmas en realizar el cultivo directamente.

SRSL ahora pagará \$82 millones (3800 millones de rupias) y el resto durante ocho años. Planea financiar la adquisición con los \$105 millones (5060 millones de rupias) que levantó con una colocación institucional calificada (QIP) de acciones en julio. Narendra Murkumbhi, MD de SRSL, había dicho anteriormente que los ingresos serían utilizados en planes de refinería y cogeneración.

La compañía funciona ocho azucareras, cinco poseídas y tres arrendadas, con una capacidad diaria acumulativa de maceración de 35.000 toneladas.

La adquisición de VDI incluye dos instalaciones de producción del azúcar y del etanol en el estado brasileño

meridional de Paraná, con una capacidad combinada de maceración de 3.1 millones de toneladas al año. VDI tiene participaciones estratégicas en varios activos de la logística, incluyendo los terminales para el almacenaje y el cargamento del azúcar y del etanol en el puerto de Paranagua. La adquisición también incluye 18.000 hectáreas de tierra cultivable debajo de VDI, con el cual la compañía cumple la parte más grande de sus requisitos de la caña de azúcar. La tierra está en arriendo de largo plazo y utilizado para cultivar la caña con una producción media de 95 toneladas a la hectárea, con la recuperación de 13 por ciento. En la India, la producción (alrededor 60-65 toneladas por hectárea) y la recuperación (un máximo del 11.5 por ciento) son más bajas.

VDI tiene una tercera instalación de producción en el estado del Minas Gerais, que será a cargo de sus accionistas actuales como consideración para la adquisición.

Con esta adquisición, SRSL está planeando alimentar la demanda del azúcar crudo en sus refinерías en Gujarat y Haldia, donde se está realizando un trabajo enorme de extensión de capacidad.

“Para lograr nuestro objetivo de centrarse en refinería de

azúcar, importamos cerca de 0.7 millones de toneladas de azúcar crudo el año pasado (octubre-septiembre) y pensamos importar cerca de 1.3 millones de toneladas el próximo año. Más adelante, nuestra refinería requerirá dos millones de toneladas de azúcar crudo importado para resolver la capacidad realzada de la refinería de 9.000 toneladas por día antes de 2011,” dijo Gautam Watve, jefe de SRSI para la estrategia y planificación.

La compañía está trabajando para reunir hasta la mitad de sus requisitos de la capacidad de la refinería a través de la importación del azúcar crudo, él agregó.

La adquisición tiene la aprobación de acreedores

principales de VDI y se espera que las otras condiciones restantes sean terminadas durante los 45 días próximos. Motilal Oswal Investment Advisors son el consejero estratégico a SRSI para esta adquisición.

Brasil es el productor y exportador más grande de azúcar, la India siendo el consumidor más grande del dulcificante en el mundo. Con la escasez que prevalece de azúcar blanco en la India, la adquisición de SRSI de las unidades de maceración, junto con el área de la plantación, proporcionará el estímulo a otros de la industria para un movimiento similar, que el gobierno también ha estado abogando. ■



Infosys abre su segundo centro mexicano de desarrollo en Monterrey

Infosys Technologies de Bangalore ha abierto recientemente su segundo centro de desarrollo en Monterrey, México, para actuar de unidad nearshore para servir las regiones de Norteamérica, América Latina y Europa. El centro de desarrollo proporcionará servicios de tecnología para los clientes en todas las industrias incluyendo actividades bancarias, servicios financieros, fabricación, venta al por menor, distribución, el seguro y muchos otros, Infosys dijo en un aviso a las bolsas.

“Desde la apertura de nuestro primer centro de desarrollo con algunos clientes y una docena de empleados, ahora tenemos unos 30 clientes y 330 profesionales,” dijo Ashok Vemuri, vice presidente mayor de Infosys. Después de examinar varios países en la región, Infosys eligió establecer su presencia en México debido a los conocimientos lingüísticos amplios disponibles en la región, su proximidad geográfica a Canadá, a los E.E.U.U. y a Europa, el aviso dijo. ■

Las firmas Indias de informática exploran oportunidades de fusiones y adquisiciones en América latina



Las mejores compañías indias de externalización de servicios en Bangalore y Mumbai ahora están explorando oportunidades de adquisición en los países latinoamericanos, dada la creciente demanda de clientes de más capacidades de entrega nearshore para la proximidad física y la facilidad de manejar la relación de la externalización.

Proveedores de servicios más pequeños en Brasil, Argentina y México como Globant, cuyos clientes incluyen Adidas, LinkedIn y Citi entre otros y tienen alrededor de \$100 millones en réditos, están siendo acercados cada vez más por algunas firmas de tecnología indias, según fuentes de la industria.

“Incluso cuando empleamos más gente local, continuamos mirando hacia las compañías nearshore como Globant para alianzas estratégicas,” dijo un alto directivo de una firma de tecnología india. Él no deseaba ser citado porque su compañía no quiere divulgar sus planes de adquisición antes de que se materialicen. Mientras clientes como GE y Citi continúan enviando más trabajo a las localizaciones costa afuera como

India, algunos clientes y vendedores están descubriendo que las localizaciones nearshore en América latina están ofreciendo ventajas casi similares del coste para los proyectos de back-office aparte de una mejor proximidad a los clientes.

Los clientes como HNI Corp, uno de los fabricantes americanos más grandes de los muebles de oficinas, eligieron recientemente a un socio nearshore en Brasil en vez de un vendedor de externalización de la India porque no le convenía la diferencia de la zona horaria.

“Mientras que no hay duda sobre capacidad de sociedades india de servir a clientes a través de zonas horarias, algunos clientes todavía prefieren trabajar con un vendedor localizado más cerca,” dijo un consultor de la externalización en cuanto a la decisión de HNI.

Para las compañías indias que intentan servir a clientes localmente y desde localizaciones próximas, las compañías de externalización en Brasil, México y Argentina ofrecen oportunidades lucrativas de fusiones y adquisiciones. ■

