

REGIONAL REPORT – CHILE



Project Management News from Chile

By Jaime Videla

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Introduction

In this first regional report I wish to thank all people and countries having expressed their support and assistance directly or indirectly to the victims of the earthquake and tsunami that affected Chile on 27th February.

Wounds will be healed. Infrastructure will be repaired. Our country will emerge stronger, united and more faithful than ever.

PMI Santiago Chile Chapter News



Project of the Year Award

For the first time PMI Santiago Chile Chapter launched the "Project of the Year Award" to recognize superior execution, performance and accomplishment of exemplary project management, being a positive reference in development of both society and country.



The deadline for application is 26 July.

Initiatives entering the contest will be analyzed according to four benchmarks: customer satisfaction, happiness of staff, project performance and adherence to standards. For further information please visit pmi@pmi.cl

New VP Communications and Advertising

June 11th, 2010 - Mr. Jaime Videla, PMP, was appointed as new Vice President of Communications and Advertising of PMI Santiago Chile Chapter.



Workshop Nr. 3 – Subject: Project Risk Management

Speaker: Mr. Juan Contreras.

In Santiago, on June 22th at B'nai B'rith Convention Center was carried out the third workshop of the year related to project risk management: "Risks never sleep. Risk management in projects"

News from Big Local Projects

Codelco - Investment of US\$ 15,000 million over 5 years

June 9, 2010 - "The Chuquicamata mine is already 100 years and El Teniente 105, which is why I invite you all to initiate a renaissance of Codelco in Chile, a new stage. Over the next five years we will invest more than US\$15,000 million" said the President of the Republic of Chile, Sebastián Piñera in his first visit to Calama.



In his speech, President Piñera emphasized that Codelco will remain a state enterprise: "I want to raise forcefully the commitment we made during the campaign that Codelco will remain a public company, owned by all Chileans." He added that "We invite the Codelco to begin the adventure of new discoveries, to exploit all the reservations and now has become a cornerstone much more powerful and promising than we had in the past."

The President relieved the impact of the mining sector in Chile, noting that Codelco is a key player in the country and the mining industry is critical. He said that in 2009, this industry contributed more than US\$30,000 million to GDP, which means

that nearly 1/5 weights that produced the Chilean society came from mining. "This is very important for the 17 million Chileans we know that we have in the industry is to have real pride for Chile," Piñera said.

Construction approved of Loading Yard for carrying LNG to the Eighth Region

A transcendental step was taken by the shareholders of GNL Quintero and GNL Chile with the signing of all the contracts for the construction of the Loading Yard for Tanker Trucks on land of GNL Quintero.

Ricardo Raineri, minister of energy and chairman of the board of ENAP said that "we are definitely going to take natural gas to the Eighth Region, specifically the Bio Bío refinery from the second half of January, and then to other customers. This makes the construction of what we have called the virtual gas pipeline viable, which is going to carry liquefied natural gas using thirty road tankers a day, trucks that are specially designed to transport LNG in safe conditions.



The arrival of LNG in the south of Chile is very important because this country project will provide energy security, not only for the central zone as is occurring with GNL Quintero. This is, without doubt, one of the principal concerns of the government and we have to carry out this project given the importance it has in supporting the Region's development".

The minister said that the total of both projects amounts to US\$45 million, of which US\$ 18 million relates to the tanker loading yard, which will have an LNG loading capacity of 1,250 cubic meters a day. This project will be possible thanks to the joint efforts of ENAP and the private-sector companies.

The environmental impact declaration for constructing the loading yard was approved last September 24 and the project now has the corporate agreements and commercial contracts signed, together with those for the engineering, supply of materials and equipment and the construction, to be financed by a long-term loan.

All the partners in GNL Quintero (BG Group (40%), ENAP (20%), Endesa Chile (20%) and Metrogas (20%)) are proud and happy with this important achievement.

Other News Affecting Projects & Project Management

Chilean Financing Plan of Reconstruction and Growth

June 15th, 2010 - the Finance Minister, Felipe Larraín, said the Financial Plan of Reconstruction that drives the government "is a powerful package supporting individuals and Small and Medium Enterprises (SMEs)."

Financing Plan of Reconstruction has already been approved in general and by a large majority in the House of Representatives and Senate. But on June 14th the Senate Finance Committee rejected three articles of particular government project: reduction of Stamp and Stamp Tax, a tax benefit for small businesses that reinvest their profits and the new royalty on mining.



The Head of Economic Team of the President Piñera described as "a mistake to reject this project" because it is a funding program "solid and detailed."

"It is wrong to reject the incentive for reinvestment of profits because this is something that will directly benefit SMEs in this country. There are more than 800,000 companies potentially benefit. These are not big companies," he said.

He highlighted the reduction to 0.6% stamp duty and stamp which includes the bill and yesterday the Government was rejected by the Senate Finance Committee with the votes of senators from the Coalition.



Santiago, Chile

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Jaime Videla, PMP, is an International Correspondent for PMForum and ***PM World Today*** in Santiago, Chile. Mr. Videla is also the Managing Director for Videla Consultores in Santiago, Chile, a firm that specializes in PMO development, claims management coaching and project management consulting services. He is also Founder and Managing Director of AccuFast! Cubicaciones, a back office services company offering BluePrint Estimates. Mr. Videla was previously a Senior Project Manager for Siemens, and Senior Project Manager for ABB. He has over 20 years of project management experience, on over US\$222 million of utilities, industry and mining projects.

Mr. Videla has professional training in Argentina, Brazil, Chile, Mexico and Germany. He serves as Vice President of Communications and Advertising of PMI Santiago Chile Chapter; he has been an active member of the Project Management Institute (PMI®) since 2006 and received his project management professional (PMP®) certification in 2007. He has also been an instructor of project management courses for RMC Project Management®, through its Chilean representative, and for the PMI Santiago Chile Chapter. Jaime has formal studies in Civil Engineering from the Universidad de Chile in Santiago (1980). His areas of activity today include PMO development, claims and risk management, and project management training (including PMP exam preparation). In addition, he works as volunteer at the Fundación Trascender, an innovative institution that manages a network of volunteer professionals through social projects. Jaime Videla is fluent in English, Portuguese and Spanish, lives in Santiago and can be contacted at contacto@jaimevidela.cl.