

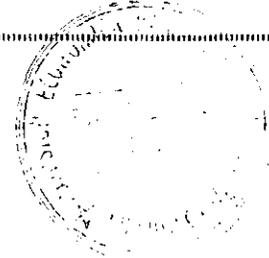


UNITED NATIONS
ECONOMIC
AND
SOCIAL COUNCIL



GENERAL
E/CEPAL/G.1175
21 May 1981
ORIGINAL: ENGLISH

CEPAL
Economic Commission for Latin America



PARTICIPATION OF CEPAL IN TECHNICAL AND ECONOMIC CO-OPERATION
ACTIVITIES ORGANIZED BY THE LATIN AMERICAN COUNTRIES
IN THE TRANSPORT SECTOR

Prepared by the United Nations Economic Commission for Latin America (CEPAL) for the Ninth Round Table Meeting of Developing Countries on "Co-operation in the Field of Transport and Communications" (Zagreb, Yugoslavia, 21 to 23 April 1981).

PREFACE

The United Nations Conference on Technical Co-operation among Developing Countries (TCDC), organized pursuant to General Assembly resolutions 31/179 and 32/182, was held in Buenos Aires, Argentina, from 30 August to 12 September, 1978. The Conference adopted a comprehensive Plan of Action for Promoting and Implementing TCDC, consisting of 38 recommendations for action at the national, subregional, regional, interregional and global levels. Subsequently, the thirty-third session of the General Assembly, in its resolution 33/134 of December 1978, endorsed the recommendations in the Buenos Aires Plan of Action and thus brought the Plan of Action into the framework of the New International Economic Order.

With reference to transport and communications, the Buenos Aires Plan of Action provides in recommendation 30 that:

"Since the strengthening of transport and communications among developing countries is a necessary condition if TCDC is to become a major element in the development process, the governments of developing countries should, on the basis of studies carried out by themselves, and by the organizations of the United Nations system when so requested, make specific and sustained efforts to strengthen, improve and maintain all means of transport and communications between their countries".

This recommendation emphasizes that with the growing specialization and industrialization of developing countries, and the attendant need to sell goods in foreign markets, efficient international transport is a common necessity which depends upon co-operation among trading partners for its execution.

INTRODUCTION

Since exports, imports and economic growth are clearly interrelated, transport has a strategic role in the development processes of all countries. As a result, for many years governments of this region have individually taken measures to improve transport services and to provide means by which appropriate sectors in their countries might own and operate modern transport equipment. While these measures have largely benefited national transport interests, when viewed from a regional standpoint they have generally been dispersed and undertaken without collaboration between trading partners. Based upon a growing recognition among Latin American countries that the international movement of goods is nothing more than a grouping of separate national transport operations - thus making uniformity among national systems essential in order to ensure that commercial movements are effected on a cost-efficient basis - these countries have undertaken numerous technical and economic co-operation transport projects (TCDC/ECDC). Those projects undertaken by Latin American countries with CEPAL participation have involved such important areas as trade documentation, non-tariff barriers to commercial movements, transport planning and new transport technologies.

/While there

While there are many aspects of transport that should be considered when presenting the TCDC/ECDC activities of Latin American countries in which CEPAL has participated, some of the more important are (a) the Latin American transport environment, (b) technical and economic co-operation among Latin American countries in the light of regional transport needs, (c) selected Latin American TCDC/ECDC activities, and (d) conclusions and possible areas of future co-operation.

THE LATIN AMERICAN TRANSPORT ENVIRONMENT

There are many aspects of the Latin American transport environment which should be given consideration when evaluating CEPAL's participation in TCDC/ECDC projects in this region. Some of the more important are (a) colonial trade patterns, (b) antiquated commercial practices, (c) intra-regional trade and economic integration, and (d) the multiplicity of commercial procedures, formalities and requirements.

Due to the requirements of colonial-type trade, the Latin American countries began by exporting agricultural products and raw materials by sea to European metropolitan centres. Even after these countries had become politically independent the historical and commercial links, reinforced by the existing transport and communications infrastructure, kept them tied to former metropolitan centres for capital, skills, services, industrial products, technology and other support needs. As a result, the foreign trade patterns and emphasis on exports of agricultural products and raw materials established during the colonial period remained largely unchanged well into the 20th century.

As many of Latin America's roads, railways and port facilities were originally constructed for extra-regional commercial activities, the countries subsequently lacked the necessary interconnecting routes which would allow reciprocal trade. Furthermore, many of the ocean transport commercial practices then established to link Latin American shippers with transport operators, port authorities, bankers, insurance companies, customs, consignees and others are still in general use. As advancing technology has produced high-speed ships with superior cargo handling features such as containerization, barges and roll-on/roll-off facilities, and as electronic data processing and transmission have become more frequent, these antiquated ocean transport commercial practices now threaten the success of the trade they were intended to assist.

After many decades of effort, the Latin American region now possesses a reasonably complete network of highways and rail connexions between countries. Thanks to this transport network, the increasing industrialization of the Latin American economies, and the formation of such regional economic organizations as the Latin American Free Trade Association (LAFTA), the Board of the Cartagena Agreement (JUNAC), the Caribbean Community (CARICOM) and the Permanent Secretariat of the General Treaty for Central American Economic Integration (SIECA), the volume of intra-regional trade has shown continued growth in recent years.

/It should

It should be understood that the economic integration activities of these organizations are essentially ECDC. Nonetheless, to fully realize the potential of such ECDC activities, these organizations should also promote active co-operation among governmental, national, subregional and regional bodies in order to establish and modernize the institutional infrastructure necessary for rapid and cost-efficient international transport. While the early low trade levels did not place undue burdens upon the existing transport infrastructure, the increasing levels of intra-regional trade have clearly demonstrated its many weaknesses and inadequacies.

Since the Latin American region at present lacks an adequate transport infrastructure to facilitate the intra-regional movement of trade, such trade is frequently governed by bilateral agreements, by each country's commercial code while the goods are being transported through that country, and by agreements made by Latin American sellers with freight forwarders, banks, carriers and other commercial interests. In all aspects not specifically prohibited by their respective governing legal régimes, the aforementioned parties are free to conduct business in any manner they choose, and in these circumstances they can and generally do develop a multiplicity of procedures, formalities and requirements that, while serving their own particular needs, create numerous barriers to the free movement of trade.

TECHNICAL AND ECONOMIC CO-OPERATION AMONG LATIN AMERICAN COUNTRIES IN THE LIGHT OF REGIONAL TRANSPORT NEEDS

There has been growing use of technical and economic co-operation among Latin American countries in the field of transport. Nonetheless, while several important programmes have been carried out in recent years, more emphasis must be placed on horizontal co-operation by the governmental and private sectors if the full potential of this field is to be realized. The horizontal co-operation among these sectors can take two forms. First, TCDC/ECDC can be utilized to transfer capabilities, as in the student/teacher environment. The seminars to teach the practical application of the Brussels Definitions of Customs Values and Customs Nomenclature (see (i)) are an example of the use of TCDC/ECDC for this purpose. Second, TCDC/ECDC can be utilized in the form of a mutual undertaking in which the parties jointly evaluate, for example, the applicability of an international convention to their trade flows. Thus, the work programme of Southern Cone countries concerning the TIR Convention (1975) (see (d)) is an example of the use of TCDC/ECDC through a mutual undertaking.

At present the major obstacle to the utilization of such co-operation is institutional resistance to receiving as well as supplying it. On the receiving side, there is a tendency to view the transport experience of other developing countries as inferior to that of developed countries, particularly since many new technologies to which such assistance applies originate in the latter. On the other hand, countries which might supply TCDC are reluctant to be compared with more developed countries and also encounter difficulties in operating without key personnel while they are providing technical assistance in other countries, as well as lacking funds to finance such projects.

/While the

While the technical knowledge of developing countries is largely derived from that of developed countries, this does not mean that it is necessarily the most appropriate. It is most important to recognize that developed country transport technologies must be adapted to the Latin American reality. This is so even when the basic problems are similar, due to differences of scale or of social or physical environment. Indeed, the problems faced by countries of this region are often so different from those of the developed countries that the solutions formulated by the latter are either inapplicable or inappropriate, while certain of the former have made great progress in adapting such technologies to meet local needs.

The concept of economic transport co-operation among developing countries also has considerable importance for Latin America. During the 1960s many countries of this region began applying policies which, while not in all cases actually constituting deliberate efforts to industrialize - since the results of these efforts depend upon the performance of the external sector - nevertheless provided a stimulus for industrial growth. As manufactured and semi-processed goods require different transport systems, institutions and documentation, these policies have created opportunities for transport enterprises of the region to expand their operations. Nonetheless, such enterprises are sometimes prevented from taking full advantage of these opportunities by, for example, currency restrictions, lack of investment capital, taxation in more than one country, unfavourable trade terms, etc. As measures to eliminate these kinds of economic impediments to regional transport expansion cannot be imposed by one sector on another, and even less by one country or region on another, a national proposal with regard to any of these areas can best be adopted through collaboration among the various countries that might be affected. Similarly, there are other forms of ECDC which do not depend on financial transactions but are based rather on agreements regarding such matters as the interchange of equipment or the facilitation of movement of goods through customs transit. These agreements are considered ECDC as they result in a direct cost saving that can be passed along to the shipper in the form of reduced freight rates.

SELECTED LATIN AMERICAN TCDC/ECDC ACTIVITIES

While the primary responsibility for the promotion and development of TCDC/ECDC rests with the developing countries themselves, it was recognized in Recommendation 16 of the Buenos Aires Plan of Action that the United Nations regional commissions such as CEPAL have an important supportive role to play in these activities. A central element in CEPAL's strategy to implement the Buenos Aires Plan of Action has been the active involvement of the countries concerned in the programming process (see (h)), thus providing large numbers of persons from these countries as well as government officials with opportunities for mutual consultation on technical and economic co-operation activities of common interest. In other words, the CEPAL Secretariat seeks to provide means by which countries of this region may share their development experiences and efforts, thus establishing a genuine network of mutual co-operation among public, private and academic institutions.

/In this

In this sense, CEPAL has for some time assisted regional organizations such as the Caribbean Community (CARICOM), the Cartagena Agreement (JUNAC), the Latin American Integration Association (ALADI), the Meeting of Ministers of Public Works and Transport of the Southern Cone Countries and the Permanent Secretariat of the General Treaty for Central American Economic Integration (SIECA), in their TCDC/ECDC activities.

In order to assist member Governments and other relevant institutions in their TCDC/ECDC efforts, this Secretariat undertakes studies of various transport problems in collaboration with the countries and organizations involved, serves as a forum in which proposed solutions are co-ordinated and harmonized, and seeks funding to assure that key personnel can be made available to various regional and national organizations and governments. Within this framework CEPAL's participation in the TCDC/ECDC activities of Latin American countries includes, inter alia, the following:

(a) For many years both the World Bank and CEPAL's Transport and Communications Division have recognized the information needs of Latin American countries for effective transport planning and decision-making. Based upon this common recognition, in 1972 a joint World Bank/CEPAL project concerning Latin American information systems for transport planning was undertaken. On the basis of an evaluation by the World Bank and CEPAL, in 1977 the work programme of this joint project was directed towards the establishment of a Latin American railway information system designed to assist in obtaining greater utilization of railway networks. In response to this new direction, and in the light of the growing recognition of the benefits arising from technical co-operation among developing countries, a course on railway workshop costs was offered by the Argentine Railways from 14 to 24 May 1979, under the auspices of the Latin American Railways Association (ALAF), CEPAL and the World Bank. The participants in this course included railway representatives from Bolivia, Chile, Ecuador, El Salvador, Guatemala, Mexico, Nicaragua and Peru. As a result of this course, the Empresa Nacional de Ferrocarriles del Perú requested technical co-operation from Ferrocarriles Argentinos in order to apply in Peru a similar system of workshop costs. The two missions of Argentinian experts through which this co-operation was materialized were organized with the help of CEPAL and received financial support from the World Bank.

Also as part of the ALAF/World Bank/CEPAL project, CEPAL organized a demonstration course on information systems for the operation and management of rail freight terminals (Mexico City, 6-24 June 1980), attended by representatives from Argentina, Bolivia, Chile, Colombia, Guatemala, Nicaragua, Panama, Paraguay and Peru, as well as the host country. This course was organized in view of the interest shown by several railway enterprises in Latin America in the possible application of the information system for the operation and management of railway freight terminals prepared by Ferrocarriles Nacionales de México.

ALAF and CEPAL are also participating in a technical co-operation project among the railways of Argentina, Brazil, Paraguay and Uruguay, the objective of which is to facilitate not only international transport in the Asunción-Atlantic corridor, but also Paraguay's external trade. For this purpose a diagnosis of

/the present

the present situation was prepared and it was resolved during the sixteenth Ordinary General Assembly of ALAF in 1980 to hold a meeting of these reailway systems in 1981 to analyse this diagnosis and outline a specific transport facilitation programme which would be implemented by the different railway bodies, co-operating with each other and with the collaboration of ALAF and CEPAL.

(b) In 1974 the seventh meeting of the Bolivian-Chilean Joint Commission on Transport and Harbours requested CEPAL's Transport and Communications Division to carry out a study aimed at rationalizing the systems of physical flow and documentary procedures for goods in transit across Chilean territory to Bolivia. Such a study was urgently needed in order to find ways of facilitating the movement of goods imported into Bolivia through the port of Arica, which were accumulating in the port area faster than they could be shipped on to their final destinations, principally as a consequence of delays in processing the related documentation. The solution devised was the Integrated Transit System (ITS), a set of procedures for handling documentation associated with the operations of unloading, temporary storage, reloading and dispatch of goods in transit and managing these operations in a systematic fashion. It made use of nearly all the physical components of the existing process and required no substantial changes in the way cargo is handled. When the system went into effect on 1 August 1975, warehouses in the port of Arica reserved for Bolivian consignments were overflowing with a backlog of some 32 000 tons of undischatched goods. In just three months of operation, the ITS managed to dispatch not only 25 000 tons of goods newly arrived during this period but also 8 500 tons of the backlog.

The success of the ITS has led to its application in Antofagasta, the other Chilean port through which Bolivia obtains access to the Pacific Ocean. Its extension to Buenos Aires is now the subject of negotiations between the Argentine and Bolivian authorities, and it has been proposed for the ports of Santos, Brazil, and Matarani, Peru, as well. The importance of the ITS for improving trade flows is further demonstrated by the interest expressed in arranging for the principal Bolivian and Chilean officials responsible for implementing the ITS to assist certain African landlocked countries in the study of ways in which this system could benefit their transit trade. Document E/CEPAL/1065 describes the ITS in more detail.

(c) The Sixth Meeting of Ministers of Public Works and Transport of the Southern Cone Countries, held in November 1975, agreed to promote the preparation of an International Multimodal Transport Convention for the countries of the Southern Cone and requested collaboration from CEPAL in this effort. Upon learning of CEPAL's intention to begin work on such an agreement, the Second Latin American Regional Preparatory Meeting on the International Convention on Multimodal Transport (Buenos Aires, December 1976) requested that its geographical scope be widened to include the entire region. In accordance with these requests and with the work programme of the Secretariat approved at the seventeenth session of the Commission, an original draft convention limiting the civil liability of carriers in the international land transport of goods was prepared. Subsequently, this original draft was circulated to various national, international, regional and subregional organizations for comments and suggestions. After receipt of comments and suggestions a Group of Experts was convened in December 1977 to review

/and where

and where necessary amend the aforementioned draft convention. The Group of Experts carried out this work and further recommended in its report (E/CEPAL/1047) that the Secretariat should undertake a study on the effects of establishing relatively high or low limits of financial liability for such carriers. As a result of this recommendation, a study was subsequently prepared and distributed entitled: Limit of Civil Liability of Carriers in International Land Transport in Latin America: Criteria for its Establishment (ST/CEPAL/Conf.67/L.2).

An Intergovernmental Preparatory Meeting was held from 4 to 8 September 1978, at which government delegates from CEPAL member nations reviewed the draft convention as prepared by the Group of Experts, made such changes as they considered necessary, and recommended that various additional studies be undertaken by the Secretariat. The Intergovernmental Preparatory Meeting's report (E/CEPAL/1054), which contains the draft Latin American Convention on the Civil Liability of Carriers in the International Land Transport of Goods (CRT), as approved by the government representatives, has been circulated to all member nations of the Commission and other interested organizations. Additionally, the member countries of CEPAL, at their eighteenth session in La Paz, Bolivia, in April 1979, adopted resolution 390 (XVIII) which, inter alia, requests CEPAL to prepare the studies recommended by the Intergovernmental Preparatory Meeting.

(d) As the independent customs transit systems employed by each Latin American country cannot effectively promote the rapid and efficient movement of goods nor provide the basis for harmonization of transit procedures, in 1976 CEPAL and the LAFTA Expert Group on Customs Technology collaborated in the preparation of a set of common norms for customs transit which closely follow the provisions of appendix E.1 of the Kyoto Convention of the Customs Co-operation Council. These common norms were subsequently approved at the LAFTA Meeting of National Customs Directors and have helped to create recognition on the part of the Latin American Southern Cone countries of the need for simplified customs transit procedures, documents and guarantees. Partly as a result of this recognition, the Ninth Meeting of Ministers of Public Works and Transport of the Southern Cone Countries, held in June 1979, unanimously adopted a resolution granting authority to the Republic of Argentina to convene a meeting of government delegates from those countries to study the desirability of adhering to the Customs Convention on the International Transport of Goods Under Cover of TIR Carnets (TIR Convention), 1975. In compliance with this resolution a meeting of government transport and customs officials, various international organizations and transport enterprises was convened from 27 to 29 June 1979 in Buenos Aires, Argentina.

The Final Act of this meeting included a work programme designed to lead to the adoption and effective implementation of the TIR Convention. This work programme provides, inter alia, for the holding of seminars in each of the seven Southern Cone countries to analyse the TIR Convention and the conditions under which it will be utilized.

After the Buenos Aires meeting the CEPAL Secretariat undertook an exhaustive investigation of the various means by which financial assistance might be obtained to assure that representatives of organizations such as LAFTA, CEPAL, and the

/Economic Commission

Economic Commission for Europe's (ECE) Working Party on Facilitation of International Trade Procedures would be able to participate in the programmed seminars. In response to this investigation, and in recognition of the positive effect the TIR Convention would have upon transport development activities in the Southern Cone, the World Bank agreed to make a limited amount of funds available to initiate the TIR work programme. Additionally, CEPAL prepared an informative study entitled El Convenio TIR: Un estudio con vistas a las necesidades de los países del Cono Sur (E/CEPAL/G.1101) for use not only in such seminars but also to provide guidelines for the creation and modification of institutions necessary for the effective implementation of TIR.

TIR seminars for the seven Southern Cone countries were held during November 1979 in Argentina, Brazil, Chile and Uruguay, and during January 1980 in Bolivia, Paraguay and Peru. Seminar presentations were made by representatives from LAFTA, CEPAL, the ECE Working Party on the Facilitation of International Trade Procedures, and the International Road Transport Union (IRU) - the organization which administers the guarantee system of the TIR Convention.

In the course of these seminars, participants demonstrated a high level of interest in, inter alia, the guarantee system, technical requirements for cargo compartments, the customs transit document, compatibility of the TIR Convention with national laws and international conventions, and the advantages which would result from application of the TIR Convention to commerce not only among the Southern Cone countries but also with other regions. Moreover, various seminar participants suggested certain areas towards which CEPAL might fruitfully direct its future TIR work programme. On the basis of these suggestions and in an effort to continue the initiative begun at the Ninth Meeting of Ministers of Public Works and Transport of the Southern Cone Countries held in June 1979, CEPAL prepared and distributed at the Tenth Meeting of Ministers a study entitled El Convenio TIR: Una respuesta al creciente desarrollo industrial de los países de América Latina (E/CEPAL/G.1134). At this meeting government representatives gave brief reports on the status of their evaluations of the TIR Convention. Most of them mentioned that such evaluations were rapidly nearing completion, but the representative from Uruguay indicated that the authorities of that country had not only completed their evaluation but also taken the steps necessary for adoption of the TIR Convention (1975).

(e) As Latin American governments are faced with the need to simplify, reduce and harmonize documentary requirements for ships entering and leaving ports in order to facilitate the intra-regional as well as extraregional movement of goods, in 1978 the joint OAS/CEPAL Maritime Transport Programme, in close collaboration with the Latin American Shipowners' Association (ALAMAR), undertook the preparation of a shipping documentation manual for Latin American ports (E/CEPAL/1060). A maritime facilitation expert, assigned to CEPAL headquarters with the aid of financial contributions from the Government of the Netherlands, has greatly assisted in the preparation of this manual.

/The first

The first part of the manual was completed in 1979, and describes the shipping documentation requirements and consular formalities that ships in international transport must comply with in the ports of Chile, Colombia, Costa Rica, Ecuador, El Salvador, Guatemala, Honduras, Nicaragua, Peru and Venezuela. The second part, completed in 1980, adds the requirements and formalities for the ports of Argentina, Brazil, Paraguay and Uruguay, while the final part, to be completed in 1981, will include those of Mexico, Panama and the Caribbean. As this manual is to be kept up to date by ALAMAR, its usefulness as a book of reference for persons in the maritime transport documentation chain and as a facilitation tool will not diminish over time. Additionally, it will help the region to make further progress in complying with its own Mar del Plata Convention (1963) on Maritime Facilitation, which is very similar to the Inter-Governmental Maritime Consultative Organization (IMCO) Facilitation Convention (1965).

(f) The Ninth Meeting of the Ministers of Public Works and Transport of the Southern Cone Countries, held in Cochabamba, Bolivia, in June 1979, adopted a resolution requesting CEPAL to prepare an analysis of the methodologies employed in the formulation of national transport plans for Argentina, Bolivia, Brazil, Chile, Paraguay, Peru and Uruguay. This project has two fundamental objectives. First, it aims to improve the general level of transport planning in these countries by facilitating the interchange of experience and identifying those components of national planning procedures which should be considered in order to improve the international transport planning process. To achieve this objective CEPAL is preparing a series of monographs on the transport planning methodologies employed in each country. At present, three of the monographs have been completed while the remainder are in various stages of preparation. Once these monographs are completed an overall project document will be prepared which generalizes the planning methodologies in such monographs to form the basis of presentations to be given at a subregional seminar tentatively scheduled for early 1982. Second, it aims to formulate a systematic transport planning model for the entire subregion which utilizes the information collected and analysed in the preparation of the monographs, the techniques employed in other regions, and the results of a separate analysis concerning the means by which intra- and extrasubregional commercial movements are effected together with their respective cargo volume. This model will then provide a systematic framework to evaluate transport infrastructural and institutional improvements for subregional trade flows.

(g) In 1956 Sea-Land Services, Inc., began transporting a cargo grouping unit which was later to become known as a "container". As the container facilitates door-to-door instead of port-to-port transport, its use found rapid acceptance among shippers and carriers from developed regions, and by 1970 one could speak of "containerization" as not only an established state of transport art but also the predominant transport unit used on line trade routes.

While the container might appear to be merely another transport or packing unit, such is not the case. Other transport units such as pallets and pre-sliding, even though extensively used, have not had such a profound effect on the entire transport chain as the container. For example, the extensive use of containers has resulted in a modification of docks and attendant cargo storage areas, shoreside cargo cranes, cargo handling equipment, ships, trucks, trains,

/transport documentation

transport documentation and customs procedures in order to facilitate their rapid and uninterrupted movement. Furthermore, once it is recognized that the container is not a transport unit but a transport system, it begins to take on a status equal to that of the transport modes themselves.

As containers continue to be modified to enhance their strength and handling features, they are the subject of ever-increasing levels of technological sophistication. It should be understood that as a transport technology becomes increasingly sophisticated, it will be found more and more expensive, its life span will be shorter, and operational, construction and repair skills will take longer to learn. As many Latin American and Caribbean countries lack sufficient financial resources to invest in the necessary facilities and equipment, and do not have enough qualified personnel to perform, for example, repair and maintenance tasks, these ever-increasing levels of technology have created the very real risk that the construction, ownership, transport and repair of containers will continue to be controlled from outside the region.

In recognition of the transport technology problems facing this region, and with financing from the Government of the Netherlands, CEPAL prepared a project entitled Economic Co-operation Among Latin American and Caribbean Countries for the Establishment of Container Repair and Maintenance Enterprises. The work programme formulated in this project is to be carried out in three stages. First, information-gathering missions have already been undertaken by a CEPAL maritime transport expert to container repair and maintenance enterprises in Europe and North America, and are to be undertaken to similar facilities in Argentina, Brazil, Jamaica and Panama. Second, on the basis of the information gathered during these missions the CEPAL Secretariat is to prepare a reference document concerning the circumstances under which it would be feasible to establish such enterprises. Finally, three subregional seminars will be held during April 1982 for both the governmental and private sectors in order not only to present the information contained in the aforementioned document but also to analyse specific problem areas with the assistance of industry experts who have agreed to participate.

(h) In view of the growing recognition among Latin American countries of the need for and benefits resulting from the simplification, harmonization and standardization of governmental and institutional procedures, formalities and requirements, as well as the strengthening of the transport institutional infrastructure for international trade and transport, these countries at the eighteenth session of CEPAL adopted resolution 390 (XVIII) requesting the CEPAL Secretariat to convene in the principal geographical areas of the region meetings of experts in facilitation to identify problems which significantly affect commercial movements and the development of transport institutions in the subregion, and to establish priorities and measures to deal with them, including TCDC/ECDC action programmes. In response to this resolution the Secretariat prepared meeting documentation (E/CEPAL/L.217 and L.237) to assist experts in facilitation with their deliberations and, in collaboration with appropriate governments and national and international organizations, made arrangements for such meetings at Guatemala City, Guatemala (held 5-8 August 1980), at Santiago, Chile (held 16-20 March 1981), and at Bridgetown, Barbados (to be held 5-8 October 1981).

/As a

As a result of the meeting held at Guatemala City, CEPAL and the Permanent Secretariat of the General Treaty for Central American Economic Integration (SIECA), in collaboration with UNCTAD/FALPRO and the European Economic Community (EEC), are participating in an economic co-operation project of the Central American countries which encompasses the strengthening of transport institutions and trade facilitation activities. Thanks to financing by the Government of the Netherlands, an expert in trade facilitation has been contracted to assist these countries in their efforts to simplify and harmonize commercial documentation and procedures, and will be in Central America beginning April 1981.

(i) While all LAFTA member countries have adopted the Brussels Definitions of Customs Values and Customs Nomenclature, only Argentina and Mexico have fully incorporated these definitions and nomenclature into their national customs regulations. Further, as there has been very little harmonization of customs regulations on a regional basis, to all intents and purposes there is one customs régime per country, resulting in as many transit, valuation and nomenclature systems. Since the low-cost uninterrupted flow of trade requires harmonious and modern customs transit, valuation and nomenclature régimes, the customs administrations of Argentina and Mexico offered to make key personnel available to other countries of this region for workshops in these areas.

On the basis of this offer, and with financing from the Government of the Netherlands, CEPAL, in close collaboration with LAFTA and appropriate governments, prepared a project entitled "Horizontal Customs Co-operation Among Latin American Countries". This project encompasses the convening of customs valuation and nomenclature workshops in Bolivia, Ecuador, Paraguay, Peru and Uruguay, and the preparation of a TIR Convention (1975) operation manual for Latin America (see (d)). As the duration of the workshops varied from 21 to 90 days and involved up to 50 customs officials, participants were able to have their doubts resolved and have begun to put into practice the Brussels Definitions of Customs Values and Customs Nomenclature. Furthermore, the participating customs officials have also begun to teach the practical application of these areas to their co-workers.

With reference to the TIR Convention (1975) operations manual, an information gathering mission was undertaken to TIR Customs Offices in France and Spain as well as IRU headquarters in Switzerland during January 1981. On the basis of the information gathered, the CEPAL Secretariat has begun the preparation of a TIR operations manual for the Latin American region.

CONCLUSIONS AND POSSIBLE AREAS OF FUTURE CO-OPERATION

It is interesting to note that Recommendation 16 of the Buenos Aires Plan of Action requests organizations such as CEPAL to support appropriate governments in their efforts to identify, develop and implement TCDC activities. In compliance with this and other recommendations, and as a result of CEPAL's participation in the TCDC/ECDC activities of Latin American countries, the Secretariat has acquired much valuable experience. Perhaps the most important point to note is that CEPAL's role in the identification, development and implementation of TCDC/ECDC programmes generally involves not only organizational, but also substantive and financial support.

/While certain

While certain Latin American transport operators may have formulated new procedures to cope with widespread problems, established innovative institutions and adopted technologies to meet changing needs, other sectors are often unaware of such advances and have capacities other than those needed to, for example, prepare a document evaluating their experiences. In response to this situation, CEPAL has convened meetings of experts (see (h)) to identify priority TCDC/ECDC problems, prepared substantive documentation (see (d)), sought and obtained financing for, inter alia, seminars (see (d)), and provided organizational support for meetings as well as the dissemination of information (see (a) and (e)).

Many Latin American governments, subregional and regional organizations have TCDC/ECDC work programmes. As each of these organizations limits its activities to a field of specialization, such activities generally have positive results within those fields. Nonetheless, since all transport modes and supporting institutions form a single system, these activities are best evaluated from their effects on the transport system as a whole, and when evaluated in this manner the CEPAL Secretariat has often found them disperse, lacking in co-ordination and at times counter-productive. To avoid this situation CEPAL, in its transport TCDC/ECDC work programme, has sought the widest possible collaboration to assure that all relevant viewpoints are given adequate consideration.

The CEPAL Secretariat, through its governmental and private-sector contacts, has identified the following possible areas for future TCDC/ECDC activities, although this list is by no means exhaustive:

- (a) the establishment of Latin American multinational transport enterprises;
- (b) preparation of a manual which would be kept constantly updated on the procedures and documentation required for Latin American international land transport;
- (c) exchange of experience concerning the use of ferrocement in the construction of barges, fishing boats and other small embarkations, and the establishment of enterprises for this purpose;
- (d) exchange of experience concerning Latin American urban transport;
- (e) exchange of experience concerning the repair and maintenance of vessels afloat, and establishment of enterprises for this purpose;
- (f) exchange of experience concerning the institutional requirements for road repair and maintenance;
- (g) exchange of experience concerning container handling equipment for varying levels of berth through-put, and
- (h) establishment of technical railroad training institutes.