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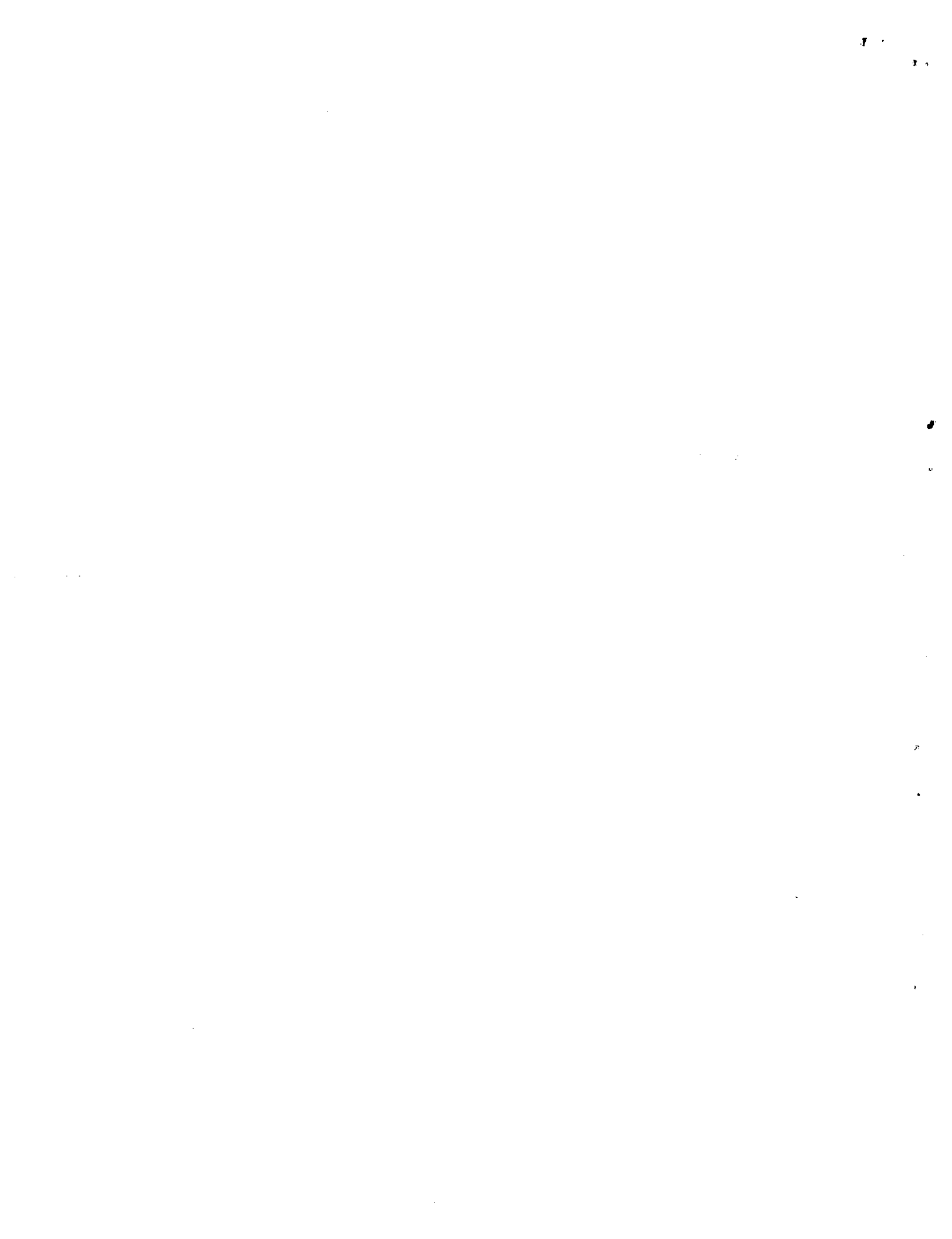


CARIBBEAN GROUP FOR CO-OPERATION
IN ECONOMIC DEVELOPMENT

THE REGIONAL PROGRAMME IN TRANSPORTATION

Prepared by

Peter F. Wickenden
Economic Affairs Officer
(Transport)



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THE REGIONAL PROGRAMME IN TRANSPORTATION

Introduction

Transportation has always been given priority by Caribbean Governments because of the geographical constraints imposed on the movement of both passengers and freight.

There has been a constant series of programmes to improve the transport services in the region, stretching back over the last twenty years and financed mainly by donors. As a result, there has been massive investment in infrastructure involving the construction of deep water ports and major airports. Lately, there has been increasing investment in transport equipment including aircraft and ships.

As an integral part of these activities, the Caribbean Group initiated a number of programmes in the transport sector. Progress on these initiatives will be discussed in detail in order to illustrate the current situation. An assessment of the impact of these programmes will also be given.

It would seem logical to assume that there is an ongoing need for activities in the transport sector until the quality of passenger and freight services can be raised to an acceptable standard of reliability.

This assumes added importance if indeed an increased emphasis is to be placed on an export-oriented strategy based on labour intensive production in both agriculture and manufactured exports from the Caribbean region. Activities in the transport sector must therefore be seen to complement other activities. Without reliable transportation, these other activities will not succeed.

CGCED Activities in Transportation

Following a review of the transport sector by the Technical Assistance Steering Committee in 1979, seven preparatory assistance and project proposals were submitted to the Caribbean Group for funding. The following table summarizes the current position and further details of the ongoing work will be given subsequently.

Summary

1. Caribbean Regional Shipping/Small Vessels and Schooners
Ongoing.
2. Shipping Statistics for the Caribbean
Completed. Further work is being undertaken under activity 1.
3. Port Authority Legislation
Preparatory assistance completed. No further work contemplated.
4. Caribbean Airports Maintenance and Operations Study
Completed. Canada prepared to provide funding for priority one activities (those improvements needed immediately to bring the airports to a safe operating condition according to ICAO Standards) for the English-speaking Caribbean countries. Funding is still required for the same work in the remainder of the region.
5. LIAT fleet requirements and routing structure
Completed. European funds being provided for aircraft purchase. Canadian funds being sought for purchase of additional aircraft and for technical assistance.
6. Caribbean Container Distribution and Load Centre Port Study
No action taken.

7. Establishment of a Caribbean Air Transport Council

This concept has been the subject of discussions at regional meetings. It is considered by some to be premature considering the current level of development of air transportation in the region. No action taken.

Detailed description and assessment

1. Regional Co-operation in the Development of Shipping including Support for Small Vessels and Schooners - UNSHIPRO

This project is now in the second year of its three year programme and is made up of three elements. These are: (1) The upgrading of the small vessel fleet in the Eastern Caribbean; (2) The establishment of Maritime Safety Administrations; and (3) The provision of an information system on ship movement and traffic statistics.

The project is being funded by UNDP and executed by UNCTAD in co-operation with IMO. ECLA and the CARICOM Secretariat are both Regional Co-operating Agencies. Only a few participating governments have so far contributed counterpart funds to the project.

The work on the vessel fleet in the Eastern Caribbean is proceeding as planned. Some activities such as the inventory of ship repair facilities have been completed.

Work on the evaluation of the existing fleet and the development of training programmes is continuing.

Work on the Maritime Safety Administrations is currently in abeyance due to the recall to the Indian Government of the Maritime Safety Adviser. This expert will be returning to the project shortly to complete his assignment.

Work on the shipping statistics is behind schedule and it now seems unrealistic to expect that the compilation of three years' statistics can be produced before the project ends. The data to be collected and the methodology to be used have been finalized. A

training course for people collecting the data for the project has been completed, but it must be noted that the countries with the major traffic volumes were not represented.

There are some grounds for concern. The original concept was to produce a series of data to convince the participating governments of both the value of and the need for such data and to propose a methodology for financing the collection on an ongoing basis. Once governments are committed to this strategy, staff to collect and process the data would have been nominated and then trained. Previous experience indicated that to produce meaningful data, the collection needed to be handled from within the project and the amount of data collected needed to be kept to a minimum to reduce collection time.

The project is attempting to collect all useful data and the sheer volume of work required might necessitate the introduction of a simpler system. The methodology selected involves asking participating countries to nominate personnel to collect, code and transfer the data on to diskettes which are to be sent to the project for analysis. Previous experience has indicated that this methodology does not provide accurate data due to control problems. If all the useful data is to be collected at this time, it will involve the provision of full time staff in the Bahamas, Jamaica and Trinidad and Tobago and these resources have not yet been committed.

As it is important that the project should produce up-to-date and reliable data so that the essential nature of the system can be demonstrated to the participating governments, leading to the establishment of the system on a permanent basis, it may be necessary to revert to the previous methodology to ensure that work is completed.

It is hoped to involve the UN Statistical Office more closely with this work for the remainder of the project.

2. Caribbean Airport Maintenance and Operations Study (CAMOS)

Following the completion of the CAMOS Study, a report was issued and circulated. At the Fourth CGCED Meeting held in Washington, 1981, Canada announced that it was prepared to contribute up to \$50 million from its bilateral aid programme to effect improvements needed to bring airports up to the required safety level for operations. This programme applies only to countries covered by the Aid Programme for CARICOM.

CIDA recently completed an evaluation of the requirements, with more accurate costing, and this will form the basis of a work programme which is due for early implementation.

It is recognized that the execution of this programme will be extremely complicated and it is anticipated that further information will be provided by the Canadian delegation.

While the CIDA initiative will cover a significant part of the region, it must be stressed that similar funding still remains to be identified for those countries included in the CAMOS Report but excluded from this programme.

3. LIAT Fleet Requirements and Routing Structure

The final report from the consultants has now been received. On the basis of the recommendations made, the LIAT Board has taken some decisions concerning the re-equipment of the airline.

It has been agreed that efforts should be made to replace the existing large aircraft with new aircraft of the same type utilizing the 5.2 million units of account provided by the EDF.^{1/} A request has been made to CIDA for funding for Twin Otters to replace the smaller aircraft LIAT now operates, and for managerial assistance. This request is receiving active consideration by Canada.

^{1/} During the meeting EEC indicated that this figure was for ground equipment and technical assistance. An additional 10 million units of account were reserved for aircraft purchase and further funding was still required.

Other Activities

The programme of work carried out under the CGCED has complemented other work being carried out by various agencies and donors in the Caribbean. In addition there are a number of activities on which some work has been initiated but where funding sources have not yet been identified. It should be emphasized that without an established mechanism for informal and formal consultations, it is extremely difficult to identify programmes that need to be carried out as part of the logical development of transportation in the region, and to identify funding sources for these programmes.

Other activities being carried out are listed below to provide further illustration of the comprehensive transport programme that exists.

1. Facilitation Programme.

Preliminary work completed by UNCTAD/FALPRO.

2. Search and Rescue

IMCO and ECLA/CDCC working together initially on funds provided by Netherlands to implement the 1979 Convention on Maritime Search and Rescue.

3. Management Training for WISCO

CIDA has approved funding for this purpose and consultants have been appointed. It is anticipated that work will commence by September 1982.

4. Provision of Ships for WISCO

EDF has provided 5.9 million units of account for the purchase of ships. Suitable vessels are expected to be placed in service in the near future.

New activities for which funding has been identified

1. Tourism (Transport)

Following discussions between ECLA/CDCC and CTRC it has been agreed that ECLA will provide a consultant to carry out a transport-related tourism research project during 1982. A suitable project is being formulated by CTRC.

2. Search and Rescue

During the initial phase of implementing the 1979 IMO Maritime Search and Rescue Convention in the Caribbean funded by the Netherlands, a further programme of work was formulated. A possible source of funding has been identified to enable this programme to continue. Work will commence when IMO receives the required funds.

3. Transport Planning

ECLA/CDCC has proposed the establishment of a group of Transport Planners. At the initial meeting due to be held later this year, it is anticipated that a programme of work will be formulated to initiate studies on transportation problem areas in the Caribbean. The experts will be representatives of governments, transport operators and universities. It is expected that the experts will study a series of policy options on selected subject areas.

New activities for which funding has not yet been identified

1. Facilitation

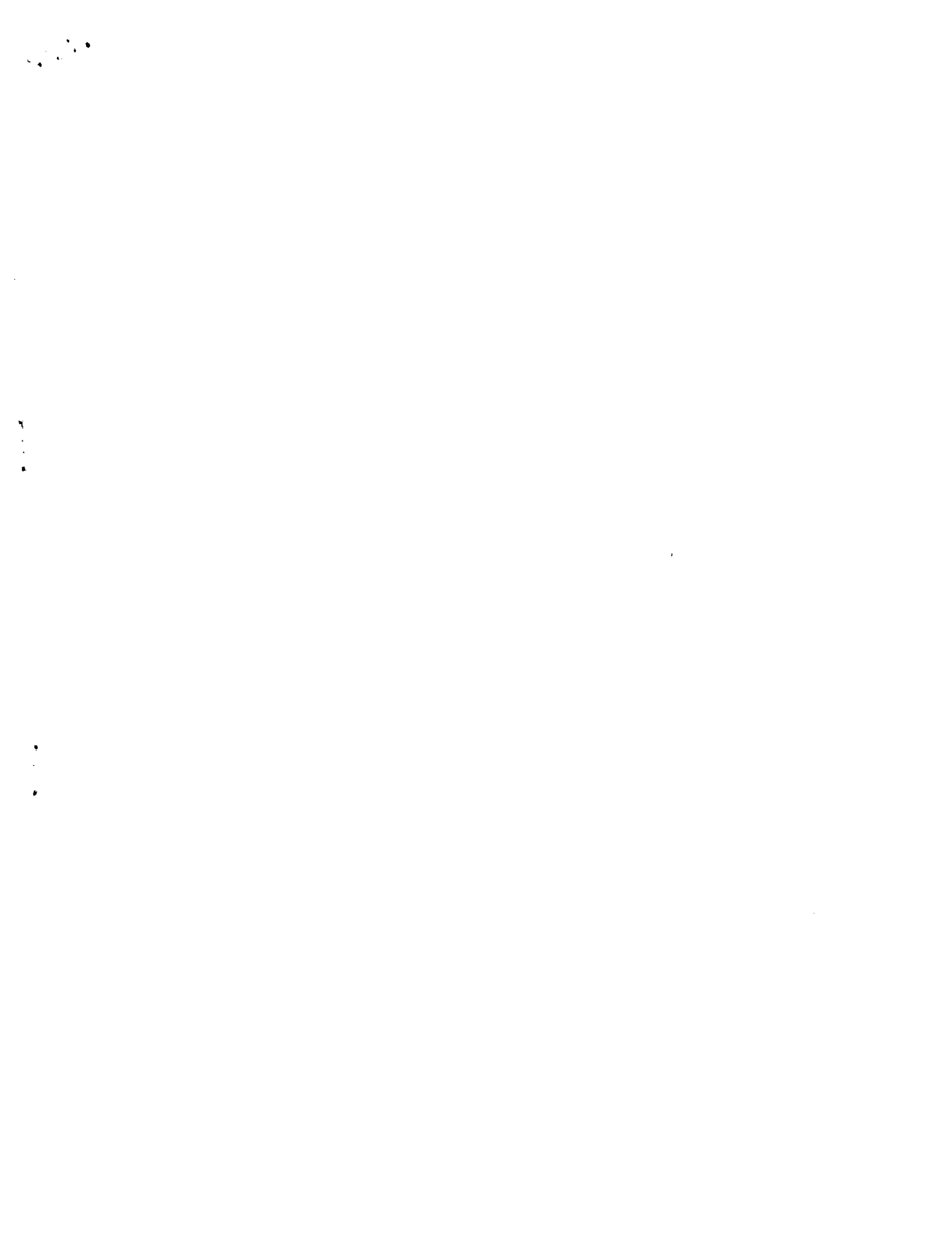
UNCTAD/FALPRO has carried out a preliminary evaluation of the trade documentation used in the Caribbean. In common with other areas, the cost of documentation is significantly high and can be reduced by the adoption of the UN layout key and the elimination of unnecessary forms and procedures. Detailed costing is not yet available but this programme is important if there is to be increased emphasis on an export-oriented strategy for the region. The estimated cost for a comprehensive programme in this area is in the region of US\$500,000.

Conclusions

- The Transport Sector has always been given priority by Caribbean governments and this is expected to continue until the passenger and freight services can be raised to an acceptable level of reliability.
- The Transport Sector improvements are an essential pre-requisite if programmes in agriculture, industrial development and export promotion are to succeed.
- The projects undertaken through the CGCED mechanism have played a significant part in the ongoing transport programme for the Caribbean.
- There is a need for additional programmes in this sector, and a mechanism for assessing new proposals and for reviewing ongoing programmes.
- Due to the safety implications contained in the CAMOS Report and the effect that a serious aviation accident would have on regional tourism, there is a pressing need in the transportation sector for donors to provide funding for those countries covered by the CAMOS Report but outside the very generous Canadian programme of assistance. It is estimated that this would cost US\$20 million.

UNDP

New York
14 June 1982



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