

**Statement by Mr. Ricardo Sanchez**

**ECLAC**

**Roundtable on the regional dimension of transit transport cooperation**

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The situation of the Landlocked and transit developing countries is within our concerns about the transport systems in Latin America and the Caribbean. In this regard, some problems are common and others are specific.

Typically, the coordination problems, the distance and difficulties to access the sea ports, the obstacles in the border crossings, the inconvenient trade and transport's facilitation procedures or the dependency of using the infrastructure of transit countries, are causing excessive transport costs and affecting the LLDCs, and South America is not an exception.

The weak infrastructure, bottlenecks, costly bureaucratic procedures and other internal reasons are complemented by issues such as the lack of reliability of transport systems, certain anti-competitive regulations and the lack of the effective implementation of some agreements, as discussed in the report of The World Bank.

However, there are other common difficulties.

In general terms, the lack of integrality in planning and implementation of public policies on infrastructure, transport, logistics and facilitation, causes negative effects on the efficiency of the logistic chains within countries, both transit and landlocked. In Latin America, therefore, it is imperative to change the modal focus of transport policies, to an integrated and multimodal one.

Regarding the LLDCs, in South America we observe a willingness on both groups of countries to move forward on the challenges of transit transport systems. Nonetheless, some issues remain pending of solution.

Just to mention a few examples, some inconveniences are related to transit rules, complex and changing, even varying within the same country, persistent problems at border crossings, cargo restriction policies, double taxation of freight, excessive administrative requirements, the length of delays affecting the movement of vessels, the practice of detaining containers in transit, and especially, the failure to execute the widening, signaling and navigation aids in the northern stretch of the Paraguay Parana waterway, at north of Santa Fe, Argentina.

In our opinion, the transport and trade facilitation policies should be implemented in a framework of international assistance to compensate for the additional costs that landlocked countries bore in order to have access to markets, technical cooperation, national capacity-building and appropriate financing.

South America needs to achieve more progress in establishing mechanisms at the bilateral and multilateral levels, to translate political will into practical measures to contribute to implementing the Almaty Programme of Action in our region. In this sense the establishment of the political multilateral initiative such as the Union of South American Nations (UNASUR) is called to play an essential role in the future of the sub-region, and specifically for our landlocked and transit countries in the southern cone of the world. At the same time, the Regional Infrastructure Integration in South America, the IIRSA initiative, is playing another important role as a forum for planning and promoting the physical integration of the region through shared approaches in the areas of transport, communications and energy.

In this context, UNECLAC has been and will continue performing several tasks, among others:

- The establishment of the regional panel of experts of infrastructure, transport, logistics and facilitation, formed by 60 professionals, from both landlocked and transit countries.
- The United Nations Development Account project M4, jointly conducted by UNCTAD and ECLAC during last year, but it was still current because it had helped to promote a climate of mutual understanding and to set up a facilitation network and round tables made up of public- and private-sector representatives from both ends of the corridor Asunción - Montevideo.
- As an outcome of the project, the transport and logistic clusters was established in both cities, supporting and maintaining an online costs information system.
- The proposal for implementing a RoRo transport system, which potentially may benefit to South American LLC.
- A revised version of the document entitled “The Challenges of Transport Systems of LLC in South America”. This document will be published promptly.
- The regional preparatory meeting for the midterm review of the implementation of the Almaty Programme of Action: addressing the special needs of the Landlocked Developing Countries, was held in Buenos Aires, Argentina, on 30 June 2008.