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## **MEETING OF THE EXECUTIVE TECHNICAL GROUP ON FREIGHT TRANSPORT AND LOGISTICS**

**DoubleTree by Hilton – Parque 93**

**Bogotá • Colombia**

**September 13 and 14, 2016**

### **FINAL REPORT**

On September 13 and 14, 2016, the city of Bogotá, Colombia, hosted the Meeting of the Executive Technical Group on Freight Transport and Logistics, which was attended by delegations from Argentina, Bolivia, Brazil, Chile, Colombia, Ecuador, Paraguay, Peru, Uruguay, and Venezuela, as well as from the UNASUR General Secretariat and COSIPLAN-IIRSA Technical Coordination Committee. The meeting agenda and the list of participants are attached as Annexes 1 and 2, respectively.

The purpose of the meeting was to review the progress made in the activities scheduled for 2016 and to agree upon the guidelines for the activities to be carried out in 2017. The specific objectives were: (i) present the Expert Network and offer methodological guidelines for the start of its activities; (ii) review the progress made in the implementation of the region's Observatories of Freight Transport and Logistics; (iii) review, discuss, and agree upon the scope of the Terms of Reference for the Study on Logistics Chains in the MERCOSUR-Chile Hub; (iv) present the advances made in the COSIPLAN Integration Sectoral Processes; and (v) communicate the results of the three editions of the virtual course "Design and Management of Freight Transport and Logistics Policies." The two-day meeting combined informative presentations with thematic round tables concerned with strategic planning.

The opening session was in charge of Mr. César Augusto Peñaloza, Sustainable Infrastructure and Energy Director of Colombia's National Department of Planning. As part of this session, Colombia's National Logistics Policy, the Colombian Intermodal Transport Master Plan, and the Public-Private Coordination for Logistics Improvement in Bogotá and Cundinamarca were presented (Annexes 3, 4 and 5).

The objective of the first session was to discuss critical issues and challenges faced by the countries in the implementation of the logistics observatories and to identify information that could be gathered to contribute to regional infrastructure planning. The Regional Freight Transport and Logistics Observatory implemented by the IDB; Chile's, Colombia's, and Uruguay's experiences in National Observatories; and Bolivia's Transport Information System were presented (Annexes 6 to 10).

The round tables sought to identify key freight transport and logistics indicators to be collected at the regional level. The countries defined the following indicators to be collected in the short run: (i) cargo volume (tons/month; tons/km) by type; (ii) times: origin-destination and border time; (iii) transport (fleet): number of vehicles by type (utilizing the integration corridors); (iv) foreign trade procedures: number of controls required for a single shipment and number of documents required (for import and export); (v) costs (tons/km); and (vi) modal split/interchange. For the mid-long term, the following indicators were identified: (i) demand: origin-destination matrix (cargo volumes) and projection; (ii) supply: infrastructure and service capacity; (iii) efficiency: times and costs; and (iv) consumption and emissions (carbon footprint).

The action areas within the COSIPLAN framework recommended in this field were the standardization of indicator measurement and data collection methodologies (to ensure the comparability of measurements across the countries of the region); the standardization of weights, sizes, and units of measurement; and inter-institutional coordination and local capacity building for those responsible for information collection (Annex 11).

During the second session, the progress made in the COSIPLAN Integration Sectoral Processes was presented with the purpose of analyzing the coordination of actions related to freight transport and logistics. Concerning South American Rail Integration, the objectives and scope of the "Study to provide inputs for developing a strategy to facilitate South American Rail Integration," which is being undertaken at COSIPLAN with the coordination of Uruguay, were presented. Emphasis was placed on the information collection work carried out by the countries with regard to the national and international/regional rules applied in each State, the characteristics of rail infrastructure and rolling stock, and the operational characteristics of the freight services. The importance of this information being available for performing further analysis in addition to that conducted in the study was noted (Annex 12).

As regards Trade Integration and Facilitation, the COSIPLAN background to this topic and the actions undertaken in 2016 coordinated by Argentina and Chile were presented. The task of collecting up-to-date information on the state of the border crossings and the border conditions through questionnaires

sent to the twelve countries is directly related to freight transport and logistics. The aim is to gather data on matters such as facilities for truck drivers, parking lots for trucks, separate access roads for inspection, logistics centers in the border area, control of refrigerated cargo, and inspection of hazardous cargo. In addition, the usefulness of the [COSIPLAN Geographic Information System](#) —a tool that allows the articulation of freight transport and logistics, on the one hand, and borders, on the other, as it has thematic layers to georeference dry ports, free zones, and logistic centers, among other elements— was underlined (Annex 13).

As for South American Integration through Ports and Waterways, CAF made reference to its great potential, as analyzed in its recent [study](#). South America features the world's largest river system, 28% of the world's freshwater resources, and 110,000 km of navigable rivers. The need was stressed to move towards a paradigm shift whereby waterways and drainage basins emerge as a means of transportation and communication, integrating inhabitants and territories; offer the possibility of boosting the economic and social development of their areas of influence, which are mostly landlocked; create the conditions for improved competitiveness and greater international integration; and are environmentally friendly, contributing to sustainable and socially responsible development (Annex 14).

During the third session, the proposed terms of reference for the “Development of the Freight Logistics Strategic Plan for the MERCOSUR-Chile Hub (MCC)” were presented. The objective of this study is to create a strategic plan for the development of freight logistics in the MCC Hub, focusing the analysis on chains of strategic interest (at the national level and in the Hub) and the understanding of their commercial and logistic patterns (Annex 15).

The scope of the study, the general schedule of activities, the list of outputs, and the work schedule were analyzed by the round tables. The main conclusions were that to conduct a study of this magnitude, it is essential to fulfill the following conditions: ensure the commitment of all countries to allocating the resources necessary to meet the schedule of activities; set up multisectoral national teams with the active involvement of the subnational governments; establish quality public-public and public-private dialogue mechanisms at the national level; create opportunities for participation to validate the activities at the national and regional levels; identify a set of quantitative and qualitative criteria for selecting the logistics chains to be analyzed, taking into account that all these chains must involve more than one country; consolidate a repository for existing information, studies, and documents to facilitate the work preparation stage; consider the standardization of concepts and methodologies that can subsequently be applied in the other COSIPLAN Hubs; and analyze the possibilities of extending this study to the other Hubs simultaneously (Annex 16).

At the fourth session, the proposal to establish the COSIPLAN Freight Logistics Expert Network (REXLOG-COSIPLAN) was presented. The objective of the Network is to advise the Council on decisions and the design of public policies, plans, and regional actions on a continuous basis, thus promoting the development of the national and regional logistics systems. The necessary conditions for its creation,

structure and operation as well as the steps for its implementation were analyzed by the round tables. The main conclusions were the following: design a flexible work scheme to allow the participation of a wide range of institutions; facilitate interaction and collective learning; define subgroups focused on specific topics of interest; contribute to the application of lessons learned and good practices; ensure the commitment and active participation of the countries in the allocation of the resources necessary to meet the schedule of activities; include academia for specific topics; use the IDB community of practice technological platform; systematize the progress and results of the activities; and establish an annual face-to-face meeting of the whole Network to review progress and propose new topics (Annex 18).

With regard to the issues that the Network would address during the first phase, the following three were prioritized: logistics chains, methodologies and observatories, and harmonization of terms and unification of concepts. A second set of topics identified was: institutional framework, regulations, public policies, logistics and urban impact, technologies, facilitation, and infrastructure (Annex 19).

At the fifth and last session, the results of the virtual course “Design and Management of Freight Transport and Logistics Policies,” developed by the IDB with the coordination of Peru, were presented. The content of this course was developed addressing the needs of COSIPLAN. Between 2015 and 2016, three editions of the course were held and 97 officials from 14 Latin American countries were certified. From South America, Argentina, Bolivia, Brazil, Chile, Colombia, Ecuador, Paraguay, Peru, and Uruguay participated in the course. Sixty percent of the participants were men and 40% were women, and the average age was 40. The course was rated at 9 out of 10, taking into account the content, the tutors, the materials used, and the virtual platform (Annex 20).

Subsequently, a dialogue started with the course participants to gather their opinions and identify areas for improvement to enhance the future editions. The training received very positive feedback from them, who stressed the quality and usefulness of the content and the experience gained due to the highly demanding nature of the course in terms of workload hours. Among other things, they mentioned the benefits of forums as a means of mutual enrichment, the need to have a synchronous exchange tool that allows participants to meet one another, and the importance of broader dissemination within the government so that national and subnational institutions concerned with freight logistics can participate.

Finally, the next steps as well as the activities to be included in the COSIPLAN Work Plan 2017 were agreed upon (Annex 21):

- Expert Network: Make adjustments to the proposed operation of the Network until October 10, and validate the new version until October 24, to start working on it in the first quarter of 2017.
- Freight Logistics Strategic Plan for the MERCOSUR-Chile Hub: Make adjustments to the Terms of Reference until October 10, and validate the new version until October 24. Organize a videoconference on November 1 to resolve additional comments; finish agreement on scope, activities, outputs, and work schedule; prioritize 2017 activities; and define a working group for the countries.

- Data and collection mechanisms: Incorporate a working group into the Network to specify the information to be collected, analyze the collection mechanisms, and establish a work plan.
- Virtual Course “Design and Management of Freight Transport and Logistics Policies”: Identify audiences within the public sector (including subnational governments) and number of persons for a fourth edition, and suggest new topics to develop courses until October 30. Include the fourth edition in the COSIPLAN Work Plan 2017.

**List of Annexes:**

Annex 1: [Agenda of the GTE Meeting on Freight Transport and Logistics](#)

Annex 2: [List of participants in the GTE Meeting on Freight Transport and Logistics](#)

Annex 3: [Colombia’s National Logistics Policy](#)

Annex 4: [Colombia’s Intermodal Transport Master Plan](#)

Annex 5: [Regional Urban Logistics, a Public-Private Commitment in Bogotá and Cundinamarca](#)

Annex 6: [IDB Regional Freight Transport and Logistics Observatory](#)

Annex 7: [Colombia’s National Logistics Observatory](#)

Annex 8: [Uruguay’s National Transport and Logistics Observatory](#)

Annex 9: [Chile’s Logistics Observatory](#)

Annex 10: [Bolivia’s Transport Information System](#)

Annex 11: [Round Tables on Freight Transport Indicators at the Regional Level and Data Collection Mechanisms](#)

Annex 12: [South American Rail Integration](#)

Annex 13: [Border Integration and Facilitation in South America](#)

Annex 14: [South American Integration through Ports and Waterways](#)

Annex 15: [Terms of Reference for the Study on Logistics Chains in the MERCOSUR-Chile Hub](#)

Annex 16: [Round Tables on Logistics Chains in the MERCOSUR-Chile Hub](#)

Annex 17: [COSIPLAN Freight Logistics Expert Network](#)

Annex 18: [Round Tables on the Operation of the COSIPLAN Freight Transport and Logistics Expert Network](#)

Annex 19: [Round Tables on the Selection of Subject Areas for the COSIPLAN Freight Transport and Logistics Expert Network](#)

Annex 20: [Virtual Course on Freight Transport and Logistics](#)

Annex 21: [Work Plan 2017](#)