



COSIPLAN Presidencia Pro Tempore Chile 2013 - 2014

# EXECUTIVE TECHNICAL GROUP ON BORDER INTEGRATION AND FACILITATION

October 16 and 17, 2014 Buenos Aires, Argentina

# **REPORT ON THE MEETING**

On October 16 and 17, 2014, the city of Buenos Aires, Argentina, hosted the Meeting of the Executive Technical Group on Border Integration and Facilitation, which was attended by delegations from Argentina, Brazil, Chile, Colombia, Ecuador, Paraguay, Peru, and Uruguay, as well as by representatives of the UNASUR General Secretariat and IIRSA Technical Coordination Committee. The meeting agenda and the list of participants are attached as Annexes 1 and 2, respectively.

The objectives of the meeting were the following: i) exchange experiences and share the progress made and the initiatives undertaken by the UNASUR countries in terms of the integration of common border territories; ii) identify joint lines of work within the scope of COSIPLAN to address border integration issues by using the methodologies developed or to be developed to meet pending challenges; iii) make headway in the development of border centers viewed as projects within the border integration process and immersed in such context; iv) identify programs, within the South American context, designed to make progress in coordinated border management; and v) move towards the design of baselines and indicators meant to indicate the progress attained in border management.

The meeting was opened by Argentina's Under-Secretary of Territorial Planning of Public Investment, Ms. Graciela Oporto, and by Chile's Under-Secretary of Public Works, Sergio Galilea Ocón, on behalf of the COSIPLAN Presidency Pro Tempore 2013-2014. Ms. Oporto stressed the importance of conceiving borders as spaces for integration and development rather than merely as crossing points. The experience of Argentina and Chile has enabled both countries to gain deeper insight into this concept, viewing the border as a common area, assuming the responsibility for planning the territory, designing its infrastructure and promoting its execution in order to contribute to the development and integration of their peoples. The exchange of experiences and innovative ideas will help make headway in the search for future lines of action intended to strengthen border development projects and social, political and economic integration processes in border areas.

Mr. Galilea Ocón underlined the importance of borders as active integration areas. He mentioned the topics that are most relevant in political agreements concerned with border facilitation and integration: (i) trade regulation and the need to move towards free trade; (ii) the integration of road, energy, water supply, and other infrastructure works; (iii) phytosanitary quality, as well as common and dynamic control tools; (iv) police cooperation in illegal traffic matters; and (v) the integration of labor markets and trade-

promoting mechanisms. In relation to infrastructure integration, he emphasized the following four aspects: (i) the COSIPLAN features an agreed-upon Project Portfolio that reflects the significant progress attained concerning the level of integration infrastructure project investment, design, financing and construction; (ii) it is necessary that strategic actions be synchronized, though this is sometimes difficult due to differences in the funds available to the countries involved or in their socioeconomic situation; (iii) there are concrete agreements related to border crossings: in the case of Argentina and Chile, progress is being made on a project by project basis, such as Agua Negra, Las Leñas, Pehuenche, and Cardenal Samoré; and (iv) concerning technical and financial assistance, it is important to resort to the tools and actions of international agencies, as they play a fundamental role in the facilitation of agreements and in the identification of financial mechanisms. Public-private partnership initiatives offering concession opportunities should also be considered.

The representative of the General Secretariat stated that border integration is a cross-cutting issue in UNASUR, and that it is important to send contributions produced at COSIPLAN to other bodies addressing this subject: the Citizenship Council, the Tourism Council, and the Council of Culture.

Next, the Argentine National Coordination presented the meeting objectives and agenda. It was pointed out that the focus was to incorporate border integration and facilitation as a planning dimension into COSIPLAN, improving its territorial planning methodology and enhancing its Project Portfolio. The purpose was to establish lines of action that should incorporate these elements into the COSIPLAN Work Plan.

Subsequently, the working sessions began as scheduled in the meeting agenda.

### Border Integration

In the first block, the following aspects were addressed: (i) theoretical development and progress in the political agenda related to border matters, emphasizing the concept of Border Regional Areas, defined by the Andean Community of Nations (CAN) as homogeneous territorial units with their own identity and features, where transactions of international goods take place (Annex 3); (ii) the importance of political decision to make headway in border integration topics, based on three major elements: the meeting of stakeholders from both sides of the border with a regional perspective, as materialized in the Border Observatory between Argentina and Uruguay; border governance to add value to raw materials based on value chains; and social responsibility applied to border issues.

During the second panel of this block, border integration experiences in South America were presented: (i) the Brazilian experience in establishing the Permanent Commission for the Development and Integration of the Border Strip; this Commission is coordinated by the Ministry of National Integration and is made up of 20 government agencies, and its objective is to identify and prioritize, together with the local authorities, the major challenges and opportunities, and to define development plans for these territories (Annex 4); (ii) the experience of the Ecuador-Colombia Border Integration Binational Plan: based on a shared diagnosis of the territory and bearing in mind the concept of the border as a territory for peace and reconciliation, a joint planning process was conducted, establishing binational policies, indicators and goals, a publicly accessible information system, and a real-time monitoring system of public investment projects (Annex 5); and (iii) the experience with border facilitation at IIRSA and COSIPLAN based on the incorporation of this topic into the regional agenda, with the aim of identifying and overcoming regulatory and institutional obstacles, and developing infrastructure projects that should facilitate transnational traffic. At present, the COSIPLAN Project Portfolio features 48 projects in border regions with an investment amount estimated at US\$ 879 million. The CCT institutions have lent their support to actions related to border crossing and border integration projects (Annex 6).

### Border Facilitation

In the second block, the evolution of the Coordinated Border Management (CBM) concept within the WTO framework was presented as a guiding principle for border control agencies rather than as a technical model applicable to all cases, which is possible following a strong political commitment (Annex 7). Subsequently, an account was made of the experiences of Chile and Peru in implementing integrated border controls with their neighboring countries (Annexes 8 and 9). Similarly, matters related to the application of border controls were addressed from the control agencies viewpoint: in the case of Uruguay, from the Customs perspective (Annex 10); in the case of Argentina, from the migrations agency's perspective (Annex 11); and in the case of Chile, from the perspective of the plant and animal health control agency (Annex 13).

### Assistance to Border Integration and Management

In the third block, the IDB presented the advantages of applying CBM to enhance border efficiency and the benefits of jointly implementing it in all kinds of borders (land, sea/lake, air, railway or interior) and at all levels (national, binational and regional). Subsequently, reference was made to the support given by the IDB to the Latin American and Caribbean countries through investment operations and technical assistance with non-refundable resources to carry out the total or partial implementation of the elements that make up CBM (Annex 14). CAF presented its initiatives for the region, emphasizing that in order to take concrete steps in border development, it is necessary to adopt a strategic approach to borders. The projects that CAF is executing can be divided into three categories: long-range master plans, sectoral binational initiatives in concrete areas, and regional integration projects (Annex 15).

### Border Integration and Facilitation at COSIPLAN

In the last block, contributions were made to propose COSIPLAN lines of actions. First, reference was made to the border integration and cross-border cooperation experience between Argentina and Chile from a sub-national perspective. A proposal was put forward to recognize and revalue the role of sub-national states located close to borders in border planning matters, to prioritize the construction of local infrastructure, to strengthen binational institutions associated with border integration, and to furnish sub-national governments with technical expertise in international relations (Annex 16).

Next, the Argentine National Coordination presented a preliminary proposal to incorporate border integration into the indicative territorial planning process of COSIPLAN. This would enable the Project Portfolio to be enlarged, by incorporating transnational and local projects that should contribute to connectivity, and to devise a concrete plan for border regions. To this end, the following aspects would need to be further encouraged: conduct a deeper analysis of and gain a better insight into the situation of borders; agree on the dimensions to be studied, considering COSIPLAN competencies; define the area of the border territories involved; and apply the methodological tools developed by COSIPLAN (Integration Territorial Programs, Strategic Environmental and Social Evaluation, or any other more adequate tools). As an example of the proposal, a map of the MERCOSUR-Chile Hub was presented, in which four border regions were defined. Each region should have a plan involving all the border crossings and coordinating all the programs and projects with the purpose of achieving the consistent development of border areas (Annex 17).

Finally, a simplified version of the proposed management standards and indicators for border crossings developed for COSIPLAN between 2012 and 2013 was presented. Management standards are minimum requirements or benchmarks including infrastructure issues. This proposal has been designed for COSIPLAN, and presents general standards and indicators that will help gain a regional view of border crossings (Annex 18).

Finally, the countries agreed on the following:

- 1. Assess the experiences of the Border Observatories in the region to explore the possibility of extending them to the UNASUR member countries.
- Incorporate border integration into the COSIPLAN indicative territorial planning, by including this matter into the COSIPLAN Project Portfolio update process.
  For this purpose, the Argentine National Coordination will submit a version adjusted to the proposal made for its consideration at the Meeting of National Coordinators.
- 3. Analyze the proposed management indicators and standards for border crossings.

The National Coordinations of Argentina and Chile will ask the Coordinators of the other countries to send their comments and opinions on these lines of work, with the purpose of considering them when defining this issue in the Work Plan 2015.

# List of Annexes:

Annex 1: Meeting Agenda

Annex 2: List of Participating Delegations

<u>Annex 3: Border Regional Spaces: Integration Platforms – Nilo Meza Monge, Consultant in border</u> <u>development and integration issues, Peru</u>

Annex 4: The Brazilian Experience: The Border Strip – Alexandre Bastos Peixoto, General Coordinator of Macroregional Programs, Regional Development Secretariat, Ministry of National Integration, Brazil

Annex 5: The Experience of Binational Planning: The Colombia-Ecuador Case – Santiago Vásquez, Undersecretary of National Planning, National Planning and Development Secretariat (SENPLADES), Ecuador

Annex 6: The IIRSA and COSIPLAN Experience in Border Facilitation – Gustavo Béliz, Director of the Institute for the Integration of Latin America and the Caribbean (INTAL), in charge of IIRSA Technical Coordination Committee (CCT) Secretariat

Annex 7: Border Control Evolution: Toward Integrated Border Management – María Luisa Carbonell, Director of International Affairs, Federal Administration of Public Revenue, and Coordinator of MERCOSUR Technical Committee 2 "Customs Issues," Argentina

Annex 8: The Experience of Chile in Integrated Controls – Marcela Espinoza, Directorate of Borders and Boundaries, Ministry of Foreign Affairs, Chile

Annex 9: Practical Application of the Integrated Border Control Model: Some Critical Issues and Elements for Discussion – Paola Valenzuela, Border Crossing Unit, Ministry of the Interior, Chile Annex 10: The Implementation of Border Controls in Peru – Minister Luis Rodomiro Hernández Ortiz, Director of Border Development and Integration, Ministry of Foreign Affairs, Peru

Annex 11: The Experience from the Customs' Perspective – Laura Dighiero, Advisor on Technical and Institutional Relations, International Affairs, National Customs Directorate, and Coordinator of MERCOSUR Technical Committee 2 "Customs Issues," Uruguay

Annex 12: The Experience from the Migration Agencies' Perspective – Luciana Litterio, Head of Department, International and Social Affairs Department, National Migrations Directorate, Argentina

Annex 13: The Experience from the Plant and Animal Health Control Agencies' Perspective – Oscar Camacho, Agricultural Service, Chile

Annex 14: Importance of and Challenges to Coordinated Border Management – Manuel Márquez Fariña, Leading Expert in Customs, Integration and Trade Sector of the Inter-American Development Bank (IDB)

Annex 15: CAF Actions in the Field of Border Integration – Juan Pablo Rodríguez, Senior Advisor to CAF, Development Bank of Latin America

Annex 16: Cross-Border Integration and Cooperation: A Subregional Perspective – Sebastián González, Under-Secretary of Planning and Action for Development, COPADE, Province of Neuquén, Argentina

Annex 17: Border Integration in the COSIPLAN Territorial Planning Process: A Preliminary Proposal – Ángela Guariglia, National Director of International Territorial Integration Planning, Territorial Planning Under-Secretariat, Argentina

Annex 18: Management Standards and Indicators for Border Crossings: Presentation of a Simplified Proposal on Indicators – Hilda Gómez, Consultant in Transport and Border Crossings, CAF, Development Bank of Latin America