



## Workshop on Freight Transport and Logistics

August 5 and 6, 2014 Lima, Peru

## **REPORT OF THE WORKSHOP**

On August 5 and 6, 2014, the city of Lima, Peru, hosted the Workshop on Freight Transport and Logistics, which was attended by delegations from Argentina, Brazil, Chile, Colombia, Paraguay, Peru, Suriname and Uruguay, as well as by representatives from the UNASUR General Secretariat, ECLAC, and IIRSA Technical Coordination Committee. The meeting agenda and the list of participants are attached as Annexes 1 and 2, respectively.

Objectives of the Meeting:

- i. Exchange experiences as well as any developments made and initiatives implemented in the UNASUR Member States in relation to freight transport and logistics.
- ii. Identify joint action lines within COSIPLAN regarding logistics and the development of transportation services and logistics infrastructure for integration purposes.
- iii. Define the next steps to be undertaken in connection with the training of the national teams in this subject as well as with information management, and assess whether it is relevant to develop methodologies to measure progress in the management of public policies concerned with freight transport and logistics.

The meeting was opened by the Under-Secretary of Public Works of Chile, Mr. Sergio Galilea Ocón. The Under-Secretary stated that awareness is currently increasing that infrastructure is linked to more complex aspects directly related to competing in the markets and providing the population with better access to education, health care, and goods. In a globalized environment, transportation and logistics may become either significant obstacles to or drivers of economic development, depending on the situation of the domestic economy. Both transportation and logistics have an impact on economic efficiency, trade, the competitiveness of national and regional production systems, and quality of life.

For all the infrastructure, transport, and logistics components to work jointly in the best possible way, a comprehensive vision is needed. There are several weaknesses that inspire little confidence in the South American transport and logistics systems. It is time to think about simple measures such as: i) better and greater investment in rail, airport and port infrastructure; ii) road, rail and air transport liberalization and integration among the countries; iii) shared regulatory and legal frameworks and safety measures for each sector; iv) exchange of experiences among the countries in the region to improve the planning and investment systems of the sector; v) financial support for carriers to renovate their transport equipment; vi) proposals for a system to modernize intermodal infrastructure and simplify customs formalities and border controls; vii) a system for monitoring and measuring the "carbon footprint" in order to apply measures to reduce pollutant emissions. A well-planned infrastructure-transport-logistics triad should be

presented as an effective solution to the regional economic and social development limitations.

Next, the working sessions began as scheduled in the Workshop agenda. The presentations were organized into three blocks. The first block was intended for ECLAC, IDB and CAF to set out the current status of public policies related to the performance of the South American countries in the field of logistics. The second one included presentations on experiences in the development of national policies regarding freight transport and logistics as well as on the progress made in the institutional framework, which were delivered by representatives of specialized institutions from Argentina, Brazil, Chile, Colombia, Paraguay, Peru and Uruguay. Finally, a proposed training program targeted for public-sector officials concerned with the making and management of policies related to the subject of the Workshop was presented. The presentations delivered are attached as Annexes 3 to 18.

The countries agreed that freight transport and logistics are an important area of work within the framework of COSIPLAN, and that it is necessary to expand the knowledge on this matter. The region has weaknesses to overcome and a great deal to do in relation to a topic that calls for the strong involvement of the public and private sectors in institutional adjustments to promote the upgrade and improvement of the freight transport and logistics systems. In this regard, the countries agreed to move forward through the following lines of action within the COSIPLAN framework:

1. <u>Training of Officials from the Public Sector Areas Concerned with this Subject</u>. The countries entrusted the Peruvian National Coordination with the development, with the support of the CCT, of a proposed training program that includes not only the contents but also the logistical and institutional issues required to implement the course. The proposal will be analyzed during a videoconference to be held in November to exchange opinions and consolidate the program. This program would be incorporated into the Work Plan 2015 and submitted for the approval of the Coordinating Committee and the Ministers at the V Ordinary Meeting of the Council.

In this context, the representative from ECLAC said that it was essential for her institution to promote regional integration in general and this aspect in particular. She offered to collaborate by providing the experience gained in this and other regions in topics such as promotion of sustainable integrated policies, construction of indicators and a harmonized vision of statistics and methodologies, and professional training through the many United Nations programs, which may be used to provide specific assistance to COSIPLAN.

The representative from CAF informed that they were developing the design of a logistics knowledge, research and training network that CAF would make available to COSIPLAN.

2. <u>Data on and Indicators of Freight Transport and Logistics</u>. The countries entrusted the Peruvian National Coordination with the development of a proposal to address the issue of information on this subject, including: i) management of information and ways to collect, process and share it taking into account national and regional experiences; ii) analysis and definition of indicators that are valid for the different countries to measure logistics performance; and iv) preparation of a glossary of common terms.

In this context, the representative from the IDB stated that this institution ratified its interest in continuing

to support these processes, and specifically proposed the following actions: i) present the IDB Freight Transport and Logistics Yearbook as a regional public good that may be used and implemented by COSIPLAN and made available for its different activities. The Yearbook was produced on the basis of information available in most countries, and requires continuous updating efforts that might be part of the COSIPLAN activities; ii) gather scattered data through National Observatories, and develop an indicator to measure the performance, availability and quality of transport infrastructure and services; and iii) work jointly with CAF and ECLAC in the construction of a logistics costs index at the national level, which would be done on the basis of surveys to companies and data from the national accounts. This index would enable the construction of a regional index.

3. <u>Other Issues</u>. Regional cabotage and the impact of freight transport on greenhouse gas emissions and the contribution of these to climate change were also considered important topics to analyze within the framework of COSIPLAN.

## **List of Annexes**

Annex 1: Meeting Agenda

Annex 2: List of Participating Delegations

Annex 3: Integrated Infrastructure, Transportation and Logistics Policies. Azhar Jaimurzina, ECLAC

Annex 4: Public Sector Interventions to Improve National Logistics Performance. Pablo Guerrero, IDB

Annex 5: Program for Regional Logistics Development in Latin America. Rafael Farromeque, CAF

Annex 6: Chile's Logistics Development Program. Alexis Michea, General Coordinator, Logistics Development Program

Annex 7: Implementation of a National Logistics Plan in Paraguay. Federico Olmedo, Executive Director, Paraguayan Logistics Association

Annex 8: Peru's Transport Logistics Services Development Plan. Carlos Lozada, Ministry of Transport and Communications

Annex 9: Development of the Logistics Institutional Framework in Peru. Sandra Becerra Aranzaes, Ministry of Transport and Communications

Annex 10: Role and Operation of Uruguay's INALOG (National Logistics Institute). Federico Stanham, General Manager, National Logistics Institute

Annex 11: Towards a Comprehensive Logistics System in Argentina. Juan Francisco Mangiameli, National Director of Transport, National Secretariat of Transport

Annex 12: Logistics Integral Planning Process in Brazil. Francisco Luiz Baptista da Costa, Transportation Planning Director, Brazilian Ministry of Transport

Annex 13: Implementing the National Logistics Policy in Colombia. Dimitri Zaninovich, Director of Sustainable Energy and Infrastructure, National Department of Planning

Annex 14: Freight Transport in Latin America and the Caribbean: Performance and Trends. José Barbero, CCT consultant Annex 15: Towards Improving the Functionality of the Latin American Logistics System. Rafael Farromeque, CAF

Annex 16: Proposal of a Training Program in the Making and Management of Freight Transport and Logistics Policies. José Barbero, CCT consultant

Annex 17A: Measuring Logistics Performance: The IDB Observatory Network and Useful Tools from a Public Perspective. Pablo Guerrero, IDB

Annex 17B: Measuring Logistics Performance: The IDB Observatory Network and Useful Tools from a Public Perspective. Pablo Guerrero, IDB (video)

Annex 18: Workshop on Air Integration: Objectives, Content, and Expected Results. Francisco Luiz Baptista da Costa, Transportation Planning Director, Ministry of Transport of Brazil