

A
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REPRESENTATIVE FOR THE LEAST
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DEVELOPING COUNTRIES AND SMALL
ISLAND DEVELOPING STATES

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**REPORT OF THE LATIN AMERICAN REGIONAL MEETING OF LANDLOCKED AND TRANSIT
DEVELOPING COUNTRIES PREPARATORY TO THE INTERNATIONAL MINISTERIAL
CONFERENCE OF LANDLOCKED AND TRANSIT DEVELOPING COUNTRIES AND
DONOR COUNTRIES AND INTERNATIONAL FINANCIAL AND DEVELOPMENT
INSTITUTIONS ON TRANSIT TRANSPORT COOPERATION**

(Asunción, Paraguay, 12 and 13 March 2003)

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A. ATTENDANCE AND ORGANIZATION OF WORK

Place and date of meeting

1. The Latin American Regional Meeting of Landlocked and Transit Developing Countries Preparatory to the International Ministerial Conference of Landlocked and Transit Developing Countries and Donor Countries and International Financial and Development Institutions on Transit Transport Cooperation was held in Asunción, Paraguay, on 12 and 13 March 2003. The meeting was convened by the Government of Paraguay in collaboration with the Economic Commission for Latin America and the Caribbean (ECLAC) and the Office of the United Nations High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States.

Attendance

2. The meeting was attended by representatives of the following States: Argentina, Bolivia, Brazil, Chile, Paraguay, Peru and Uruguay.
3. Representatives of Japan and the European Commission also attended.
4. The following international organizations were represented: United Nations Conference on Trade and Development (UNCTAD), Inter-American Development Bank (IDB) and Financial Fund for the Development of the River Plate Basin (FONPLATA).

Election of Officers

5. The participants in the meeting elected the following officers:

Chairman: Paraguay
Vice-Chairman: Bolivia
Rapporteur: Uruguay

B. AGENDA

6. The participants in the meeting adopted the following agenda:
- A. Opening meeting
 - B. Working meeting
 - 1. Election of Officers
 - 2. Adoption of the agenda

3. Adoption of the programme
 4. Expert presentation and consideration of the progress achieved in the development of transit systems in landlocked and transit developing countries with a view to formulating policies and programmes for the effective integration of landlocked and transit developing countries in Latin America into the global economy. Statement by the United Nations High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States
 5. Statements by representatives of international organizations and financial institutions
 6. Statements by representatives of donor countries
 7. Statements by representatives of landlocked countries
 8. Statements by representatives of transit countries
 9. Consideration and analysis of the Regional Programme of Action
 10. Adoption of the report of the Rapporteur
- C. Closing meeting
11. Adoption of the Regional Programme of Action.

C. PROCEEDINGS

7. The opening meeting was attended by His Excellency Mr. Luis Ángel González Macchi, President of the Republic of Paraguay. Statements were made by Mr. José Antonio Moreno Ruffinelli, Minister for Foreign Affairs of Paraguay; Mr. Anwarul K. Chowdhury, United Nations High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States and Secretary-General of the International Ministerial Conference on Transit Transport Cooperation; and Mr. José Antonio Ocampo, Executive Secretary of ECLAC.

8. The Minister for Foreign Affairs of Paraguay said that his Government was honoured to host the preparatory meeting for the International Ministerial Conference of Landlocked and Transit Developing Countries and Donor Countries and International Financial and Development Institutions on Transit Transport Cooperation, which had been convened pursuant to General Assembly resolution 57/242. In the Millennium Declaration, heads of State had recognized the special needs and problems of the landlocked developing countries and had urged donors to increase financial assistance to those countries to help them overcome the impediments of geography. Subsequently, in the Monterrey Consensus, they had recognized the importance of enhanced and predictable access to all markets for the exports of landlocked developing countries.

9. Transit developing countries in Latin America had united their efforts, and some progress had been made in establishing transport systems. Only by working together could the countries of the region make it possible to increase financial and technical assistance from donor countries and international financial institutions to overcome the obstacles posed by lack of access to the sea, distance and isolation from international markets and high transport costs. In the Brasilia Communiqué and the Guayaquil Consensus on Integration, Security and Infrastructure for Development, heads of State had reaffirmed the importance of expanding and strengthening regional infrastructure, with emphasis on the role of the Initiative for the Integration of Regional Infrastructure in South America (IIRSA). It was vital for donor countries and financial institutions to pay priority attention to the projected transport corridors and to facilitate access to sources of financing on concessional terms. He trusted that the participants' efforts would enable them to reconcile their interests and to adopt the historic agreement embodied in the Asunción Programme of Action.

10. The Secretary-General of the International Ministerial Conference on Transit Transport Cooperation thanked the host country for its hospitality and conveyed the best wishes of the Secretary-General of the United Nations. The current meeting provided a unique opportunity to open a productive dialogue between Bolivia and Paraguay and their neighbours with a view to improving transit and transport systems in the region.

11. Landlocked countries' lack of access to the sea, isolation from international markets and inadequate transport infrastructure significantly increased their transport costs, with serious implications for their economic development. The international community's growing awareness of that problem was expressed most clearly in the Millennium Declaration; the creation of the Office of the United Nations High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States; and the United Nations General Assembly's decision to convene the International Ministerial Conference, to be held in Kazakhstan, which had raised the expectations of landlocked developing countries. He therefore called upon the countries participating in the current meeting to work towards the adoption of a programme of action that would serve as a road map for enhancing conditions of access to the sea, reducing costs and improving services, thereby increasing the competitiveness of those countries' exports.

12. The Executive Secretary of ECLAC congratulated the Government of Paraguay on its excellent organization of the event and said that the current regional meeting would enable the participating countries to make progress in finding joint solutions for boosting growth and strengthening economic and social development. In the global era, the high transport costs borne by landlocked countries were a competitive disadvantage and constituted trade barriers that blocked their competitive participation in international markets. He presented figures illustrating the impact of transport costs on international trade and on countries' ability to attract foreign direct investment, especially in the export sector.

13. A number of measures could be taken to improve the situation, including investment in infrastructure, which would help to halt the deterioration in the terms of trade, reduce the high cost of imported capital goods and intermediate inputs and diminish the bias against certain types of foreign direct investment. Regional integration and cooperation between Governments and private-sector firms had the potential to stimulate trade, raise rates of return on investments in transport infrastructure and open channels of communication among all stakeholders, thereby making it easier to harmonize their interests. Transport policy should have a strong regional dimension and should be an integral part of the two South American integration agreements —MERCOSUR and the Andean Community— and of the

Initiative for the Integration of Regional Infrastructure in South America (IIRSA), which had been launched in Brasilia in 2000.

14. Within those integration processes, it was indispensable to improve the legal and institutional frameworks of landlocked and transit countries, expedite trans-shipment involving different means of transport and harmonize documentation by standardizing the information required. In conclusion, the current meeting offered an outstanding opportunity to settle the differences and identify the common interests of landlocked and transit countries and to incorporate the regional perspective into a programme of action that would contribute to the work of the International Ministerial Conference.

Expert presentation and consideration of the progress achieved in the development of transit systems in landlocked and transit developing countries with a view to formulating policies and programmes for the effective integration of landlocked and transit developing countries in Latin America into the global economy. Statement by the United Nations High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States (agenda item 4)

15. The proceedings were chaired by Mr. José Antonio Moreno Ruffinelli, Minister for Foreign Affairs of Paraguay, who thanked the participants for appointing him Chairman and gave the floor to the Secretary-General of the International Ministerial Conference on Transit Transport Cooperation.

16. The Secretary-General of the Conference gave an account of the preparatory process and referred to General Assembly resolution 57/242 on the organizational and other specific aspects of the Conference, including the mandate, the intergovernmental preparatory committee, participation in the Conference and the mobilization of resources.

17. Statements were then made by the representatives of UNCTAD and IDB. Representatives of the European Commission and the Government of Japan made statements in their capacity as donors.

18. The representatives of Argentina, Bolivia, Brazil, Chile, Paraguay, Peru and Uruguay made statements under agenda items 7 and 8. All of them stressed the importance of the International Ministerial Conference and of the current preparatory process. In general, the transit countries reported on the steps they had taken to provide facilities to landlocked countries to improve their access to the sea. The representatives of landlocked countries described the main problems arising from their geographical situation and the resulting hurdles to their development.

Consideration and analysis of the Regional Programme of Action (agenda item 9)

19. At the afternoon meeting of 12 March, the representatives of the participating countries of the region considered the draft Programme of Action.

20. At the morning meeting of 13 March, a statement was made by Mr. Didier Operti, Minister for Foreign Affairs of Uruguay, who highlighted the importance of the meeting, referred to the multifaceted problems faced by landlocked countries and described the cooperation Uruguay provided to landlocked countries in the region.

21. The Chairman and the other participants in the meeting commended Mr. Operti on his statement.

22. Lastly, several delegations underscored the importance of initiating a debate, in the proper forum, on the appropriateness of extending to landlocked developing countries the special and differential treatment accorded to the least developed countries under World Trade Organization (WTO) rules.

Adoption of the report of the Rapporteur (agenda item 10)

23. The Rapporteur gave a brief summary of the discussions held at the meeting.

Adoption of the Regional Programme of Action (agenda item 11)

24. The Programme of Action was adopted by consensus at the plenary meeting of 13 March 2003.

Closing session

25. At the closing meeting, statements were made by the Minister for Foreign Affairs of Paraguay and the Minister for Foreign Affairs of Uruguay.

26. The representative of Peru, speaking on behalf of all the delegations, congratulated the host country and expressed sincere thanks for the hospitality extended to the participants. The representative of Chile drew attention to the strong capacity for consensus demonstrated at the meeting and the determination of the landlocked and transit countries to find common ground. All the participants had shown the most high-minded of intentions in carrying out their work.

Annex 1

PROGRAMME OF ACTION

The landlocked and transit countries of Latin America represented at the Regional Meeting of Landlocked and Transit Developing Countries preparatory to the International Ministerial Conference of Landlocked and Transit Developing Countries and Donor Countries and International Financial and Development Institutions on Transit Transport Cooperation, convened pursuant to United Nations General Assembly resolutions 56/180 and 57/242 in Asunción, Paraguay, on 12 and 13 March 2003,

Recalling the Millennium Declaration,¹ in which heads of State and Government from all over the world recognized the special needs and problems of landlocked developing countries and urged both bilateral and multilateral donors to increase financial and technical assistance to this group of countries,

Taking note of article V of the 1994 General Agreement on Tariffs and Trade and of the decisions adopted at the Fourth Ministerial Conference of the World Trade Organization, held in Doha, Qatar, and embodied in the Programme of Work adopted at that Conference, and at successive meetings of the Council for Trade in Goods, within the framework of trade facilitation and the programme of work on small economies;

Emphasizing the importance of further strengthening effective and close cooperation between landlocked and transit developing countries under international conventions, in particular the United Nations Convention on the Law of the Sea, part X, Right of access of landlocked States to and from the sea and freedom of transit, and bilateral, subregional and regional agreements, and noting the important role of the regional commissions in this regard,

Recognizing also that:

- (i) Landlocked developing countries face high transport costs, which have a negative impact on their level of economic and social development, their rate of economic growth, their competitiveness in international trade and their capacity to attract foreign direct investment;
- (ii) The high transport costs borne by landlocked countries can be reduced by improving the quality of transport infrastructure in these countries and in transit countries and by facilitating border crossing;
- (iii) International conventions and bilateral, subregional and regional agreements are the principal means by which the rules and procedures applied in landlocked and transit countries can be harmonized and simplified;

¹ United Nations General Assembly resolution 55/2.

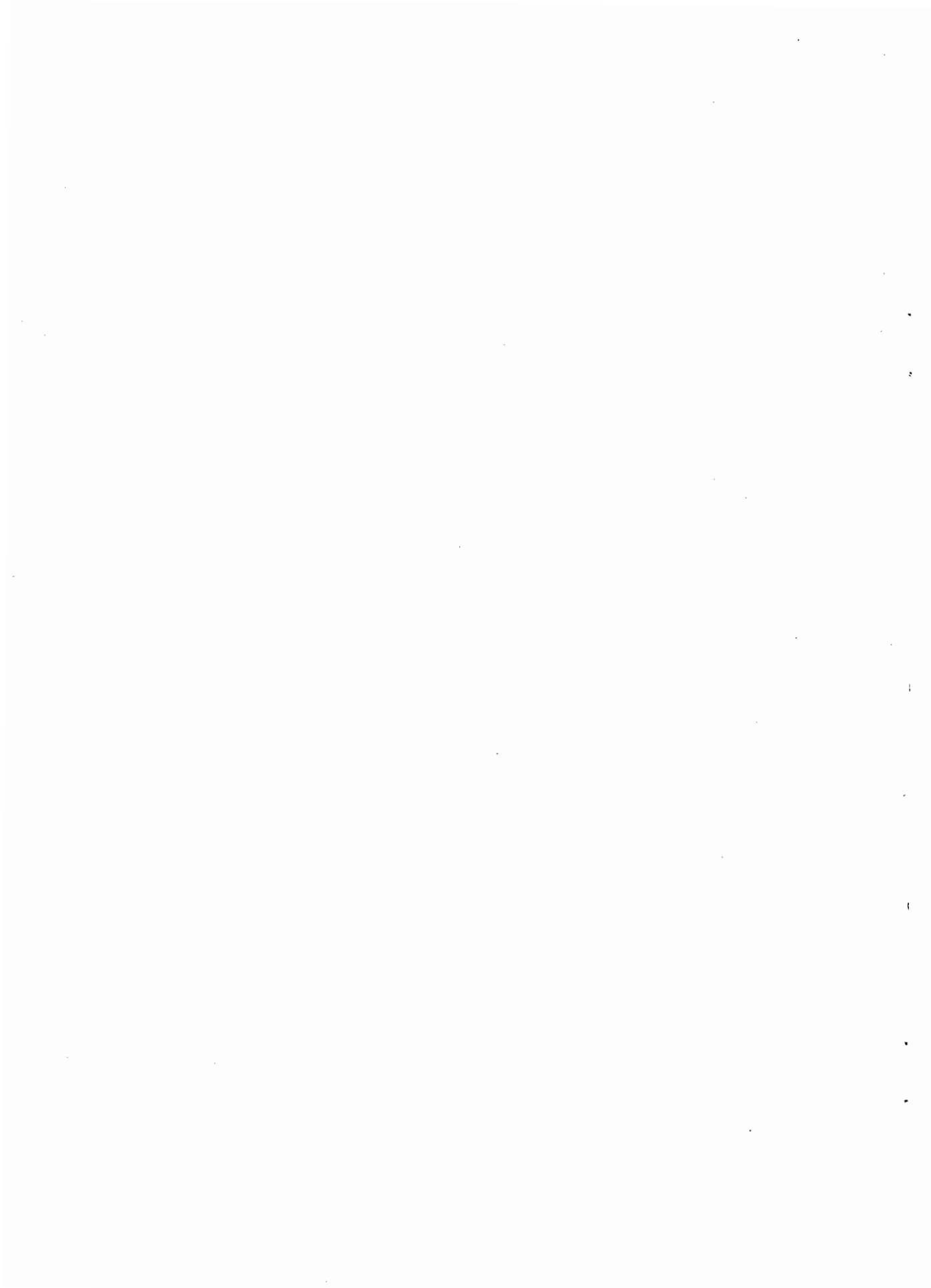
- (iv) The decline in official development assistance and the insufficiency of external financing for infrastructure investment have had a negative impact on landlocked and transit developing countries;
- (v) Investment in physical infrastructure enhances the productivity of factors of production.

1. Proposes the following Regional Programme of Action:

- (i) To continue to move forward in the formulation and implementation of a regional policy for the development of transport infrastructure, giving priority to the specific needs and problems of landlocked developing countries in the region and the interior of transit countries;
- (ii) To endorse fully the Initiative for the Integration of Regional Infrastructure in South America, as a highly relevant and strategically important approach and as a viable instrument for cross-sectoral integration, as well as its Plan of Action based on integration and development hubs, whose aim is to address the physical infrastructure needs of landlocked and transit developing countries in the region;
- (iii) To give priority attention to upgrading transit transport infrastructure throughout the integration and development hubs, particularly in the following areas: road maintenance and construction, improvement of telecommunications, infrastructure projects for transport by pipeline, multimodal transport, waterways and ports;
- (iv) To pursue actions already undertaken for the dredging and buoyage of the Paraguay-Paraná waterway and for environmental protection and the improvement of administrative procedures in order to increase the use of this waterway as one of the fundamental routes to the Atlantic from the landlocked countries of the region and from the vast interior of South America;
- (v) To foster and implement regional trade facilitation initiatives linked to the development of transit transport systems, including multimodal transport, that will contribute to regional integration in accordance with the relevant bilateral, regional and international agreements and conventions;
- (vi) To identify innovative financing mechanisms for increasing investments in upgrading and building transport infrastructure in landlocked and transit countries, with the possible participation of multilateral financial institutions and donor countries;
- (vii) To continue to encourage private-sector interest in investing in infrastructure works in landlocked and transit countries and to strive for the synchronized development of investments in productive and infrastructure activities;
- (viii) To improve mechanisms for consultation and dialogue, under bilateral and regional agreements, between transit operators in the public and private sectors,
- (ix) To urge multilateral institutions, in particular the Inter-American Development Bank, the World Bank, the Andean Development Corporation and the Financial Fund for the

Development of the River Plate Basin, to provide more funding for the development of transit transport infrastructure;

- (x) To urge the Economic Commission for Latin America and the Caribbean, the United Nations Conference on Trade and Development, the Latin American Integration Association, the World Trade Organization and the World Customs Organization to give priority to requests for technical assistance to supplement national and regional efforts to promote the efficient use of existing transit facilities, including the application of information technologies and the simplification and harmonization of procedures and documents.



Annex 2

**LISTA DE PARTICIPANTES
LIST OF PARTICIPANTS****A. Estados miembros de la Comisión
Member States of the Commission
Etats Membres de la Commission****ARGENTINA**Representante/Representative:

- Jorge Hugo Herrera Vegas, Subsecretario de Política Latinoamericana, Ministerio de Relaciones Exteriores

Miembros de la delegación/Delegation members:

- Juan Ignacio Strassburger, Ministro, Dirección de Temas Económicos Especiales, Ministerio de Relaciones Exteriores
- Héctor Dellepiane, Ministro, Embajada de Argentina en Paraguay

BOLIVIARepresentante/Representative:

- Agustín Saavedra Weise, Embajador en Misión Especial

Miembros de la delegación/Delegation members:

- Antonio Mariaca, Director de Organismos Internacionales, Ministerio de Relaciones Exteriores
- Raúl Zelada, Encargado de Negocios, Embajada de Bolivia en Paraguay
- Gonzalo Sánchez Carranza, Director General de Asuntos Marítimos
- Rómulo Álvarez, Director General de Transporte del Viceministerio de Transporte y Aeronáutica Civil
- Oscar Núñez Gamarra, Contralmirante, Agregado Naval, Embajada de Bolivia en Paraguay

BRASIL/BRAZILRepresentante/Representative:

- José Antonio Marcondes de Carvalho, Director General de Integración Latinoamericana del Ministerio de Relaciones Exteriores

Miembros de la delegación/Delegation members:

- Luis Augusto de Castro Neves, Embajador de Brasil en Paraguay
- Carlos Alberto M. Dem Hartog, Consejero, Embajada del Brasil en Paraguay

CHILERepresentante/Representative:

- Juan Carlos Latorre, Subsecretario de Transporte, Ministerio de Obras Públicas, Transporte y Telecomunicaciones

Miembros de la delegación/Delegation members:

- María Teresa Infante Caffi, Directora Nacional de Fronteras y Límites del Estado, Ministerio de Relaciones Exteriores
- Gabriel Zepeda, Ministro Consejero, Sub-Director América del Sur, Ministerio de Relaciones Exteriores
- Anselmo Pommès, Director de Fronteras
- Eric Martín, Encargado IIRSA
- Christian Hodges Nugent, Segundo Secretario, Embajada de Chile en Paraguay

PARAGUAYRepresentante/Representative:

- José Antonio Moreno Ruffinelli, Ministro de Relaciones Exteriores

Miembros de la delegación/Delegation members:

- Manuel María Cáceres, Viceministro de Relaciones Exteriores
- Rigoberto Gauto, Viceministro de Relaciones Exteriores para Asuntos Económicos e Integración
- Luis Alberto Meyer, Ministro, Secretario Ejecutivo de la Secretaría Técnica de Planificación
- Eladio Loizaga, Embajador, Representante Permanente del Paraguay ante las Naciones Unidas
- Nimia Oviedo De Torales, Directora General de Gabinete y Director General Interino de Política Multilateral, Ministerio de Relaciones Exteriores
- Julio Arriola, Director de Organismos Internacionales, Ministerio de Relaciones Exteriores
- Juan Buffa, Ministro, Representante Alterno del Paraguay ante las Naciones Unidas
- Igor Pangrazio, Director de Organismos Económicos Multilaterales, Ministerio de Relaciones Exteriores
- María Graciela Caballero, Director de Cuenca del Plata y Navegación Fluvial, Ministerio de Relaciones Exteriores
- Estela Miranda de Laguardia, Jefe de la Unidad de Relaciones Internacionales de la Asociación Nacional de Navegación y Puerto
- Roberto Salinas, Coordinador de IIRSA Paraguay
- Celso Ayala Martínez, Director, Secretaría Técnica de Planificación
- Fernando B. Costantini, Asesor de Asuntos sobre Recursos Hídricos, Ministerio de Relaciones Exteriores
- Juan Bosch, Armador
- Carlos Fretes, Gerente Comercial de la Administración Nacional de Navegación y Puerto
- Miguel Ángel Ruíz, Jefe del Departamento de Integración de la Asociación Nacional de Navegación y Puerto
- Sergio Amarilla, Jefe del Departamento de Asuntos Internacionales
- María Odalis Acuña, Técnica de la Dirección de Integración
- Guillermo Ehreke

PERÚ

Representante/Representative:

- Norah Nalvarte, Embajadora del Perú en Paraguay

Miembros de la delegación/Delegation members:

- Gonzalo Gutiérrez, Embajador, Director Ejecutivo de la Oficina de Promoción Económica
- Rosario Santa Gadea Duarte, Secretaria Ejecutiva de la Comisión Multisectorial del Perú sobre IIRSA
- Augusto Soto Moreno, Ministro Consejero, Embajada del Perú en Paraguay
- Alberto Farje, Primer Secretario, Embajada del Perú en Paraguay

URUGUAY

Representante/Representative:

- Didier Opertti, Ministro de Relaciones Exteriores

Miembros de la delegación/Delegation members:

- Carlos Ernesto Orlando Bonet, Embajador del Uruguay en Paraguay
- Federico Xiviller, Ministro Embajada del Uruguay en Paraguay

B. Estados miembros de las Naciones Unidas que no lo son de la Comisión y participan con carácter consultivo

Member States of the United Nations not members of the Commission and participating in a consultative capacity

Etats membres des Nations Unies qui ne sont pas membres de la Commission et y participant à titre consultatif

JAPÓN

Representante/Representative:

- Shosuke Ito, Embajador del Japón en Paraguay

Miembros de la delegación/Delegation members:

- Norio Sudo, Consejero Embajada del Japón en Paraguay
- Miki Yamada, Tercera Secretaría, Embajada de Japón en Paraguay

C. Secretaría de la Organización de las Naciones Unidas
United Nations Secretariat
Secrétariat de l'Organisation des Nations Unies

Oficina del Alto Representante de las Naciones Unidas para los países menos adelantados, los países en desarrollo sin litoral y los pequeños Estados insulares en desarrollo

- Anwarul K. Chowdhury, Alto Representante y Secretario General de la Conferencia Ministerial de Países en Desarrollo sin Litoral y de Tránsito Internacional de Países en Desarrollo sin Litoral y de Tránsito y de Países Donantes y de las Instituciones Financieras y de Desarrollo Internacional sobre Cooperación en materia de Transporte
- Sandagdorj Erdenebileg, Oficial

D. Organismos de las Naciones Unidas
United Nations bodies
Organisations rattachées à l'Organisation des Nations Unies

Conferencia de las Naciones Unidas sobre Comercio y Desarrollo (UNCTAD)

- Ouane Habid, Director de Países Menos Adelantados
- René Peña Castellón, Consultor

E. Otras organizaciones intergubernamentales
Other Intergovernmental Organizations
Autres organisations intergouvernementales

Banco Interamericano de Desarrollo (BID)/Inter-American Development Bank (IDB)/Banque Interaméricaine de Développement (BID)

- Julio Arvelo Durán, Consultor
- José Paulo Silveira, Consultor

Fondo Financiero para el Desarrollo de la Cuenca del Plata (FONPLATA)

- Julio Sanabria, Director

**F. Secretaría
Secretariat
Secrétariat**

Comisión Económica para América Latina y el Caribe (CEPAL)/Economic Commission for Latin America and the Caribbean (ECLAC)/Commission économique pour l'Amérique latine et les Caraïbes (CEPALC)

- José Antonio Ocampo, Secretario Ejecutivo
- Daniel Blanchard, Secretario de la Comisión
- Ian Thomson, Jefe Unidad de Transporte
- María Elisa Bernal, Asistente Especial de la Secretaría de la Comisión
- Luis Fidel Yáñez, Asesor Legal

