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# ECONOMIC AND SOCIAL COUNCIL



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ECLA'S ROLE IN FACILITATION 1/

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The ECLA secretariat's work in the field of facilitation received an important stimulus in 1975, when the sixteenth session of the Economic Commission for Latin America recommended that the Transport and Communications Division "support regional action to facilitate procedures applied in trade and transport, both intra-regional and with the rest of the world." 2/ Under this mandate, ECLA has rapidly expanded its interests until today it takes the lead in coordinating facilitation activities within Latin America and plays a significant part in efforts at the global level as well. To give voice both to its own activities and ideas and to those of other organizations, ECLA publishes the bimonthly FAL ("Facilitation en America Latina") Bulletin which furnishes the world at large with an insight into current Latin American advances in facilitation and provides this region with information about the latest accomplishments elsewhere.

Document prepared for the Trade Facilitation Conference held in Manila, 16-20 May 1978, under the auspices of the Philippines National Facilitation Committee (PHILPRO).

<sup>2/</sup> Resolution 356 (XVI). 32 Francisco Company of the Resolution 356 (XVI).

## 1. Regional activities

Within Latin America, ECLA is particularly concerned with international land transport. The region now possesses a reasonably complete network of physical infrastructure in the form of highways and rail connections between countries, but physical growth generally has not been accompanied by the creation of complementary institutional infrastructure adequate to permit effective use of the network by trucking companies and railways. Seeking to promote the necessary institutional development, ECLA has been instrumental in the preparation of several conventions designed to facilitate trade flows or to eliminate barriers that have prevented their being established in the first place.

The need for such facilitation was forcefully demonstrated in October 1973, when the Latin American Association of Railways (ALAF) sponsored the first multinational rail shipment ever attempted from Chile through Argentina and Bolivia to Brazil. During the trip, which was organized by ECLA's Transport and Communications Division, an inventory was made of some 2' different documents required. As a direct consequence of this experience, ECLA and ALAF collaborated to prepare and obtain ratification of the MULTILAF convention covering multinational (three or more countries) freight transport by the railways of Argentina, Bolivia, Brazil, Chile, Paraguay and Uruguay. ECLA has implemented a provision of this convention that calls for a single multinational transport document by designing a waybill aligned with the ECE layout key. Once comments on a draft of the waybill now being circulated have been received from the interested railways and any suggested modifications accomplished, use of the resulting document will become mandatory.

To facilitate the movement of goods in transit, ECLA helped the Latin American Free Trade Association develop a set of common norms for customs procedures that follow closely the stipulations of appendix E.1 of the Kyoto Convention, and then assisted in having them incorporated into a convention adopted by the Meeting of Ministers of Public Works and Transport of the Southern Cone. This convention is now in the process of ratification.

Regional forums frequently play an important part in defining ECLA's work program in facilitation. For example, the Meeting of Ministers at one time asked the secretariat to prepare a convention establishing uniform conditions of liability for enterprises offering international transportation and related services. Upon learning of the secretariat's intention to draw up such an agreement, the Second Latin American Preparatory Meeting on an International Multimodal Transport Convention requested that its geographical scope be widened to include the entire region. In compliance with this request, ECLA sponsored a meeting of a Group of Experts to write a draft that is presently being circulated for review by the interested Governments.

### World-wide activities

At the world level, ECLA is contributing actively to IMCO's goals for facilitation by conducting a survey of documents required by Latin American ports for the docking of ships. This information will be incorporated into a manual to aid ship operators with docking procedures. It will also serve to measure the region's progress in complying with its own Mar del Plata Convention on maritime facilitation, which, although predating the IMCO convention by several years, is very similar to it.

In the area of trade and transport data transmission, the ECLA-Organization of American States Maritime Transport Program is participating in the development of two coding schemes that will facilitate information interchange. The first, an outgrowth of ECLA's collaboration with the ECE Working Party on Trade Facilitation, is an international location code (LOCODE) that combines the ISO Alpha-2 country code with the existing IATA three-letter location identifier code, or with a specially invented code for any

location not already having an IATA code. ECLA has just completed a preliminary analysis of a file structure for handling these codes by computer, which is now being studied by UNCTAD's Special Programme on Trade Facilitation.

The second scheme is a proposal to restructure the existing International Telecommunications Union system for assigning ships! radio call signs so as to base them on the ISO Alpha-2 country code, thereby making them better suited for use in international trade documents as a ship identification code. Such a change is desirable because the name of a ship in plain language is in general unnecessarily long and not unique. The present radio call sign is both short and unique, but lacks coherence and offers no easily-recognizable link to the country of registry. Since a revised code structure incorporating the two-letter ISO country designator would constitute a significant improvement, the ECE Working Party on Facilitation of International Trade Procedures has recommended that this proposal be adopted at the next World Administrative Radio Conference in 1979.

#### 3. FAL Bulletin

The FAL Bulletin is ECLA's contribution to the diffusion of know-ledge about facilitation. Published bimonthly in Spanish only, it is distributed to approximately 1 300 recipients in 70 countries. Some numbers analyze in depth a single topic of special interest, while others contain a digest of recent activities and issues both within the region and around the globe. The Bulletin thus constitutes a vital communications link between Latin America and the rest of the world that emphasizes the importance of this region's contributions to the facilitation of trade and transport.