MULTIMODAL TRANSPORT AND TRANSIT SOLUTIONS

Experience from Chile

Ashgabat, Turkmenistan
26 – 27 November 2016
MULTIMODALITY

Multimodal Transport takes us to address the following issues:

1. Transport costs
2. Technology
3. Facilitation
4. Market access
5. Legal framework
1.- TRANSPORT COSTS

The introduction of multimodal transport and logistics is seen as a powerful tool to reduce transaction costs.

Reducing transaction costs is largely related to actions at national level and requires political will and government support.
The use of new technologies increases the capacity of transport infrastructure and figures prominently in development plans.

The improved coordination of the supply chain can improve the productivity of facilities and thus increase the capacity of transport infrastructure.
3.- FACILITATION

Trade facilitation is key to reduce costs and delays.

In the scope of facilitation the concessions to operate transport infrastructure in some countries have contributed to overcoming operational inefficiencies and redressed investment shortcomings in terms of increased throughput, ship size and frequency of shipping services.
WTO trade Facilitation Agreement has potential to bring concrete benefits to LLDCs

• Potential trade cost reduction for developing countries from TFA -> 13-15.5%

Source: Ms. Dagmar Hertova, UN-OHRLLS, 15-16 junio 2015, WCO Regional Integration Conference

Chile ratified the WTO Agreement on Trade Facilitation
III. Renewed and strengthened partnerships for development

20. The *private sector* and civil society are important stakeholders, whose contribution will be critical to the implementation of the Vienna Programme of Action of Action, including through transparent, effective and accountable public-private partnerships.

*Chile makes full use of private sector and public-private partnerships in the administration of many national ports*
4.- MARKET ACCESS

Market access is a critical issue for developing countries. The abolition of cargo reservation regimes would clearly be to the benefit of transport users and the population of developing countries as a whole. The competition in transport services should be encouraged in order to reduce costs and promote the development of logistics providers.
5.- LEGAL FRAMEWORK

At the international level, there is no uniform legal regime to govern liability arising from multimodal transportation, but rather a multiplicity of national and regional systems (supranational systems).
In South America exists the “Agreement on International Land Transport” (ATIT) subscribed by the following countries in 1991:

- Argentina
- Brasil
- Bolivia
- Chile
- Paraguay
- Perú
- Uruguay
The “Agreement on international land transport” precisely contains a regulation on *land and rail transport*.

One of the regulated operations refers to the *transit through the territory of the subscribing countries* to third countries, using land, rail or maritime modes.

The agreement includes regulations on permits and customs formalities, but the same agreement allows to improve through bilateral or multilateral agreements.
TRANSIT TRANSPORT FACILITATION: Consolidated ports

Chile offers 10 maritime consolidated ports for the use of international high capacity cargo:
- Arica
- Iquique
- Antofagasta/Mejillones
- Coquimbo
- Valparaíso
- San Antonio
- Talcahuano/San Vicente
- Puerto Montt
- Chacabuco
- Punta Arenas
PHYSICAL INTEGRATION PROJECTS

1.- Brazil - Paraguay - Argentina and Chile Corridor, which will connect the ports of Santos in the Atlantic Ocean (Brasil) and Antofagasta in the Pacific Ocean (Chile).

2.- Agua Negra Tunnel

3.- Las Leñas Tunnel
1. BRAZIL – PARAGUAY – ARGENTINA AND CHILE CORRIDOR
2.- AGUA NEGRA TUNNEL

1.- Two main tunnels

2.- Length of approximately 13.9 km
AGUA NEGRA TUNNEL (The longest in Southamerica)
3.- LAS LEÑAS TUNNEL

- Length of 11.6 kms.

- Alternative connectivity: Chile and trade from the Mercosur countries (Argentina, Brasil, Paraguay, Uruguay and Bolivia).
Making Sustainable Transport happens at Regional Level
The International law and the Chilean Law provide an international legal framework that is fully consistent with the Sustainable Transport of the 2030 Agenda on Sustainable Development in vital matters such as:

a) Road Safety

b) Respect for the environment
ROAD SAFETY ONE OF THE MAJOR CHALLENGES IN INTERNATIONAL TRANSIT TRANSPORT

It is essential that road safety be supported through education and the establishment of efficient control measures.

**SDG 3.6**: By 2020, halve the number of global deaths and injuries from road traffic accidents

**SDG 11.2**: By 2030, provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety
Poor technical conditions of vehicles and speeding, two challenges for national authorities
RESPECT FOR THE ENVIRONMENT

International transit has an impact on the environment.

**SDG 15.** Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.
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