

# **DRAFT REPORT OF THE CHAIRMAN OF SPECIAL COMMITTEE ON TRANSPORT**

**ASSOCIATION OF CARIBBEAN STATES (ACS)**

**25<sup>th</sup> INTERSESSIONAL PREPARATORY MEETING FOR THE 28<sup>TH</sup> ORDINARY  
MEETING OF THE ACS MINISTERIAL COUNCIL**

ACS Secretariat, Port of Spain, Republic of Trinidad and Tobago

(Virtual Meeting)

18<sup>th</sup> January, 2023

## **REPORT OF THE CHAIRMAN OF THE SPECIAL COMMITTEE ON TRANSPORT ON THE ANNUAL WORK PROGRAMME**

This report gives an account of the activities implemented in the focal area of transport within the ACS Directorate for Trade and Sustainable Development during the period from April 2022 through December 2022. These activities were executed with the end of fulfilling the objectives defined in the 2022-2028 Plan of Action approved at the 27<sup>th</sup> Ordinary Meeting of the ACS Ministerial Council. The ACS recognizes that the development of robust transportation networks in the Greater Caribbean is a cornerstone of the ACS mandate to advance the sustainable development of the Greater Caribbean. The pandemic-induced disruptions experienced in the transport sector in the Greater Caribbean have worsened the regional dilemma of limited transport connectivity. The challenges and opportunities of this paradigm shift in transport planning must be carefully considered so that the transport ecosystem of the Greater Caribbean becomes more connected and equipped to sustain regional value chains and business activity. In this light, the programme of work of the ACS for regional transport development has been developed to support member countries adopt approaches, tools and methodologies that are appropriate to these evolving needs of the regional transport sector.

### **1. MEMBERSHIP ENGAGEMENT, CONSULTATION AND ENDORSEMENT**

#### **1.1 2<sup>nd</sup> Meeting of the Executive Board of the Special Committee on Transport**

The 2<sup>nd</sup> Meeting of the Executive Board of the ACS Special Committee on Transport took place virtually on 7<sup>th</sup> June, 2022 and was presided over by H.E Mr. Serge Letchimy, President of the Executive Council of Martinique, President of the Executive Council of Territorial Collectivity of Martinique, who represented Martinique, in the capacity as Chair of the ACS Special Committee on Transport. The ACS Directorate for Trade and Sustainable Development briefed the meeting participants on the role of the Directorate, the respective role of each member of the Executive Board of the Special Committee on Transport, the ongoing programme of work related to transport and planning for the ACS Work Programme for Transport in 2023. The Chair of the Executive Board underscored the priority actions to be undertaken during the chairmanship of Martinique. In detailing the priorities, he highlighted the need for reduced carbon footprints in maritime and air transport, hosting the ACS Connectivity Conference in Martinique in 2023, boosting regional connectivity through partner engagement and negotiation for cost-effective transport access rights and assisting resource mobilization efforts to secure financing for the work included in the transport work programme.

## **1.2 31<sup>st</sup> Meeting of the Special Committee on Transport**

The 31<sup>st</sup> Meeting of the Special Committee on Transport took place via videoconference on Tuesday 23<sup>rd</sup> August 2022, and was presided over by Ms. Sandra Casanova, Advisor to the Assembly of Martinique of the Territorial Collectivity of Martinique, in the capacity as Chair of the ACS Special Committee on Transport. Attending the meeting were 16 Member States, 3 Associate Members and 2 Founding Observers. The meeting included a sectoral stakeholder session that focused on key thematic areas such as regional cooperation in the transport industry, port sustainability and digitalization. Leading experts from both the public and private sectors were invited to share their perspectives on these issues so that policymakers gain a deeper understanding of the key developments facing the industry. This session served as a platform for Member States and Associate Members to focus on fostering collaboration and efforts towards enhanced connectivity in the regional transport sector to transform it into a system that is more sustainable, robust, and integrated. Experts from the following organizations made interventions during this session: United Nations Economic Commission for Latin America and the Caribbean (UNECLAC), Port Management Association of the Caribbean (PMAC), International Maritime Organization (IMO), International Civil Aviation Organization (ICAO), Central American Maritime Transport Commission (COCATRAM) and the Federated Network of Information Exchange in Future Logistics.

The closed working session during the second half of the meeting focused on reporting achievements and initiatives executed in the 2021-2022 period and a presentation of the Transport Work Programme and ACS Implementation Plan developed to meet the transport development objectives outlined in the ACS Plan of Action for 2022-2028. However, due to technical difficulties, participants opted to postpone this second session of the meeting until members had the opportunity to review the related meeting documents and conduct the necessary consultations. Therefore, the 31<sup>st</sup> Meeting of the Special Committee on Transport was reconvened on Tuesday 6<sup>th</sup> September, 2022. During this meeting, members received presentations on the proposed ACS Implementation Plan and the 2022-2023 Transport Work Programme which were approved unanimously by the meeting.

## **1.3 7<sup>th</sup> Meeting of the Coordination Mechanism**

The 7<sup>th</sup> Meeting of the Coordination Mechanism was held on August 2<sup>nd</sup>, 2022 via videoconference at the ACS Secretariat, Republic of Trinidad and Tobago. The Meeting was presided by the Chair of the ACS Ministerial Council, the Republic of Guatemala, H.E. Minister Mario Adolfo Búcaro Flores, Minister of Foreign Affairs. The general objective of the meeting was to synergize the work of the Special Committees and Caribbean Sea Commission and to facilitate coherence between the work programmes in each respective focal area, the ACS Action Plan and Summit mandates. In this regard, in her capacity as Chair of the Special Committee on Transport, Ms. Sandra Casanova delivered a

presentation on the strategic actions in transport emanating from the ACS Plan of Action that govern the projects and initiatives conceptualized in the Implementation Plan for transport. She also provided an overview of the projects and activities that will be prioritized during her tenure of chairmanship, namely the organisation of a regional Conference on Connectivity, the promotion of investment in transport infrastructure and the strengthening of multimodal transport networks in the Greater Caribbean; as well as the implementation of an omnichannel platform in order to unify the customer experience and respond more effectively to their requests.

#### **1.4 Inputs for Transport in the ACS Implementation Plan 2022-2028**

Following the approval of the ACS Plan of Action 2022-2028, the Directorate continued its work on contributions for the Implementation Plan. Within the Implementation Plan, major activities through which the related strategic actions would be realized were defined. The corresponding outputs, resources, partners, success indicators and timelines were articulated. For the period 2022-2028, a total of four (4) major projects and ongoing programmes are envisaged to support the development of an integrated, resilient transport system in the Greater Caribbean. These activities include the following:

- Maritime and Logistics Strategy
- Regional Air Connectivity Strategy
- Sustainable Transport Programme
- Establishment of a Regional Ferry Network in the Greater Caribbean

Moreover, as transport remains a foundational aspect of business activity in general, cross-sectoral collaboration has been emphasised to capitalize on synergies across the focal areas of sustainable tourism, transport and trade. These transversal programmes include the following:

- Data-driven decision making
- Digital Transformation
- Capacity building programmes
- Continuous programme of research

## **2. ENHANCE ACCESS THROUGH EXPANDED TRANSPORT CONNECTIVITY AND IMPROVED LOGISTICS SYSTEMS**

### **2.1 Maps of Maritime Routes of the Greater Caribbean**

The ACS continues to support the maintenance of the Maps of Maritime Routes platform managed by COCATRAM. The ACS Secretariat covers the annual license fees for this platform and participates in its steering committee. The platform displays maritime services by country, and monthly, quarterly and annual comparison tables of port capacity within the Greater Caribbean region. Added to these is the public information that has been obtained regarding foreign trade in the region. Additionally, the ports along the Pacific coast of Latin America, encompassing eight (8) countries, eleven (11) ports and forty-four (44) services are also included. This tool continues to provide traders, transport

stakeholders and businesses with detailed, transparent information on the maritime transport and logistics services available in the Greater Caribbean. On 28<sup>th</sup> July, 2022, the Directorate for Trade and Sustainable Development participated in a meeting with COCATRAM to evaluate the performance and user analytics of the platform. The data demonstrated high website traffic by users both within and outside the region.

## **2.2 Maritime Transport and Logistics Strategy**

Following the approval of the Project Concept Document (PCD) to develop a Maritime Transport and Logistics Strategy for the Greater Caribbean, the ACS, through the Directorate for Trade and Sustainable Development, received a study completed in 2022 by UNECLAC on *"Inputs for the future Greater Caribbean's new maritime Strategy"*. The objective of this study was to provide a basis for the development of a Maritime Transport and Logistics Strategy for the Greater Caribbean. To that end, the study makes a strong case for strengthened regional and sectoral cooperation on maritime transport and shipping operations in container ports. This study, covering seventy-seven ports in the Caribbean Basin, the Gulf and the Pacific coast of Panama, updates the data in a previous study done in 2014 that analyses port facilities and container traffic in the Greater Caribbean. It provides a quantitative analysis of some of the key factors that influences a port's competitiveness and a comprehensive assessment of the presence of Global Terminal Operators in the Caribbean, the share of exports, imports, ports' performance and connectivity, and other recommendations related to handling the disruptions in the transport sector caused by the COVID-19 pandemic.

## **2.3 A Regional Ferry Network**

Following the approval of a PCD presented at the 29<sup>th</sup> Special Committee to develop a Ferry Network in the Greater Caribbean, UNECLAC completed a feasibility study in July, 2022 for a regional ferry network. Based on a supply and demand data analysis, the study identifies three potential hubs – Caucedo, Saint Lucia and Port of Spain – and four potential routes:

1. Rotation 1 – departing from Caucedo, Dominican Republic, bound for Castries, St. Lucia, via the British Virgin Islands, Dominica and St. Barthélemy.
2. Rotation 2 – Departing St. Lucia for Port of Spain, Trinidad and Tobago, before calling at the islands of Barbados, Grenada and St. Vincent and the Grenadines.
3. Rotation 3 and 4 – The third and fourth proposed rotations use the Port of Spain hub to integrate Suriname and Guyana in the southern direction, while in the other direction they integrate Colombia, Aruba, Curaçao and Bonaire.

Public-Private Partnerships (PPP) are recognized in the study as a viable means of attracting support for investment and operation by the private sector. In this regard, the Directorate will work towards developing a framework for the development of a regional PPP to support this project.

The President of the Special Transport Committee of the ACS notes the absence of Martinique from all the rotations proposed in the feasibility study for a Ferry Network in the Greater Caribbean.

### **3. STRENGTHENING OF TRANSPORT CAPACITIES AND OTHER RELEVANT MATTERS**

#### **3.1 ACS Connectivity Conference**

The Directorate, with the guidance of the Chair of the Special Committee on Transport, developed a concept to host the first ACS Connectivity Conference under the working theme *"Rising above Vulnerabilities and Challenges: Rethinking Transport Connectivity in the Greater Caribbean"*. The event is expected to take place during the second quarter of 2023 in Martinique. Some of the topics tabled for discussion include smart solutions for transport connectivity, bridging connectivity gaps and multimodal transport solutions that can help improve last mile delivery in the region. The Directorate and the Chair of the Special Committee on Transport is working on a proposal to apply for funding from the European Interreg Programme.

#### **3.2 Multimodal Transport Webinar**

Since May 2022, the Directorate has been working closely with the Inter-American Development Bank (IDB) to conceptualize and execute a webinar on multimodal transport. This webinar seeks to address multimodal transport solutions that can be leveraged to improve regional connectivity and allow countries to capitalize on the physical proximity between regional markets in order to meet the needs of businesses and consumers. The concept was developed with input from transport experts from the IDB and was tentatively scheduled to take place in October, 2022. However, due to other commitments and activities hosted by the ACS Secretariat, this activity will be rescheduled.

#### **3.3 6<sup>th</sup> ACS International Cooperation Conference**

Planning meetings within the Directorate to identify and prepare presentations on prioritized projects within the focal area of transport culminated in the Directorate's intervention at the 6<sup>th</sup> ACS International Cooperation Conference on 10<sup>th</sup> – 11<sup>th</sup> November, 2022 in Cuba. Considering that the projects within the ACS programming constitute the main means through which sustainable development goals are operationalized, this event is an important occasion for the ACS to present its work to potential partners in order to attract funding and technical cooperation for its projects. The Directorate for Trade and Sustainable Development developed presentations and content for marketing material that was displayed during the ACS Cooperation Conference. Regarding the Transport Work Programme, the projects that were presented are the Digital Transformation Project, the Development of a Regional Ferry Network, and the Maritime Transport and Logistics Strategy.



### **3.4 Enhanced Cooperation with Regional and International Organisations Specialised in Transport**

- i. The Directorate for Trade and Sustainable Development represented the Association of Caribbean States at the *IMO Carib-SMART Stakeholder Webinar* which was held virtually on August 11<sup>th</sup>, 2022. The webinar focused on sustainable maritime transportation, during which industry experts offered information that positioned stakeholders to identify issues relating to it. It also facilitated information sharing on the Preparatory Phase to encourage greater buy-in from relevant stakeholders. In effort to support the project, the webinar provided a platform for streamlining of information from key stakeholders specifically focusing on how their work can support the implementation of the Carib-SMART project. The Directorate, presented on the Transport Work Programme, during which, areas such as Digital Transformation, the establishment of a Regional Ferry Network, Port Development and Maritime Transport and Logistics were discussed, demonstrating how the ACS can support the project.
- ii. The Association of Caribbean States, represented by the Directorate for Trade and Sustainable Development, participated and presented during the ICAO "*Studies on the Regulatory Impact of Air Services Agreements for the Promotion of the Liberalization of the Air Transport Market in Latin America and the Caribbean*" webinar. Held on September 13<sup>th</sup> 2022, the webinar facilitated robust discussions on the positive benefits of regulation and liberalisation of air markets within the Greater Caribbean region. The Directorate presented on the potential impact of air services agreements in the region, analysing the major challenges faced by the industry while positioning the work of the ACS and its Air Services Agreement as a potential measure to stimulate growth and encourage operational efficiency.
- iii. The Directorate for Trade and Sustainable Development represented the Association of Caribbean States at the *Port Management Association of the Caribbean's (PMAC) General Assembly Meeting* held on September 14<sup>th</sup> and 15<sup>th</sup>, 2022. The meeting received an update on PMAC's ongoing work in collaboration with key industry stakeholders such as CDEMA, OAS-CIP, and CAIPA. The Directorate identified areas for collaboration and are engaging PMAC and other Stakeholders relevant to these synergies.
- iv. The Association of Caribbean States, represented by the Secretary General and the Directorate for Trade and Sustainable Development, participated in the *7<sup>th</sup> International Forum of Cities and Logistics Platforms* hosted in Panama from the 18<sup>th</sup> -20<sup>th</sup> October, 2022. The Directorate researched and prepared a presentation on the Blue Economy and Public-private Partnerships (PPPs) which was presented by the Secretary General. The presentation focused on the potential of this industry that can be enabled through PPPs. The opportunity was also taken at this conference to meet

with key transport stakeholders including GeorgiaTech to discuss possible collaboration.

- v. The Directorate continued to execute the mandate of the ACS and recalibrated their work to focus on the emerging issues to adequately meet the needs of the ACS membership. In that regard the Directorate engaged a number of strategic partners to identify and develop collaborative work. The following are some of the stakeholders engaged over the period:
- **Meeting with the International Maritime Organization (IMO):** The ACS Secretariat, through the Directorate for Trade and Sustainable Development and the Directorate for Cooperation and Resource Mobilization, had a meeting on 13<sup>th</sup> July, 2022 with the International Maritime Organization (IMO) to discuss the ongoing Carib-SMART Project. The project is focused on the sustainable development of ports in small Island Developing States (SIDS). The beneficiary countries include thirteen ACS member countries in the Caribbean. The needs assessment phase of the project is underway and, considering the close synergies with the ACS Maritime Transport and Logistics Strategy project, the IMO representatives proposed sharing the data and findings of the assessment with the Directorate that could be considered as a basis for the direction of the strategy.
  - **Meeting with the Caribbean Alliance:** In keeping with the ACS' commitment to capitalize on synergies and partnerships with regional and international development partners, the Directorate for Trade and Sustainable Development held a meeting with representatives from the Ministry of Economic Development of Curaçao and the Curaçao Tourist Board in May 2022. The purpose of the meeting was to follow-up on a project proposal to collaborate on the Caribbean Airlift Alliance project to the ACS. Considering air connectivity strategy in the transport work programme, the Directorate participated in this meeting and recognized the many synergies and opportunities to develop a joint project proposal.
  - **Meeting with the Central American Commission for Maritime Transport (COCATRAM):** Following the meeting with the Central American Commission for Maritime Transport in February 2022, the ACS through the Directorate for Trade and Sustainable Development conducted several collaboration meetings to finalize a Memorandum of Understanding (MoU) for a continued partnership. This was dispatched to Membership for their consideration and was signed during the Cooperation Conference in Cuba that took place on the 10<sup>th</sup> -11<sup>th</sup> November 2022.