

SECTION C

LATTS STRATEGIC TRANSPORTATION SYSTEM

As discussed in Section B, the Alliance Region is the gateway for trade with Latin America. More trade with Latin America passes through the Alliance Region than through the rest of the United States combined. Over 70 percent of all U.S./Latin American trade through U.S. ports, more than 60 percent of all U.S./Latin American trade through U.S. airports, and over 75 percent of all U.S./Latin American trade through U.S. border posts use Alliance Region gateways.

The Alliance Region is the primary gateway for trade between itself and Latin America, as well as between the United States and Latin America. In other words, the Alliance Region's transportation system is strategically important for the entire national economy, specifically with regard to trade with Latin America.

It is expected that U.S. trade with Latin America will continue to grow, as will the amount of Latin American gateway trade through the Alliance Region.

LATTS STRATEGIC TRANSPORTATION SYSTEM

For that reason, the Alliance members identified a LATTS Strategic Transportation System that is critical to accommodating trade with Latin America. The Strategic System is not only important for trade, but also for carrying other freight and passenger traffic.

The challenge to the Alliance and, indeed, the Nation is to maintain and improve the Strategic System so that it can successfully accommodate growth in Latin American trade as well as growth in traffic as well.

A MULTIMODAL TRANSPORTATION SYSTEM

The LATTS Strategic Transportation System consists of all four modes typically used for freight transportation – waterports, railroads, airports and highways. Each mode plays an important role in trade and economic development.

For example, trucks, rail and inland waterways (barge) are critical for the bulk-oriented agriculture (grain, etc.) and natural resource (coal, ore, etc.) sectors (see **Exhibit C-1**). These commodities are inputs that drive value-added production in our domestic economy and economies abroad. A cost-effective and reliable bulk transport system is critical to Alliance-wide and National economic security.

In the middle of the value spectrum are basic manufactured products. These represent partially processed products which tend to be in a break-bulk or neo-bulk form. Due to their relative value-added nature and materials handling

characteristics, trucking, specifically non-container, and rail are preferred modes for these commodities.

A cost-effective and reliable transport system for semi-processed products is critical to Alliance-wide and National economic security.

At the other end of the value spectrum are manufactured products which favor trucking, rail intermodal and air as the modes of choice. In fact, air cargo is especially critical for the manufacturing sectors which rely on this mode to move high value and time sensitive products and commodities.

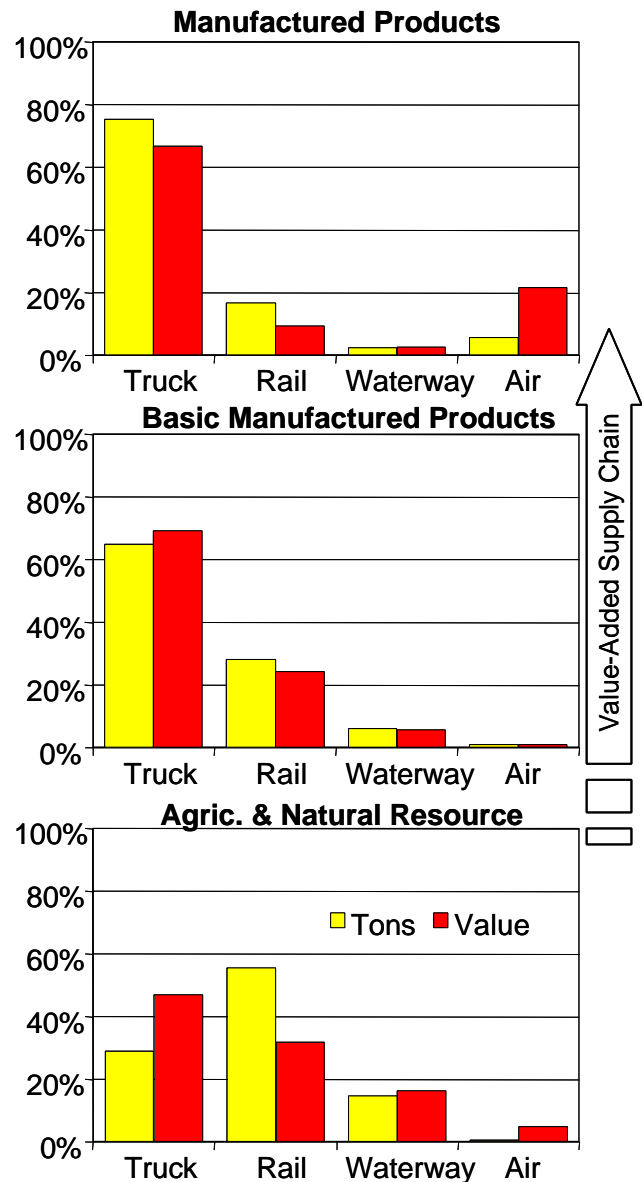
From an economic development standpoint, the manufacturing sectors play a critical role in the Alliance and National economies in terms of providing higher skilled work opportunities. This translates to higher incomes and improved quality of life for the work force.

PROCESS FOR DEFINING THE LATTS STRATEGIC TRANSPORTATION SYSTEM

It was necessary that LATTS focus its analyses upon those transportation facilities that were most relevant to trade with Latin America. Therefore, a process was undertaken in which criteria were developed as a basis for identifying those facilities which either currently are of significant importance to Latin American trade flows or which could become significantly important. In adopting criteria, certain basic principles were observed as follows:

- ▶ The Strategic Transportation System should be consistent in scale with the regional character of the study and its strategic planning approach.

**Exhibit C-1
MODAL CHOICES
FOR MAJOR SECTORS
Alliance Trade with Latin America**



- ▶ Emphasis was placed on those transportation elements which were most significant regarding trade with Latin America. It was acknowledged that there were additional transportation elements that are of special importance to the economic well being of the Alliance members but which were not significant regarding Latin American trade. Even though there was a compelling rationale to focus LATTS upon only that part of the transportation system that plays a significant role in trade with Latin America, it also was determined that some facilities, especially important to Alliance members, would be included in the LATTS Strategic Transportation System regardless of whether they play a major role in Latin American trade.
- ▶ The LATTS analyses of the transportation system, of necessity, were conducted on a broad, regional, strategic scale. Site-specific analyses for individual facilities were not included in LATTS. Indeed, state level analyses were the major stratification adopted for results of the LATTS analyses.

SUMMARY FEATURES OF THE LATTS STRATEGIC TRANSPORTATION SYSTEM

The results of applying this process are presented in Sections C1: Ports, C2: Airports, C3: Railroads and C4: Highways which follow. The main features of the LATTS Strategic Transportation System are summarized as follows:

- ▶ Waterports
 - B A total of 42 waterports within the Alliance Region were included in the Strategic Transportation System.
 - B This included 31 coastal ports and 11 inland riverports.
- ▶ Airports
 - B The Strategic Transportation System included 48 airports.
 - B Of this total, 46 were existing facilities and two were proposed airports.
- ▶ Railroads
 - B Some 22,285 miles of railroads were included in the Strategic Transportation System.
- ▶ Highways
 - B The mainline portion of the LATTS Strategic Highway System totaled 22,859 miles.
 - B Interstate highways comprised 14,602 miles (or nearly two-thirds) of the mainline portion of the system. Non-interstate facilities made up the remaining 8,257 miles.
 - B The LATTS Strategic Highway System also included 123 individual intermodal connectors to waterports and airports.