

The Tren Macho

Interview with
Juan de Dios Olaechea
President of Ferrocarril
Central Andino



Seven years ago it was as if the Ferrocarril Central was a ghost train, not even the developers of the bid process were convinced of the viability of the project. It was the private sector who, even faced with this ambiguity, were so motivated by the success of rail systems all around the world that they put an end to the agony of the 'tren macho' and used their deep knowledge and experience to rejuvenate interest in this all but forgotten method of transport.

Juan de Dios Olaechea, President of Ferrocarril Central Andino, tells us about the progress of this project and their new investment plans.

How did you first decide to take part in this concession?

Many of our shareholders have always been preoccupied with Peru's lack of infrastructure and neglect of train travel as a mode of transport, despite its importance in

the rest of the world. At the time of the bid not even the government believed in railways, to such a degree that in the concession ceremony they used the literal phrase that they were handing over an "old lady" that should be cared for and helped to die.

What were the goals of the concession?

At the beginning they were really modest. We wanted the train to be able to transport 1.5 million tons of minerals; for it to stop losing 40,000 tons of concentrate; not derail with such frequency and for old locomotives to be able to pass over Ticlio. Against all expectations we reached all these goals within the first year. Now, while it still continues to be the most 'difficult train in the world', seven years after starting the project we are proud to say that we transport 2 millions tons of freight a year and also passengers on a regular basis.

What are the advantages of rail travel?

In terms of speed, capacity, safety

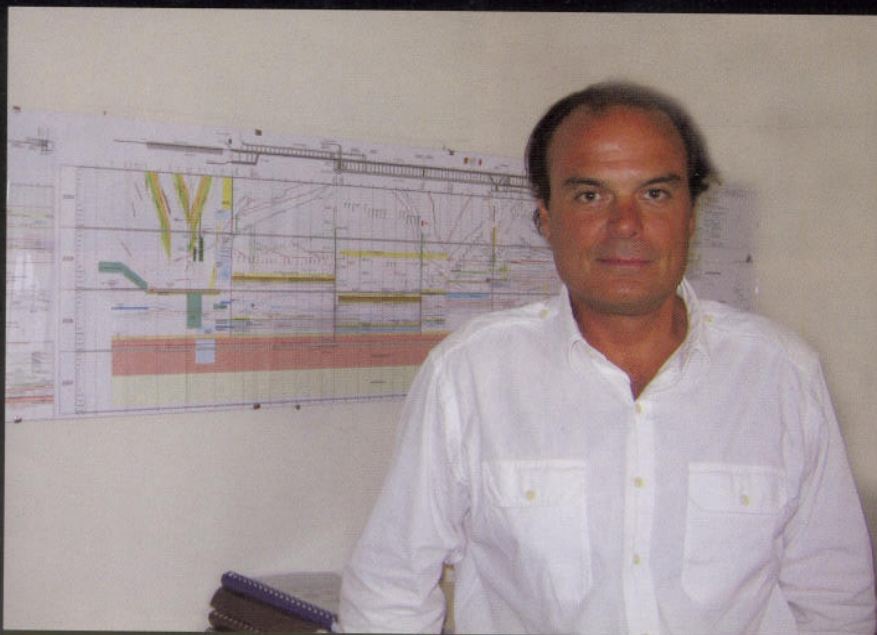
and care for the environment, trains surpass all other means of transport.

Specifically in the case of our locomotives, although they normally use diesel fuel, for the last year we have been using one powered by liquid gas with such success that we are now thinking of converting our entire main line locomotive fleet to natural gas. This would allow us to help Peru achieve one step further towards energy independence, as well as taking advantages of the ecological benefits of this cleaner form of fuel.

Trains are also a potential decentralization tool. Unfortunately when policies in Peru are developed, they are generally always focused on Lima and the Pacific coast, ignoring the needs and opportunities of the highlands.

Why have we abandoned rail as a means of transport?

Peru has become wilder, and as trains require knowledge and systems they are not compatible with informality or a half-baked mentality. Therefore in our disordered



Juan de Dios Olaechea



We have invested more than 15 million dollars in locomotives and improvements to infrastructure.



Our locomotives produce 45% less pollution than trucks.



tions to all our problems even though rail and waterways are equally important. To continue insisting that all transport in Peru hinges on highways is the product of ignorance.

Have you considered taking part in any other concessions?

Currently we are building a standard gauge line between Huancayo and Huancavelica. These are the truly abandoned areas of Peru and where you see the true inefficiency of highways. The idea is to start creating a rail corridor which will connect the central highland areas of Peru to one another.

What service will this new rail travel corridor provide?

The final objective of any train is to be able to transport people. Our obligation is to assure social mobility and to try and make these areas more economically competitive. Currently when setting up a company in Huancavelica, Abancay or Andahuaylas, transport and infrastructure are always the main obstacles to progress.

Tell us a little bit more about the TransAndean Tunnel?

It is a two stage project which we presented to the government on December 14, 2006. The first stage is the construction of a 23 kilometre tunnel; which might seem quite

long, but wouldn't even come in in 50th place if compared to other tunnels of its kind in the world. The second stage is to replace all the existing railway track. This will allow us to reach speeds that are currently unimaginable for Peru and which will allow us to transport 2 to 3 million passengers to Huancayo and Cerro de Pasco. With this new investment it would be possible to travel from Lima to Huancayo in only 4 hours. If the project is approved the work will be completed within 5 years.

What other measures should the government take in order to continue promoting the transport and infrastructure sector?

If I was the Minister, I would commission the production of economic and engineering studies for the Tambo del Sol project, which would pass through Pozuzo to Pucallpa. We are aware and have seen the natural disasters that these areas suffer from, but a well carried out geological study would allow the development of a train service that takes this into account.■

For more information about these projects please visit the following websites: <http://www.ferrocarrilcentral.com.pe/> and http://www.rrdc.com/op_peru_fcca.html

country rail travel cannot function. In Peru we suffer from the defect of believing that roads are the solution to all our problems, even though rail and waterways are equally important. To continue insisting that all transport in Peru hinges on highways is the product of ignorance.

Why have we abandoned rail as a means of transport?

Peru has become increasingly wild, and as trains require knowledge and systems, they are not compatible with informality or a 'more or less' attitude. Therefore rail travel can not function in a country which is suffering from such a mentality. In Peru we suffer from the defect of believing that roads are the solu-