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FEGUA RAIL NETWORK RECONSTRUCTION, GUATEMALA

Good progress is being made with the return to use of the derelict 784km (497 mile) rail network in the Central American state of Guatemala. This is being undertaken under a 50-year concession to the Compañía Desarrolladora Ferroviaria SA consortium, an affiliate of the **Railroad Development Corporation (RDC)** of Pittsburgh, USA.

Observers believe that the take over will result in the revitalization of a once moribund state-owned rail network, and result in the provision of a rail system to lead the country out of difficult economic conditions. Guatemala has the largest population and economy in Central America with low inflation, a tradition of maintaining a stable currency, democratic government, and a policy open to domestic and foreign investment.

At its height, FEGUA enjoyed a status as the most important rail network in Central America, despite operating on a non-standard 1067mm gauge, and linking with neighboring countries' 1435mm systems.

More importantly, it provided links between the country's interior and the Atlantic and Pacific oceans, which, in reality, are its economic lifelines, providing the main routes by which its principal exports of coffee, bananas and sugar can be transported to their main markets. Containers, steel, cement and paper are also carried.



One of the FEGUA-built diesels, dating from 1982, which is now in the hands of the RDC.

The Project

Redevelopment of the country's railways faced the familiar stumbling block of the constraints imposed by being under state control, which had allowed unregulated road transport to gain a decisive upper hand in winning new traffic.

The would-be operators of the new system were keen to stress that they brought to the table valuable experience from the operation of two rail route concessions in Argentina, and their main business, the Iowa Interstate Railroad, from Chicago to Omaha in the United States.

RDC started to rebuild the old main line between Puerto Barrios on the Atlantic Coast and Guatemala City early in 1998. Plans called for the main line to be re-opened by the end of 1998 between Puerto Barrios and Guatemala City, but massive damage from Hurricane Mitch delayed this until spring 1999. Several bridges were knocked off their abutments and needed to be replaced.



The poor state of bridge structures is a major worry.

Infrastructure

The country's rail network is 1,067mm gauge line. This links with the Mexican system, 1,435mm gauge, and the El Salvadorian network, also 1,067mm.

The country's network consists of 784km of 1067mm gauge line. As previously mentioned, this links with the Mexican system, which has a 1435mm gauge, and the El Salvadorian network, also with a 1067mm gauge. RDC believes the Guatemalan operation had strengths far beyond simple rail operations - its ownership of ports and real estate in and around the main stations gives it considerable potential. However, physical deterioration reached such a stage that passenger traffic ceased in 1994, and despite the possibility of privatization, the country's entire rail system closed two years later.

RDC vigorously opposed this move, saying it would be far more difficult to rehabilitate the network once closed, rather than keep it running in its present state.

But the scale of the investment needed meant it was forced initially to concentrate on the corridor offering the maximum return - the 300km corridor from Guatemala City to the Atlantic ports of Puerto Barrios and San Tomás, where road traffic carried goods as diverse as coffee to scrap metal, and bananas to cement.



This damaged bridge, at Villa Canales, gives some idea of the scale of the task facing the RDC in reviving railways in Guatemala.

Railroad Development Corporation faced a number of unusual problems beyond the obvious obstacles of a lack of capital investment. Theft, vandalism and the widespread occupation of former railway premises by squatters all made the RDC's task more difficult, but road construction had also meant that connections to several former freight customers' premises had been severed.

On 15 April 1999 a goods train ran between a cement plant in El Chile to the Guatemala City, and in the first full operational year 63,000t of goods were carried, rising to 110,000t in 2001. Under normal conditions one train per day each operates in each per direction and day, taking 12 hours to travel 300km.

Several links to private sidings will need to be restored, but the most important new project is a new terminal to handle container and transshipment traffic. At a new location, it will move this important hub from the former Central station to a site more convenient for major industrial customers.



One of the four operational General Electric diesel locomotives which it is hoped will be returned to traffic.

Rolling Stock

The operator owns a small fleet of 15 modern diesel locomotives, which date from 1982. Only seven engines were operable on the take-over. General Electric U10 locomotives were found to be in relatively good condition, having seen little use as traffic declined before closure. FEGUA now has 200 freight vehicles in working order, mainly of low-capacity box and flat cars.

Signaling / Communications

The project has been described by RDC as 'bootstrap capitalism', by which his company intends to get the network running with the minimum investment, and then see what is needed to meet any demands created by new traffic flows. By this, he means that signaling will be restored where needed, and further investment will be dependent on any growth in traffic. A simple 'one train in section' system will, therefore, be adequate for most needs, until the growth in traffic demands a more sophisticated method.

The Future

The rail network of this Central American state has begun its revitalization from an unimaginable state of decay, but the new American operators are under no illusions as to the scale of the task which they have begun.



The 200km Pacific corridor from Tecun Uman on the Mexican border to Puerto Quetzal and Esquintla - from where lorry loads could be transshipped to Guatemala City - was seen as the next priority, while Phase three is seen as the construction of a new line to Cementos Progreso, and Phase four, the restoration of the a link between the Pacific and Atlantic corridors with the reinstatement of the Esquintla-Guatemala City line.

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RDC has its sights set on the reinstatement of the long-closed link between Guatemala and El Salvador. Reinstatement of passenger traffic is a possibility if it does not interfere with freight services.

FEGUA Rail Network – Specification

System	
Ownership	Compañía Desarrollodera Ferroviaria SA (a subsidiary of US-based Railroad Development Corp.)
Date opened	1904
Route length	784km (490 miles)
Stations	12
Maximum line speed	80km/h (50mph)
Gauge	1,067mm
Extensions Planned	
Phase 3	To Cementos Progreso
Phase 4	Zacapa-Anguiatu-El Salvador
Opening date	To be determined
Rolling Stock	
Fleet total	15 locomotives serviceable, steam in reserve
Builder	Alco/General Electric
New stock on order	Nil

FEGUA Rail Network – Specification (cont.)

Power System	
Electrification	None, all trains diesel-hauled
Special Characteristics	
<ul style="list-style-type: none">▪ From scratch regeneration of the national rail system▪ Investment driven by need to move growing freight traffic▪ No Government subsidy▪ Railroad Development Corporation to invest US\$10 million▪ 50-year concession▪ Steam locomotives safeguarded as contingency	

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