

Intermodal Tank Containers in Bolivia

Utilizing a new transportation asset with in-country resources and expertise to improve the delivery of fuels.



THE CHALLENGE

In Bolivia most fuels (gasoline and diesel) are delivered by tank truck or in rail tank cars. This supply chain can be filled with complications. Our client, tasked with managing these shipments, challenged Eurotainer and our Bolivian agent to craft a more efficient and cost effective supply chain for the delivery of these critical commodities in Bolivia.

- Rail tank car shortage and rail tank car availability issues
- The critical shipment of fuels on the Bolivian railways have priority over other commodities but rail tank cars carrying fuels cannot be easily identified and given priority
- Leaking rail tank cars
- Large capital investment required to purchase new railcars
- Delivery time measured in days, not hours
- Limited land based storage tanks
- Multiple product trans-loads required from barges to land based storage tanks to rail tank cars. High handling costs and increased product loss.

THE PROPOSAL

Eurotainer and our agent analyzed the fuel supply chain, identified the sections of the supply chain that needed improvement and crafted a plan to improve it. Our plan included lower cost and capital expenditures while reducing delivery timing and increasing the reliability of the transportation assets utilized for the shipments.

THE SOLUTION

1 Deploy a fleet of 24000 liter tank containers dedicated to the transport of the fuels. Eurotainer used their international logistics expertise to arrange shipment of the tank containers to Iquique, Chile from the US & Europe. Our agent used their expertise to obtain the necessary import permits to bring the containers in to Bolivia. Their trucking service then delivered the empty tanks to Santa Cruz, Bolivia to start the project.



2 At Santa Cruz the tank containers are loaded with fuel and placed on rail flatcars with our agent's container crane (the only one available in Bolivia). The trains are dedicated for fuel shipments and the rail operator can easily identify the train as a fuel train and give the train priority over other trains on the line. The trains then deliver the fuel to three different cities in South Bolivia.



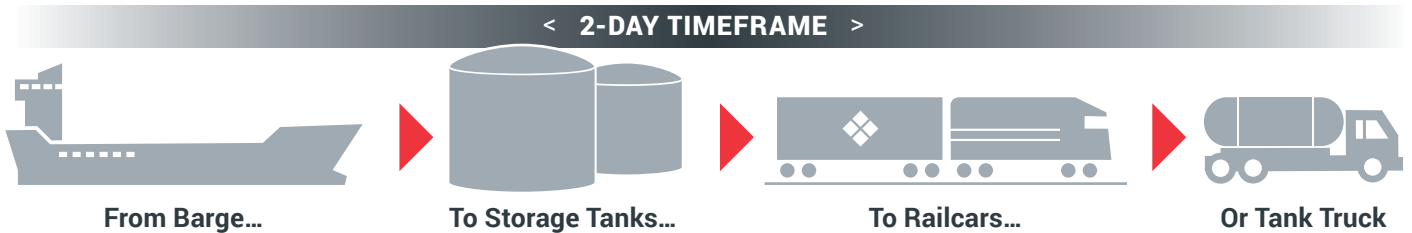
3 At non-rail served locations our agent's trucking service delivered the tank containers of fuel directly to the customers in Bolivia and others in Brazil and Peru.

4 Our team in Bolivia consistently and accurately tracked the tank containers and provided regular updates on the estimated time of arrival at the destinations.

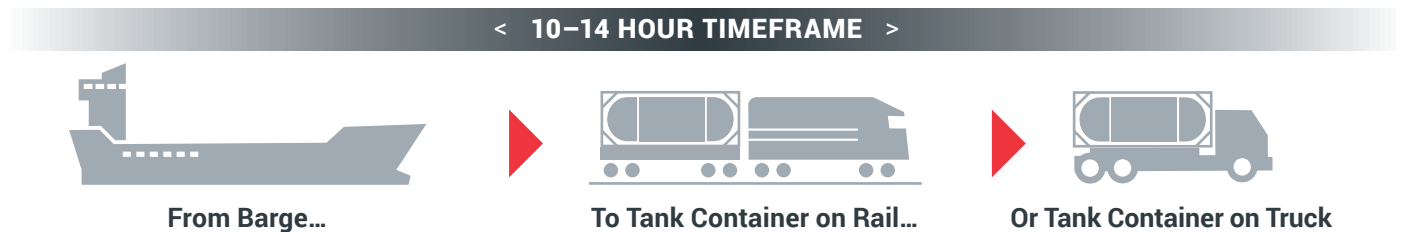
5 By deploying tank containers the product could be loaded directly from the barges to the tank containers with no need to go through a storage tank.



BEFORE



AFTER



THE BENEFITS

Overall trucking costs were reduced by approximately 60%.

Reduced steps in the overall process, reduced handling costs and reduced product loss.

By leasing containers no capital expenditure was needed by the client; saving funds vs. purchasing rail tank cars.

Delivery timing is reduced from two days to 10-14 hours.

Increased shipment visibility and increased accuracy in estimating delivery timing.

As extra benefit client reduced number of locomotives allocated to their supply chain by using container-on-flatcar instead of rail tank cars.