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SPECIAL REPORT ON LATIN AMERICA

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THE ONLY WAY IS UP

Any expectations that 2025 might, finally, be the year that Latin America's chemical and petrochemical sector would make substantial progress towards recovery, have not come to fruition.

In Mexico, 2025's chemical market has been defined by "caution and slower momentum," according to Martín Toscano, Evonik's Mexico president. Brazil's chemical sector, the region's largest, faces a "concerning" outlook for 2025, said André Passos Cordeiro, from industry association Abiquim. In Argentina, Ariel Stolar, Pampa Energía's petrochemicals director, put it bluntly: "Though 2024 was manageable, 2025 looks very difficult, with many companies likely to lose money."

The hope is that efforts to cut costs, maximize efficiency and boost resilience will prove to be the medicine that can re-establish the region as a competitor the global chemicals and petrochemicals.

IT'S NOT OVER YET

"Latin America has emerged as an important destination market, with products from Asia, the Middle East and the US competing for customers," assessed Jesse Tijerina from S&P Global's chemical insights unit. Margins are squeezed for Latin American producers in a market flooded by overcapacity.

The light at the end of this tunnel remains barely visible. "It is hard to think of another moment in which such a huge amount of surplus capacity has entered the global market. The recovery will take time," advised Wagner Costa, partner at Bain & Company.

"This imbalance is expected to go on until 2028 or even further," gauged Simone de Faria, Latin America lead at polymers intelligence firm Townsend Solutions, while Javier Sato, CEO of Argentina polypropylene producer Petrocuyo, concluded: "We anticipate that global demand will take until around 2030 to absorb current excess capacity."

China figured centrally in several chemical executives' ire. By 2034, China is expected to produce nearly half of global PP supply, and it already outputs a third of the world's PE. "China's aggressive chemical production and market oversupply are impacting the trade flows. The influx of low-cost Chinese chemicals is intensifying competition and further pressuring margins," assessed Patrick de Heide at chemical shipping group HOYER.

Other analysis turned inwards. "Latin America's chemical and petrochemical sectors have faced a persistent lack of investment, leaving them reliant on imports," underlined S&P's Tijerina. Mexico's Pemex and Brazil's Braskem are set to receive new funding, but only after desperate calls for cheaper and diversified feedstocks.

Arguments for change also point at protectionist policies. "Protectionism leads to higher import prices locally to support domestic production. However, these costs are passed on to the supply chain," explained Townsend's de Faria. She illuminated what she called a "vicious cycle" of high import tariffs, freight costs and expensive US dollar exchange rates.

Yet, as the Argentine case shows, protectionist tariffs' removal may be easier said than done: Their abolishment has exposed local producers to unfettered international competition, making it near-impossible for many to square the circle.

The challenge is for Latin America to balance competitiveness with resilience, requiring investment, reform and cooperation, to overcome stagnation in a globalized and oversupplied marketplace.

Manuel Díaz, Executive Director, APLA

Stefan Lepecki, VP South American Business, Braskem

WEATHERING THE STORM

For now, many companies have elected to bide their time. "The chemical industry is currently experiencing a challenging phase in its cycle. Resilience is crucial in such a context, and those companies investing in enhancing their toolbox will be well positioned when the market enters a more favorable phase," said Bain's Costa.

This effort is playing out in different ways across the industry. For Petrocuyo, the chosen approach is to cut costs: "Our main challenge is managing costs amid shrinking margins across the petrochemical industry, a critical factor for survival," described CEO Sato.

Others favor a strategy of investing in facilities, upgrading technologies, expanding production and opening new sites, betting on robustness and scale. In such circumstances, all-new business uncertainties would be unwelcome…

Enter: US President Donald Trump's import tariffs, which have left global industry in a state of shock in 2025. "Tariffs have added volatility to the global chemicals and plastics trade, disrupting flows of finished products, feedstocks, and derivatives," assessed Tricon Energy's Rafael Gerlein, adding: "Tariffs risk prolonging and unevenly shaping any recovery."

The US is an important export market for Latin American chemical industries. Amid this uncertainty, lower activity across various industries risks dragging down economic growth and shrinking demand for chemical inputs. "What the industry needs more than anything is clarity on the tariff front so strategies can be developed to mitigate their impact," concluded S&P's Tijerina.

Still, the outlook is not universally negative. Although Brazil and Mexico have faced specific, punitive tariffs, Daniel Amador Torra, from distributor KH Chemicals, argued: "Latin America's relatively neutral geopolitical stance makes it less exposed to tariffs and other disruptions compared to markets like Europe."

Latin America may even be naturally predisposed to make the most of this challenge. "Clients in the region have adapted to a state of permanent crisis. Historically, geopolitical tensions would have triggered purchases driven by fears of price hikes. This dynamic has reversed; clients are strategically leveraging lower prices to increase their stock," illuminated Eduardo Arus, from distributor Snetor, pointing to a deep sense of resilience among Latin America's businesses.

Indeed, Gina Fyffe, CEO of trader Integra, saw a path to renewal: "Resilience and innovation define the region. By leveraging local advantages and targeting niche markets, Latin American firms are adapting, building competitive strength despite difficult global conditions," she said. ■

MEXICO

A woman with a plan: Claudia Sheinbaum's Plan México

Mexico finds itself at a moment of opportunity. Miguel Benedetto, from industry association ANIQ, reflected: "Despite recent challenges, chemicals remain among the three most important sectors in Mexico with an impressive investment potential estimated at US$45 billion over the next 15 years."

Mexican president Claudia Sheinbaum's Plan México underlines the country's investment potential. Sheinbaum introduced her administration's ambitious development roadmap in January 2025, with goals including moving Mexico from the 12th to the 10th largest economy globally, creating 1.5 million new jobs, and expanding 'Made in Mexico' domestic manufacturing.

The petrochemical and chemical industry is one of the Plan's strategic pillars. Evonik's Toscano, emphasized the sector's importance: "The chemical industry is central to Mexico's nearshoring strategy and long-term competitiveness. Without a strong chemical base, manufacturing value chains cannot fully develop, making the sector essential to Plan México."

Another is to reduce Mexico's dependency on imported natural gas. This offers a crucial input to another increased national production of petrochemicals and fertilizers. "Increasing gas and oil production to secure a sufficient feedstock supply is imperative to stimulate industry growth," argued ANIQ's Bennedetto.

With hopes of providing greater investor certainty, the Mexican government is drafting a new Hydrocarbons Law. While some welcomed the new framework, others called for further refinement: "The Hydrocarbons Law treats all petrochemicals as O&G products. It introduces additional requirements, including registrations and letters of intent, potentially halting imports," argued Francisco Martínez from distributor GreenChem.

Mexico's chemical sector stands at a crossroads: persistent deficits and inefficiencies contrast with vast investment potential. The industry's revival will hinge on turning lofty policy ambitions into lasting structural gains.

SOLVING THE PEMEX PROBLEM

Pemex's financial and operational struggles cast a long shadow over Mexico's petrochemical sector. Mounting debt, underperforming refineries, corruption investigations, and rising fuel theft have reduced domestic feedstock supply and increased electricity costs. Its revival will require substantial investment in aging production and transport infrastructure.

Mexico's government plans to spend around US$975 million to boost ethylene and polyethylene output, cutting US$14 billion in imports, while modernizing facilities and improving transport links. Public-private partnerships may also be leveraged in order to source more funding and expertise.

Evonik's Toscano commented: "Private collaboration with the public sector, including Pemex, will help reactivate petrochemical assets, ensuring a sustainable, competitive platform and securing Mexico's position as a key manufacturing and export hub in global supply chains."

Of course, Pemex is not the only player here. Braskem Idesa and Advario's Puerto México terminal boosts polyethylene production by handling 80,000 barrels/day of ethane, mitigating feedstock shortages. "Our plant is ready to operate at full capacity, reaching an annual production

Martín Toscano, President – Mexico, Evonik

Miguel Benedetto, Executive Director, ANIQ

of up to 1.05 million tons of polyethylene. This also drives the growth of Mexico's polyethylene market, contributing to import substitution, securing supply, and consolidating the country's petrochemical value chain," commented Braskem Idesa CEO Isabel Figueredo.

KEEP YOUR FRIENDS CLOSE

In March 2025, the Trump administration imposed 25% tariffs on non-USMCA goods imports from Mexico. Some view Mexico's dependence on the US as a risk. Others remain optimistic, confident in ongoing progress and the enduring potential of nearshoring.

Any replacement of the US would be enormously challenging. "For three decades, Mexico has developed trade relationships, infrastructure, and supply chains designed to strengthen links with the US and Canada. Our priority is to maintain this framework while remaining open to exploring new partnerships," said ANIQ's Bennedetto.

Ahead of USMCA renegotiations set for 2026, industry insiders in Mexico were positive about the potential for a win-win. "I remain optimistic regarding the upcoming renegotiation of the USMCA. Any disruption will likely be limited, as Mexico imports more chemicals than it exports to the US," commented GreenChem's Francisco Martínez, praising the Sheinbaum administration's pragmatic diplomacy.

Others saw potential for diversification: "USMCA negotiations should soon provide greater clarity on Mexico's role within North America, while also allowing Mexico to expand opportunities in Europe and other regions," suggested Evonik's Toscano. Mexico's location, low labor costs and strong chemical sector offer strong advantages here.

Ultimately, though, the sector wants clarity. "Mexican imports of chemicals, plastics, and most finished goods are exempt from tariffs by the USMCA agreement. The key will be which products are included in the exemption lists," affirmed S&P's Tijerina.

Huntsman's Muchon highlighted the impact of uncertainty: "Nearshoring expectations have faced setbacks. Some customers' projects have been paused due to sensitivity around tariffs. Mexico and the US have engaged in constructive discussions. This ongoing dialogue is crucial, given the strong economic interdependence between the US and Mexico."

Mexico's path hinges on managing interdependence with the US while exploring new markets. Success will depend on clarity, stable negotiations, and diplomacy, ensuring that nearshoring benefits are realized without undermining existing strengths. ■

BRAZIL

Global pressure, green advantage

Brazil's chemical sector is the world's fourth largest, with net revenue of US$158.6 billion in 2024, and by many measures its most sustainable. The country benefits from a vast domestic market and global relevance across agriculture, pharmaceuticals, mining, pulp and paper, biofuels and personal care.

However, the sector is certainly not in rude health. "The industry is affected by climate change, geopolitical uncertainty, and a surge in imports of low-taxed products," assessed Abiquim's Passos Cordeiro. Chemical imports reached a record high 49% of domestic demand in 2024, underlining a trade deficit of US$49 billion.

PUTTING PAID TO THE 'BRAZIL COST'

This flood of cheap imports driven by global oversupply has left Brazilian producers unable to compete and struggling to adapt. Passos Cordeiro summarized the 'Brazil Cost': "High electricity prices, inefficient logistics, bureaucracy, and, most notably, the price of natural gas."

Some suggested that far-reaching reforms are required in Brazil to cut costs and reinvigorate the industry. "High taxation, particularly interstate tax discrepancies, puts domestic producers at a disadvantage in Brazil," asserted Daniela Manique from Solvay.

Marcus Barranjard, general manager of São Paulo-based distributor Bandeirante Brazmo, argued that Brazil's high energy and natural gas costs meant that even more profound changes would be necessary: "Tariff increases alone will not solve this; structural reforms to reduce costs are essential," he said.

Times can be tough: "We have been impacted by the reduction in margins between resin prices and naphtha costs, reducing our competitiveness," lamented Braskem's Stefan Lepecki. He went further, contending that "cheap imports are sold often at prices below cost, compromising fair competition."

Braskem is aiming to diversify its feedstock supply, within a wider R$33 billion package announced by its part-owner Petrobras in July 2025. Luiz Inácio Lula da Silva, Brazil's president, hailed the investment: "Petrobras is a kind of compass for the Brazilian economy. If Petrobras does well, Brazil does well."

Petrobras has outlined US$111 billion in project investments from 2025 to 2029, also including what Fábio Lopes de Azevedo, an executive, labelled a "strategic return to the ethanol market, recognizing its growing importance in Brazil and globally, driven by ethanol's long-term growth potential and its relevance to the Brazilian energy transition."

Petrobras' investments are not alone. Unipar is investing US$200 million in the modernization and conversion of its Cubatão chlorine facility to 100% membrane technology, to position it as "South America's largest and most modern chlorine production hub, aligned with long-term growth."

Kemira is also seeing growth in its South American operations, on the back of a regional pulp and paper production expansion. "Modern pulp mills require substantial volumes of chemicals, often justifying the construction of new chemical plants," commented Paulo Barbosa, a sales director for Kemira.

In agricultural chemicals, Renato Guimarães welcomed FMC's "most robust innovation cycle in 140 years," casting persistent inventiveness as part of a solution to the competitiveness problem: "Innovation is essential to control rising costs, as post-patent generics lose efficiency and demand higher doses."

Brazil retains the fundamentals for a vast, diverse chemical industry, with scale, resources, and innovation combining into real strength. The industry's priority is dismantling the 'Brazil Cost' to build a leaner, more competitive sector.

SUSTAINABILITY: THE 'BRAZIL BONUS'?

In November 2025, Brazil hosted COP30 in Belém, drawing heads of state and business leaders. The event's location near the Amazon set the stage for a potentially pivotal shift of global climate conversation. Unlike recent hosts Azerbaijan and the UAE – for better or worse, unapologetic petrostates – Brazil presented itself as a transition leader, with an energy matrix dominated by renewables.

Solvay's Daniela Manique, who also led the Sustainable Business COP30's energy transition group, put it so: "COP30 is a key opportunity to showcase Brazil's industrial achievements in sustainability. While we receive global project submissions, the scale and innovation in Brazil stand out and I believe they deserve far greater recognition on the world stage."

Among those achievements is Brazil's variety of 'green' products. Guy Bessant, president of Stolthaven Terminals explained the company's recent green pivot: "Bioenergy-linked chemistry is expanding, while basic chemicals see minimal growth. Companies such as Braskem, Raízen and Impasa are developing green polymers, ethanol and ammonia, with European firms seeking green feedstocks for energy transition."

Elsewhere, Topsoe is contributing its chemical processing and catalyst expertise to Petrobras' Riograndense refinery project, set to be one of Brazil's first commercial scale sustainable aviation fuels (SAF) plants. "Brazil is a leading force in this wave of renewable projects, and particularly for SAF thanks to its abundant feedstock and supportive legislation," said Topsoe's Cienfuegos.

Petrobras' Lopes de Azevedo contrasted the chemical industry's short-term challenge – competing with oversupplied imports – with the medium-to-long term one of implementing an effective and integrated transition to a low-carbon economy, while also meeting the economic and social needs of the population.

The Brazilian government is not sitting idly by. Its new Special Program for Chemical Industry Sustainability (Presiq) targets stimulus measures at projects advancing sustainability goals. "Presiq promotes innovation, the use of renewable raw materials such as biomass and natural gas, green financing, and energy efficiency," commented Abiquim's Passos Cordeiro.

Others argue government support has not gone far enough to sufficiently boost industrial development. Stolthaven's Bessant contended: "A lack of strong industrial policy has led to limited new investment in production facilities" in Brazil.

Brazil's chemical sector remains focused on leveraging its green advantages and expertise. Success, however, is not guaranteed, requiring sustained commitment from both government and industry to address challenges across multiple fronts. ■

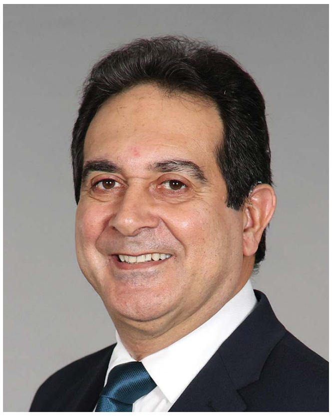
ARGENTINA

Waiting for the day after tomorrow

Between its vast Vaca Muerta reserves, a free-market transformation, and nostalgia for the country's golden years, Argentina's petrochemical and chemical industries' potential is clear. Yet the present brings pessimism. Vaca Muerta's benefits remain slow to arrive, economic reforms are incomplete, and many protections have vanished.

Gabriel Rodríguez Garrido, from the Argentine Petrochemical Institute (IPA), insisted the sector need only wait until 'the day after tomorrow': "Today, oil represents the most immediate opportunity for Argentina, offering a simple pathway from extraction to export. 'Tomorrow' it will be natural gas, with the country preparing for major exports starting 2027. 'The day after tomorrow,' it will be petrochemicals," he said.

Much work remains before the petrochemical sector can fully exploit Vaca Muerta's unique, long-term benefits. Logistics remain a major barrier: "While companies connected to Vaca Muerta enjoy advantages, most local producers must compete globally, facing high infrastructure, logistics, financial, and tax costs," commented Pampa Energía's Stolar.



Fábio Lopes de Azevedo, Executive Manager of Business Integration & Partnership, Petrobras

HOLDING BACK THE FLOOD

President Javier Milei has reshaped Argentina's economy. Argentina's 2024 budget ran a surplus for the first time in 14 years. Inflation fell from 211.4% in 2023 to 117.8% in 2024, with 2025 projected at 30%. A landslide win in Argentina's October midterms shored up his movement politically, bolstering the peso and calming investor nerves.

"Argentina's economy is rebounding, driven by easing capital controls, lower inflation, and growing investor confidence," said Matías Campodónico from Dow. Some began to ponder next steps: "What is needed now is to reactivate consumption and to generate investment, particularly in heavy industries that add value to the economy," assessed Gabriel García Polignano, from chemical transporter Celsur Logística.

However, there is another side. Milei's liberalizing agenda is welcoming new competition – opening Argentina to the same cheap chemical imports overwhelming the region.

Many firms were unprepared, after years of protectionism. "Over the past two decades, Argentina's petrochemical industry operated largely within a closed market, limited by import and export restrictions. This shaped a sector focused more on local supply than global competitiveness," explained IPA's Rodríguez Garrido.

Celsur's García Polignano expanded on this: "Argentina's recent developments are resulting in increased international competition in the petrochemical and plastics industry, particularly from China. Previously, Argentine operators were insulated from this due to various currency and import controls."

Javier Sato, CEO, Petrocuyo

Similarly, Claudio Gorichón, from distributor Reno, commented: "In Argentina, the investment environment is clearer than in the past, largely due to a more open economy. The primary challenge, however, stems from increased competition, as numerous large companies entering the market are driving down margins."

Argentina's producers have experienced a painful 2024 and 2025: "Global oversupply caused severe price declines, with major petrochemical companies reporting sharply reduced profits, consequential to falling market share and selling prices. Argentina was not immune," bemoaned Petrocuyo's Sato.

Meanwhile, Milei's incomplete revolution leaves producers with obstacles. "Argentina's producers face heavy municipal, income, and transportation taxes that were manageable in a closed market but are unsustainable today. These costs erode margins and cause losses," explained Pampa Energía's Stolar.

Milei's chainsaw approach effected rapid change, but its refinement is taking time. IPA's Rodríguez Garrido saw a need for wider reform: "Argentina's petrochemical sector must continue evolving to stay competitive. The next wave will require stable rules, reliable access to infrastructure, and the development of skilled human capital to seize emerging opportunities," he assessed.

Argentina's petrochemical sector faces a moment of reckoning in 2025. President Milei's push for competition has tightened margins, forcing firms to seek short-term relief while preparing for a future grounded in the country's new economic foundations. ■

OPPORTUNITIES ACROSS INDUSTRY

In May 2025, Lundin Mining announced potentially the world's largest copper discovery in three decades in Argentina's San Juan province. Argentina's mining sector has surged under Milei, aided by his Large Investment Incentive Regime (RIGI).

Without chemicals, it is impossible to efficiently turn mined ore into useful materials, opening up an all-new market for local producers in the coming years. "Mining in Argentina is a long-term opportunity for the petrochemical industry. While lithium's price drop has slowed momentum, copper is gaining attention due to Argentina's strong potential and the sector's growing need for chemical inputs," suggested Rodríguez Garrido from the IPA.

Distributors also see great potential. Germán Torres, president of Brenntag's Essentials business in Latin America, said: "We anticipate continued growth in the mining sector, especially as new opportunities emerge in Argentina and Brazil."

Amid mining's surge, though, some Argentine chemical producers felt left behind. While Milei's RIGI offers significant incentives, the US$200 million minimum investment was unattainable for petrochemical projects. "There have been few petrochemical projects actively pursuing RIGI incentives. This does not mean submissions will not happen, but more stability is needed to attract greater foreign capital," assessed Pampa Energía's Stolar.

IPA's Rodríguez Garrido saw potential in fertilizer projects, which benefit from a large domestic agricultural market in Argentina: "These require multi-billion-dollar investments, where frameworks like RIGI play a vital enabling role," he said.

Finally, Rodríguez Garrido returned once again to his theme: "I believe the key lies in first developing hydrocarbons – today oil, tomorrow gas – so that petrochemicals can emerge the day after. We are on that path," he concluded. ■

DISTRIBUTION

Thriving under pressure

While Latin America's petrochemical producers face challenges in 2025, distributors and traders are thriving. Market entries, portfolio expansions, partnerships and acquisitions, and the region's rising importance as a strategic hub highlight a stark contrast.

"We are preparing to invest in new facilities and infrastructure, enabling us to broaden our portfolio and strengthen our presence in the liquid chemical and specialty chemicals segments," confirmed Laurent Pasqualini from Manuchar.

Química Anastacio will launch Colombian distribution in 2026: "We will cover Latin America's four largest markets, cementing our position as a truly regional distributor," asserted Jan Krueder.

Tricon Energy's Gerlein, similarly, saw Latin America as a "cornerstone" region, which delivered 31% of the company's global revenue in 2024. Tricon plans expansion into new geographies, products, and segments through 2026.

AT YOUR SERVICE

Outlining this contrast, Gerlein explained: "Tricon's expansion has come despite what has been a challenging period for the global chemical industry. Our strength lies in our combination of global reach, local expertise and broad portfolio offering."

Local expertise was highlighted as crucial. "Our hybrid model of global reach and local responsiveness allows us to stay ahead of market trends, regulatory shifts like tariffs, and evolving customer needs," maintained Jorge Buckup from Univar Solutions.

Anastacio Overseas follows similar priorities: "We see our specialism as one of regional expertise, developing deep local knowledge and human resources tailored to each country and client," said Matias Vorbeck.

Last-mile customer service saw close focus. "We have implemented real-time last-mile delivery tracking, providing immediate updates on our shipments. Furthermore, we are actively applying AI to enhance customer service," explained Reno's Gorichon. Combining scale with local proximity helps to better withstand shocks, manage supply chains, and anticipate customer needs.

Germán Torres, President, Brenntag Essentials Latin America

Jan Krueder, CEO, Química Anastacio

RIDING THE SHOCKWAVES

"Post-pandemic adjustments continue to impact value chains, with markets still realigning after disruptions. Geopolitical conflicts in Ukraine and the Middle East have further influenced trade routes, particularly through the Suez Canal, affecting supply and demand balances," outlined Alessandro Moraes from IMCD.

Yet, Latin America remains a relative ocean of calm – notwithstanding recent US operations in the Caribbean – attracting attention: "The region's neutrality in global geopolitical conflicts, coupled with a growing middle class, creates a solid foundation for economic growth," said KH Chemicals' Amador Torra.

Above all, businesses must pick the right moment to make their move: "Seizing opportunities for growth will require careful timing, financial investment, and a strong commitment to meeting evolving environmental and sustainability standards," argued Brenntag's Torres.

Trading companies are more immediately exposed to supply chain disruptions. "Trading operations feel the impact of market shocks within days, compared to months in distribution," clarified Anastacio Overseas' Vorbeck. Balancing risk and opportunity, regional distributors and traders are actively charting their path forward.

CHARTING NEW PATHS

Executives highlight scale as key to weathering external shocks. "We see growth through M&A as a key part of our strategy in Latin America and the world, expanding our scale, product offering and expertise in our focus markets across all regions," said Manuchar's Pasqualini.

Tricon Energy is "adding scale and local market knowledge" through strategic acquisitions, said Gerlein; while IMCD "has successfully capitalized on quality acquisitions to complement its portfolio in the region," affirmed Moraes.

Several expanded their specialty offerings. "Partnerships in specialty segments are enhancing our technical capabilities and supporting the company's long-term value-added growth strategy," commented Química Anastacio's Krueder.

In Latin America, though, higher prices of specialty chemicals may be a barrier. "The commoditization of specialty chemicals, offered at competitive prices by Asian countries, has diminished the added value that originally justified this transition," observed Juan Pablo Gazmurri, from Chilean industry association ASIQUIM. Scale, specialties, and selective acquisitions are building distributors and traders' resilience against shocks and regional constraints. ■

LOGISTICS

Troubled waters

Geopolitical and economic disruptions have forced the chemical and petrochemical logistics sector improve its efficiency and resilience. Emerging solutions include new software, location monitoring devices, and enhanced infrastructure.

"We continue to operate in a highly uncertain environment, marked by geopolitical tensions and unresolved trade negotiations, particularly involving the US tariff policy. This has created hesitation among businesses, delaying investment decisions," described Martin Sack from Leschaco.

Martin Sack, Managing Director – Cluster MX/ CO/PE, Leschaco

Adaption may offer new opportunities: "Uncertainties are reshaping global trade flows, with companies prioritizing stability – even at higher costs. This creates opportunities for regions like Latin America to position themselves as stable, reliable partners," explained Matthew Eric Bassett from Voyager Portal.

Yet as tariffs and trade tensions continue simmering, businesses continue to exercise caution in Latin America. "We are developing mitigation plans to ensure that we can deliver the best customer service. This includes adapting supply chains, helping existing customers, and finding new ones," outlined Stolthaven Terminals' Bessant.

TURNING THE TIDE

Disruptions are creating opportunities for innovation. "We use predictive tools to optimize fleet management and minimize empty mileage by forecasting container arrivals and matching surplus areas with laden cargo opportunities. This reduces unnecessary transport, lowers emissions, and increases operational efficiency," said Patrick de Heide from HOYER Group.

Technological solutions are also relieving bottlenecking at Latin American ports. Describing the problem, Leschaco's Sack said: "Major hubs like Cartagena and Santos face persistent congestion, while Mexico's Manzanillo port has suffered severe delays due to customs strikes. These local issues compound regional instability."

Predicting a solution, Voyager's Bassett highlighted the role of AI: "The region now has a unique opportunity to leapfrog the slow, decades-long digitization paths of other regions' ports, enabling smarter decision-making today."

Others focused on physical infrastructure. Carboclor has invested in making its operations more sustainable. "Our new steam system and boiler will enable more efficient and environmentally responsible heating for all products requiring temperature control," said Ernesto Bastarrica.

John Moseley offered a view of Port Houston's infrastructural developments: "A new wharf at Bayport Container Terminal, which will be complete in 2025, will allow us to service five vessels simultaneously instead of four." The port is a key US-Latin America trade gateway.

Meanwhile, Mexico is investing in both harbor and overland logistics. "The Interoceanic Corridor across the Isthmus of Tehuantepec offers an alternative to the Panama Canal, benefiting both Mexican and US industries," put forward ANIQ's Benedetto. Infrastructure investments to fully capitalize on nearshoring and friendshoring trends could drive regional competitiveness.

THINKING OUTSIDE THE BOX

ISO tanks are a solution for safe, sustainable carriage of liquids, which are seeing increasing use in Latin America. Den Hartogh's Jean Felipe Albuquerque underscored regional drivers: "Latin America is a market that demands a lot of specialty chemicals, as many countries in the region do not produce them locally. This situation is unlikely to change in the medium term, so the import of ISO tanks will remain a strong trend."

Eurotainer has prioritized the development of its ISO tank range: "Environmental concerns and ESG requirements from downstream clients are accelerating this shift, with a growing preference for reusable tank containers," explained Olivier Houel.

Another key benefit is their versatility: "Big production plants have limited stock capacity, so our ISO tanks can serve as an emergency storage solution for their needs, or for those seeking to enter new markets," said Carlos Elizalde from Intermodal Tank Transport.

To maximize ISO tanks' potential across complex intermodal transport routes, companies are equipping their fleets with tracking and monitoring instrumentation. "Our system integrates CRM data, GPS tracking, and artificial intelligence to analyze transport routes, optimize new lanes, and support end-to-end logistics operations," explained Fernando Costa from NewPort Tank Containers.

Companies are adopting new strategies, integrating technologies and investing in infrastructure to emerge leaner, greener and more resilient in their Latin American operations. Challenges have become a driver of reinvention – the very mechanism securing the sector's long-term relevance and operational strength. ■