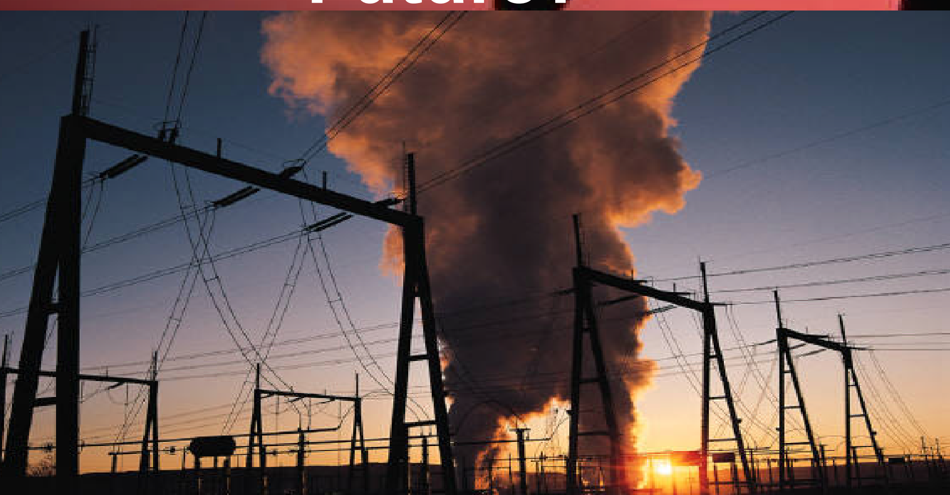
International Gas Union

GASTECH 2006

4 – 7 December 2006
Abu Dhabi, UAE

South America's Role in Global Gas –

A Single Natural Gas Market in the Future?



Peter K. Storm

Secretary General of IGU

Agenda

News, Views
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on Gas - World Wi

- **About IGU**
- **South America's Role in Global Gas**

IGU represents around 95% of all gas sales

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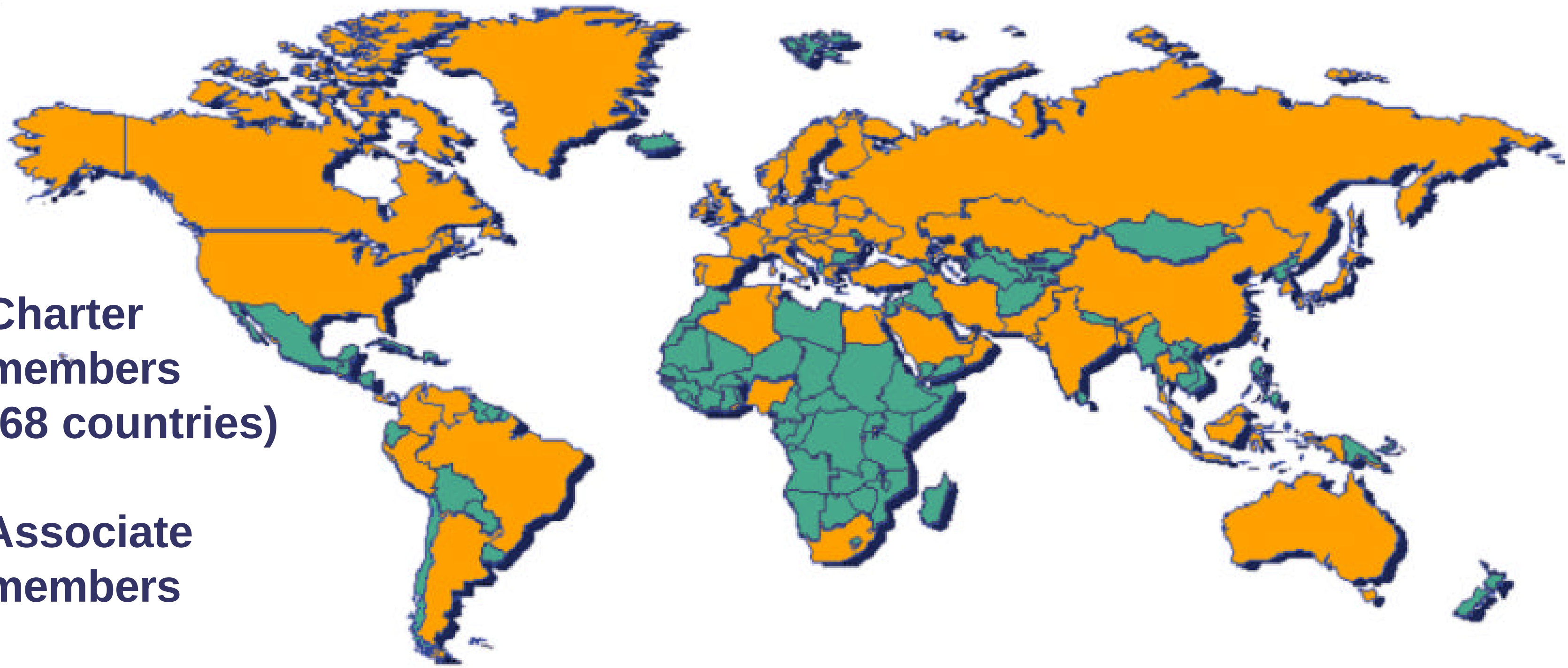
Members Non Members



69 Charter members (68 countries)

28 Associate members

Also gas companies can become members and benefit from IGU's networking possibilities

IGU serves as a spokesman for the gas industry worldwide

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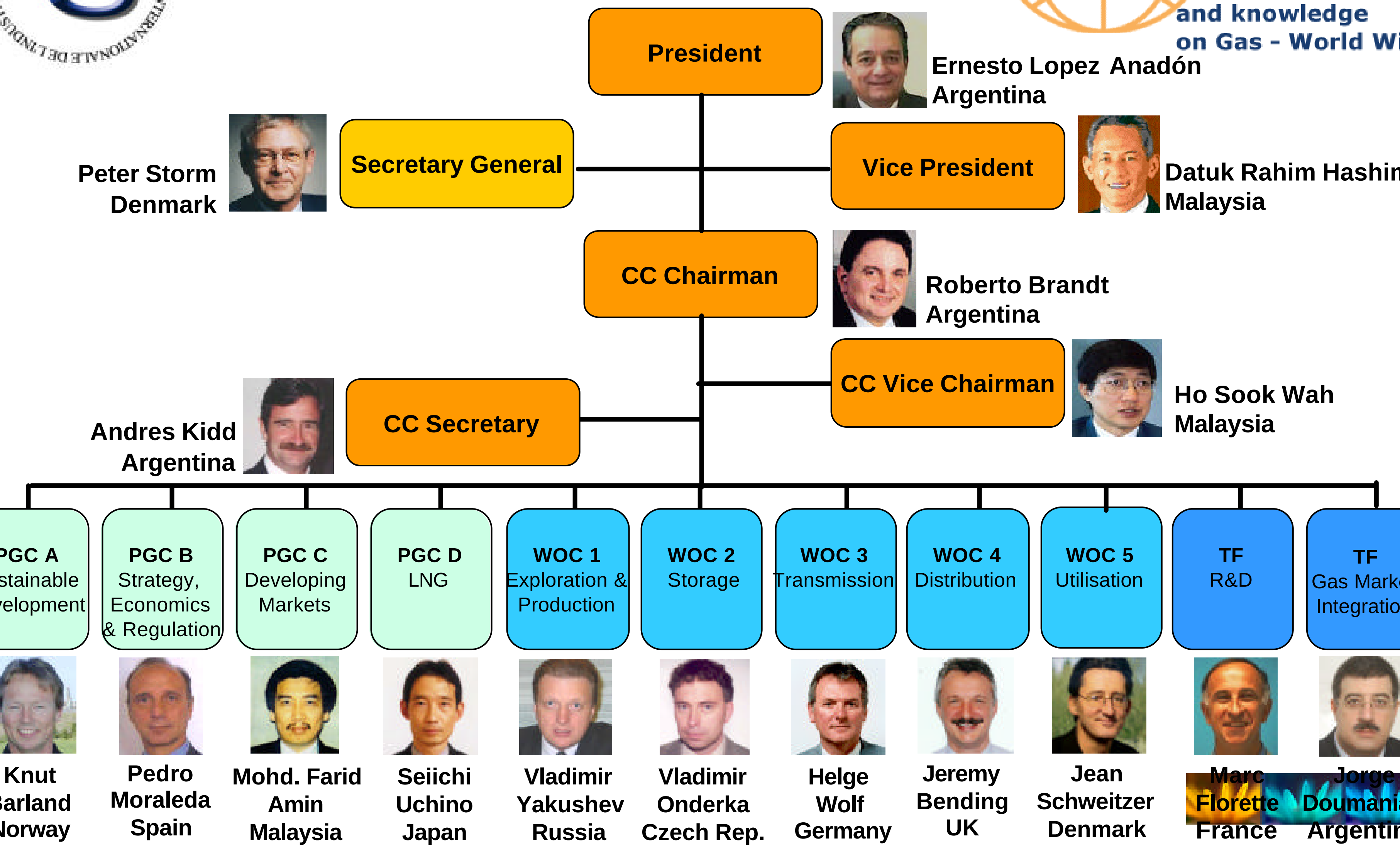
- **Worldwide non–profit (75 years)**
- **Promotes technical and economic progress of the gas industry**

  - e.g. The World Gas Conference every 3 years

- **Organisations affiliated to IGU**

  -Foundation IGRC
  -Gas Infrastructure (GIE)
  -GERG
  -IANGV / ENGVA
  -Marcogaz
  -Pipeline Research Council (PRCI)

Experts from all over the world are represented in the technical team



The information channels of IGU are top-class

- **Organises conferences and supports information exchange among members**

  Organiser of
  - IGU Gas Research Conferences (IGRC)
  Co-Sponsor of
  - LNG Conferences

- **Liaison with UN and other international energy organisations**

IGU is the main Sponsor/Organi-ser of the LNG X Conferences

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Barcelona

4-27 April 2007

Further Sponsors/Organisers are Gas Technology Institute (GTI) of USA and International Institute of Refrigeration (IIR) in Paris

Agenda

- About IGU
- South America's Role in Global Gas

Currently isolated local or sub-regional markets exist

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main countries / sub-regions	Bcf / y
NAFTA	**26.910**
Venezuela	**1.038**
Colombia	**243**
Southern Cone	**2.412**

Source: World Oil & Gas Review 2006 (NAFTA, Venezuela, Colombia), Sec. de Energía (Arg), Ministerio de Minería e Hidrocarburos (Bolivia), EIA (Chile), MME (Brazil), DNE (Uruguay).

Divers levels of gas market penetration are characteristic

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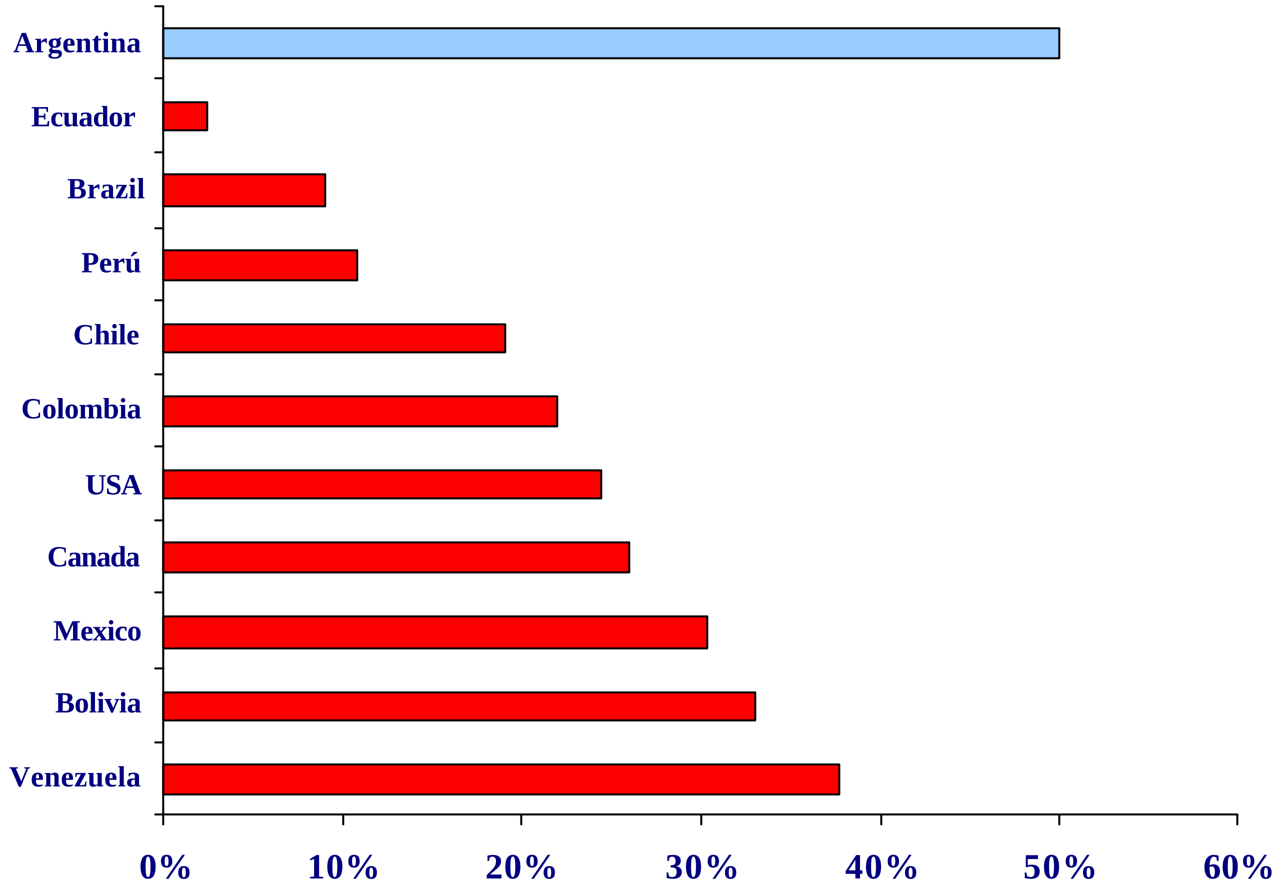
Natural Gas on Primary Energy Balance



Source: Sec. de Energía (Arg), MME (Brazil), EIA (Bolivia), CNE (Chile), BP Statistical Review of World Energy June 2006.

Different proven reserves among the regions/countries

Main countries / subregions	Tcf (P1)
NAFTA	**264**
Trinidad & Tobago	**19**
Venezuela	**149**
Colombia	**4**
Perú	**9**
Southern Cone	**57**
Others	**8**

Source: Sec. de Energía (Arg), MME (Brazil), Ministerio de Minería e Hidrocarburos (Bolivia), EIA (Chile), World Oil & Gas Review 2006 (NAFTA, T&T, Colombia, Perú, Uruguay, Paraguay, Venezuela).

International gas trade is increasing

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Source: World Oil & Gas Review 2006

2004

By pipeline	Bcf / year
Canada to USA	**3.607**
USA to Mexico	**397**
Bolivia to Argentina	**28**
Bolivia to Brazil	**251**
Argentina to Chile	**254**
Argentina to Brazil	**18**
Argentina to Uruguay	**4**
LNG	Bcf / year
USA to Japan	**64**
Trinidad to USA	**487**
Other USA imports	**189**
Trinidad to others	**5**

With LNG America is under way to become a player in a global market

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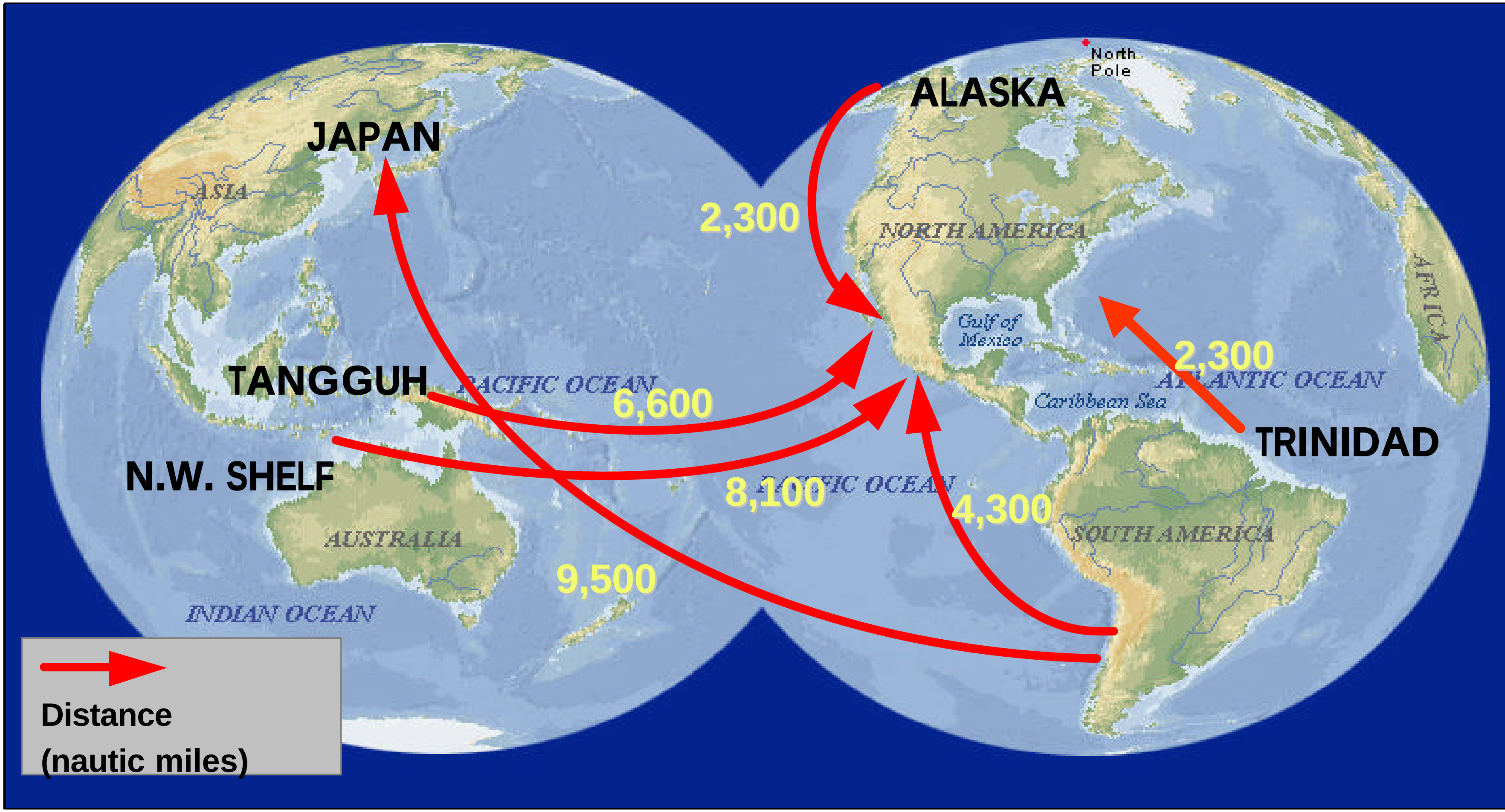

Gas trade will develop thanks to promising projects

- LNG import terminals (USA and Canada)
- LNG import terminals (Mexico)
- LNG import terminals (Brazil)
- LNG import terminal (Central Chile)
- Mariscal Sucre LNG project (Venezuela)
- Camisea LNG project (Peru)
- Bolivia to Argentina NEA pipeline
- Venezuela to Mercosur pipeline
- Peru to Chile pipeline

A lot has to be done....
......a lot can be achieved

Conditions...

- Business climate
- Stability
- Common Regulations

...and Benefits

- Better sales conditions for consumers
- Better purchase conditions for consumers
- Access to gas for the population
- Economies of scale

Thank you
for your attention!

See you in Buenos Aires!

24^{rd} World Gas Conference and Exhibition

October 5 – 9 2009