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January 2

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Argentina

Argentina is a significant Latin American energy producer and consumer. It is a net energy exporter, primarily to neighboring Brazil and Chile.

Note: Information contained in this report is the best available as of January 2004 and is subject to change.

BACKGROUND

After a steep recession in 2001 and 2002, Argentina's economy no appears to be recovering. Year-on-year GDP growth for the first tw quarters in 2003 was 5.4% and 7.6%, respectively. The surge in growth has finally pulled the economy out of a technical recession the first time in more than four years.

Argentina's economic hardship reached a peak in December 2001, when Buenos Aires defaulted on its $140-billion debt. In response, government, under the interim President Eduardo Duhalde, abando the peso's 1:1 peg to the U.S. dollar and let the currency float. The exchange rate plummeted and inflation increased, but the Argentin economy eventually stabilized by mid-2002. Although real GDP contracted 11% in 2002, the largest in the country's history, the pes depreciation spurred economic growth by fueling exports and increasing demand for local products. Nonetheless, many analysts believe that the economy will have difficulty sustaining this growtl without major economic reform. The strength of the recovery will likely depend heavily on decisions made by newly elected Presider Néstor Kirchner.

In May 2003, President Kirchner won a runoff election by default when former President Carlos Saul Menem withdrew his candidac the eve of the election. After receiving only 22% of the vote, Kirch has spent most of the last six months legitimizing his mandate. President Kirchner will also have to keep budget targets agreed un Argentina's aid deal with the International Monetary Fund in September 2003 - despite pressure to sp money on unemployment programs and health. Other issues include whether the government will all deeply unpopular increase in utility rates, which have been frozen since 2002; high unemployment; a increased crime.

OIL

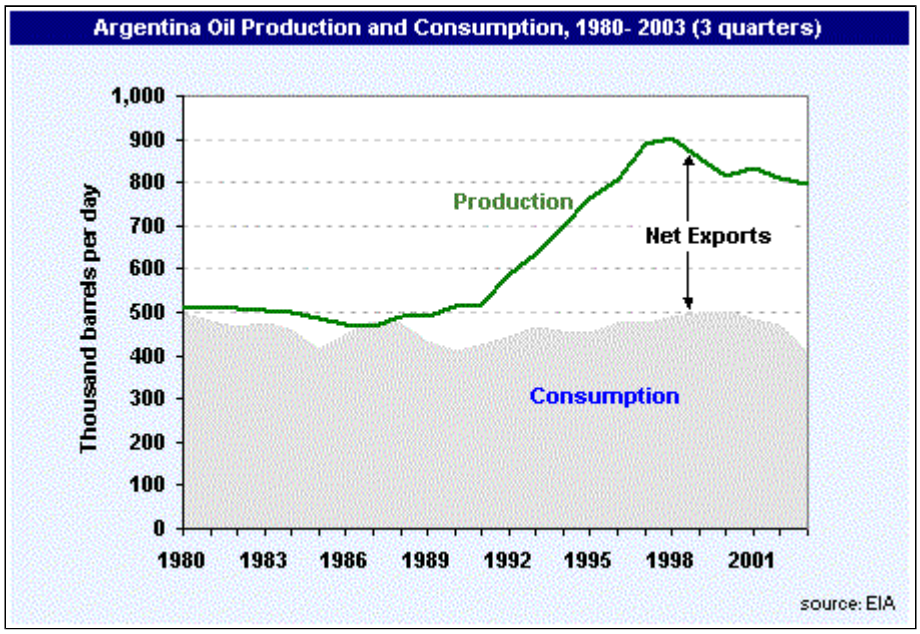
Argentina, with around 2.9 billion barrels of proven oil reserves, is a significant player in the Latin American oil market. In 2002, Argentina was the fourth-largest oil producer in Latin America at 812,

barrels per day (bbl/d), behind Mexico, Venezuela, and Brazil. The country was the region's third-lar oil consumer at 486,000 bbl/d, after Brazil and Mexico, as well as the third-largest net exporter at 326,000 bbl/d, behind Venezuela and Mexico. Exports go primarily to Chile, Brazil, Uruguay and Paraguay, with small amounts also bound for the U.S. Gulf Coast.

Sector Organization

Argentina's oil sector is completely privatized. Repsol-YPF, the country's largest oil company, was formed in 1999 when Spanish oil company Repsol bought Argentina's formerly state-held Yacimient Petrolíferos Fiscales (YPF). Although exploration and production activity in Argentina are completel open to the private sector, Repsol-YPF retains a position of dominance. In 2002, the company accour for about 45% of the country's oil production.

In May 2003, Brazil's Petrobras acquired a majority stake in Argentina's other large, independent oil company, Pérez Companc, which subsequently was renamed as Petrobras Energía. Four companies -- Repsol-YPF, Pan American Energy, Petrobras Energía, and Chevron San Jorge -- accounted for an estimated 77% of oil production in Argentina in 2002.



Exploration and Productio

Argentina's oil production increased rapidly throughout 1990s, allowing exports to gr from negligible levels in the 1980s to around 400,000 bbl/ the late 1990s. Most of Argentina's oil is produced ir two onshore basins: Neuquér western-central Argentina; ar Golfo San Jorge, in the southeast. The two basins accounted for 82% of the country's proven oil reserves of December 2002 (see table Other oil-producing areas include the Noroeste, Cuyana and Austral basins.

Decline in Production

Since peaking in 1998 at 902,000 bbl/d, Argentina's oil production has been in decline, except in 200 when output rebounded slightly. In 2002, oil production fell to its lowest level since 1997. Much of tl decline in 2002 can be linked to the collapse of Argentina's economy in late 2001 and its lingering effects: uncertain regulatory and political conditions; declining oil demand; and currency devaluation These factors consequently discouraged many oil producers from investing in Argentina's oil sector i 2002. Pioneer Natural Resources, for example, suspended its drilling operations for the year, while Vintage Oil temporarily shut in most of its oil production.

Proven and Probable Natural Gas and Oil Reserves according to Basis (As of December 31, 2002)

Basins	Proven Reserves Natural Gas Tcf	Probable Reserves Natural Gas Tcf	Proven Reserves Oil Million Barrels	Probable Reserves Oil Million Barrels	Percent of Total Proven Natural Gas Reserves	Percent of Total Proven Oil Reserves
Austral	5.25	4.89	153.57	141.08	22.4%	5.4%

Turnarou

In 2003, Repsol-YP ChevronTe and Vintag Petroleum

revived investment in drilling and exploration activities in Argentina, despite unstable market and political conditions. A combination of economic recovery in Argentina, the government's decision in January 2003 to uphold a law that allows oil companies to repatriate 70% of their revenues, and higher international crude prices encouraged these companies to reinvest in the country's oil sector. Moreove the depreciated peso has allowed oil companies to reduce their operating costs in Argentina, easing th decline in earnings from reduced production. However, a 20% export tax implemented in 2002 and a freeze on domestic crude oil prices will most likely continue to limit investment in exploration and production.

Downstream

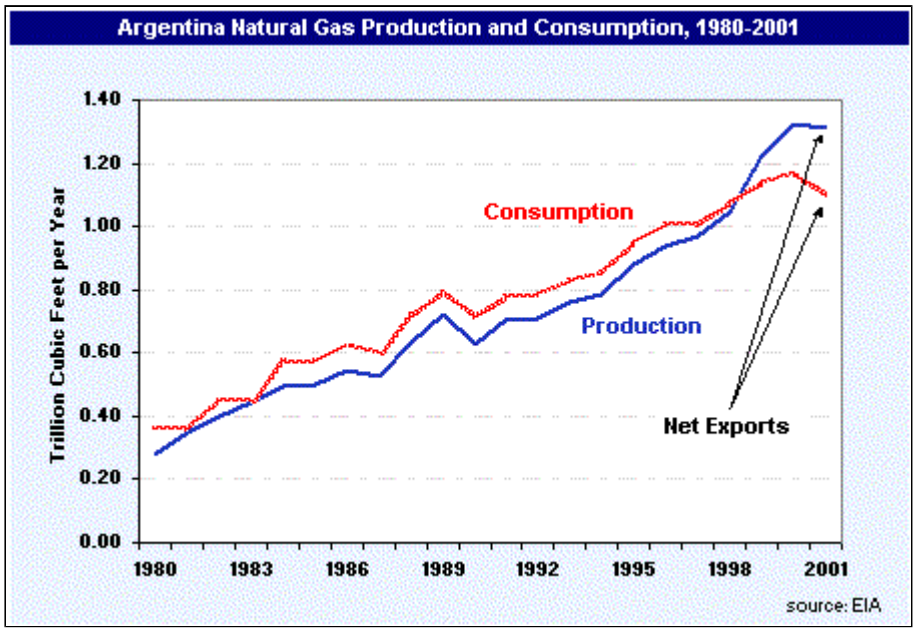
Three companies control most of the downstream oil sector in Argentina: Repsol-YPF; Esso; and She Repsol-YPF accounts for about 52% of the country's total crude oil refining capacity, mainly from its ownership of the country's two largest refineries, La Plata and Lujan de Cuyo. The remaining capacit split among Shell (17%) and Esso (13%), with one refinery each, and the five refineries of three smal companies (18%).

Pipelines

Argentina's three major crude oil pipelines all start at Puerto Hernández in the Neuquén basin. Two pipelines are domestic, transporting crude oil north to the Luján de Cuyo refinery near Mendoza and to Puerto Rosales on the Atlantic. The Transandino pipeline is Argentina's only international oil pipe climbing over the Andes to a refinery in Chile. The pipeline is 268 miles long and has a capacity of 115,000 bbl/d. Argentina also supplies Paraguay and Uruguay with crude oil via tanker.

NATURAL GAS

According to *Oil and Gas Journal*, as of January 2003, Argentina had the third-largest proven reserve natural gas in Latin America (after Venezuela and Mexico) at 27 trillion cubic feet (Tcf). The Argent government's estimate for natural gas reserves was slightly lower, at 23.4 Tcf (see table). Nonetheles Argentina's proven reserves could increase, as probable reserves stood at 10.8 Tcf at the end of 2002 table).



Natural gas production in Argentina has increased steadily over the last decade even surpassing Mexico in 2000 as Latin America's lar natural gas producer. In 200 production reached 1.31 Tc increase of 87% since 1991. According to the Argentine government, production decreased 3% in 2002, but t increased 6.8% during the f three quarters of 2003 over same period in 2002.

The Neuquén, Austral, and Noroeste basins contain the country's largest proven nat gas reserves. In 2002, the Neuquén basin held 52% of the country's proven natural gas reserves and accounted for about 51% of natural gas production. Natural gas production in the Austral and Golfo S

Jorgo basins are constrained by capacity of the San Martín pipeline, which connects the fields to Bue Aires. Currently only 5 basins out of 19 in the country have been explored.

Argentina's natural gas consumption also has increased annually, although it dropped 6%, to 1.1 Tcf, 2001. Natural gas is the dominant fuel source in Argentina, accounting for 43.1% of the country's primary fuel supply in 2001. The natural gas that is not used domestically is exported, with Chile importing the most, followed by Brazil and Uruguay.

Financial Crisis

Natural gas companies continue to be hurt by policies adopted by the government during Argentina's financial crisis in late 2001. In 2002, many companies posted losses as a result of currency devaluatic and a freeze on natural gas rates for residential consumers. Wellhead natural gas prices in Argentina l dropped to about 0.35 – 0.45 cents per million British thermal unit (Btu) from around $1.40 per milli Btu before the crisis. Repsol-YPF has been the only exception. In October 2003, the company was ab to raise natural gas rates for large industrial consumers.

On October 1, 2003, the Lower House of Congress approved legislation giving the government the power to negotiate new contracts with natural gas, electricity, and other utilities to make interim price increases previously barred under the Economic Emergency Law. The legislation gives the governme until December 31, 2004, to negotiate new contracts and pricing structures. It remains unclear, howev when this process will begin.

Because of low natural gas prices, many natural gas producers have been wary of investing in the sec A case in point was TotalFinaElf's postponement in 2002 of a $400-million development of the Cuer Marina Austral natural gas project in Tierra del Fuego. Companies consequently have warned the government that Argentina could potentially face a natural gas shortage during the upcoming 2004 winter, from May to September. In 2002, there were no exploration wells drilled. As of September 2(only one well had been drilled this year.

Industry Organization

Argentina's natural gas industry -- production, transportation, distribution, and marketing -- is in the hands of the private sector and is operated within a competitive market structure. In 1989, several decrees deprived the state oil and natural gas company, Yacimientos Petrolíferos Fiscales (YPF), of i exclusive rights to exploration and production, removed wellhead price controls and restrictions on th oil and natural gas trade, and eliminated taxes and tariffs on exports. In 1992, the government began privatizing the company.

Argentina's 1992 Natural Gas Law focused on the natural gas downstream sector. The law restricted cross-ownership in production, transmission, and distribution activities and allowed for the privatizat of Gas del Estado, the state transmission-and-distribution monopoly. Subsequently, Gas el Estado wa split into two transport pipeline companies, Transportadora de Gas del Sur (TGS), and *T*ransportador Gas del Norte (TGN) -- eight distribution companies, with a ninth distributor being created in 1997.

The 1992 law also created a regulatory body, ENARGAS, for the downstream sector. ENARGAS set rates for natural gas transmission and distribution carriers operating under a non-discriminatory "oper access" system. Although the downstream sector of the natural gas industry is now highly competitiv Repsol-YPF retains a dominant position in the upstream sector. For example, during the first three quarters of 2003, Repsol-YPF produced 33% of the country's natural gas, followed by Total Austral (19%), Pan American Energy (11%), and Pluspetrol SA (10%).

TGS is South America's largest pipeline company. The company delivers about 61% of Argentina's t natural gas consumption, mainly in greater Buenos Aires. According to TGS, it provides 4.6 million customers with service and connects to the four main distribution companies: MetroGas SA; Gas Nat Ban SA; Camuzzi Gas Pampeana SA; and Camuzzi Gas del Sur SA. The company also operates the 2,130-mile San Martín pipeline, connecting the southern part of the country with Buenos Aires, as w as the Neuba I and II pipelines. U.S.-based Enron and Petrobras Energía control 70% of TGS throug their joint control of Compañía de Inversiones de Energía SA.

TGN operates two main lines, which meet at the San Jerónimo compressor plant in the province of S Fe. The first line, Norte, begins in the northeast corner at Campo Durán, Province of Salta. From ther the pipeline extends to San Jerónimo and eventual reaches Buenos Aires. The second pipeline, Centr Oeste, begins at Loma la Lata field, Province of Neuquén and extends to San Jerónimo. TGN also operates and maintains most of the country's pipelines owned by third parties (export pipelines). TG shareholders are TecGas N.V., Compañía General de Combustibles SA, TotalFinaElf Gas Transmissi Argentina SA, Petronas Argentina SA and CMS Energy.

Pipelines

Chile

Chile is the largest market for Argentine natural gas, with exports beginning in 1997. A total of sever pipelines, all built between 1996 and 1999, link the two countries: Tierra del Fuego (Methanex), El Cóndor-Posesión, and Patagonia in the south; GasAndes and Gasoducto del Pacífico in the central region; and GasAtacama and Norandino in the north.

Tierra del Fuego was the first pipeline to come onstream in 1996. The line connects to a methanol producing plant in Chile. The other two southern pipelines, El Cóndor-Posesión and Patagonia, came online in 1999 to serve the same purpose.

The GasAndes pipeline extends 288 miles from Neuquén to central Chile, near Santiago. The GasAn pipeline has been in operation since 1997, with a capacity of 307 million cubic feet per day (Mmcf/d) TotalFinaElf holds a majority stake in the pipeline, with 56.5%. Other stakeholders include Compañí General de Combustibles SA (CGC) with 17.5%; AES Gener (13%); and Metrogas (13%). The pipel feeds distributors Metrogas and GasValpo as well as AES Gener's Nueva Renca power plant, Colbur Nehuenco plant and Endesa's San Isidro. A 46-mile extension, which runs from the existing pipeline Pirque, near Santiago, to the Caletones smelting plant, east of the city of Rancagua, was completed i October 2003.

The Gasoducto del Pacifico began commercial operations in November 1999, with a capacity of 343 Mmcf/d. The 330-mile pipeline connects the Neuquén basin to the Bio-Bio region (VIII) in southern Chile, supplying cities such as Concepción and Talcahuana. Since its inception, the Pacifico pipeline been underutilized, mainly due to cancelled development of natural gas-fired power plants. Current owners of the pipeline include TransCanada (30%); El Paso (21.8%); Gasco (20%); ENAP (18.2%); Repsol-YPF (10%). TransCanada has been trying since 1999 to divest its stake. In November 2003, t Chilean natural gas distributor Innergy submitted an environmental impact study for a 390-megawatt (MW) Campanario combined cycle power generation project that it plans to build in the region. The project, if realized, would use natural gas from the pipeline.

The other two northern pipelines run parallel to each other. The GasAtacama pipeline, with a 300-Mmcf/d capacity, came onstream in July 1999 and is co-owned by U.S.-based CMS and Endesa. GasAtacama's main customer is the Nopel power plant of the same owners. It runs 578 miles from Cornejo in Argentina to Mejillones in Chile. The companies plan to expand the pipeline's capacity in order to meet increased demand in the region. The second northern pipeline, the NorAndino, has a

capacity of just over 250 Mmcf/d and came onstream in November 1999. Belgium's Tractebel contro the pipeline.

Brazil

The 275-mile Paraná-Uruguayana pipeline began commercial operations in 2000. The pipeline provic natural gas to AES Brasil Energia's 600-MW power plant in Uruguayana. Service began in early July 2000. The Argentine section is operated by Transportadora de Gas de Mercosur, a joint venture of TotalElfFina; Technit; CMS Energy; Compañía General de Combustibles; and Petronas.

The 16-mile Brazilian section is operated by Transportadora Sul Brasileira de Gás, a joint venture of Gaspetro; Repsol-YPF; TotalFinaElf; and Techint. There are plans to extend this section of the pipeli from Uruguayana to Porte Alegre in the State of Rio Grande do Sul, where the pipeline would supply thermal power plants. However, the realization of the project is contingent upon whether two thermal power plants – Termocanoas and Termogaucho – can be merged into one 500-MW plant. The initial capacity of the 384-mile extension would be 155.4 Mmcf/d. If the pipeline is expanded to Paraná and Santa Catarina, Brazilian natural gas imports from Argentina could reach 230 Mmcf/d. The expected start-date for operation is 2006.

Bolivia

Bolivia sold gas to Argentina through the Yacimientos-Bolivian Gulf (Yabog) pipeline from 1972 to 1999, when the contract expired. Argentina's Pluspetrol currently exports natural gas from the company's Bolivian fields, Bermejo and Madrejones, through two small pipelines to Argentina.

Bolivia's government and Techint are currently conducting a study on building a $1-billion pipeline, Gasoducto Noreste Argentino, to Argentina. The pipeline would have an initial capacity of 353 Mmc possibly increasing to 706 Mmcf/d. It remains unclear whether the project will materialize.

Uruguay

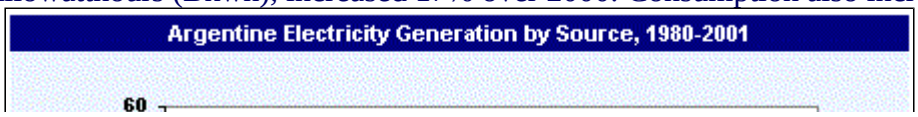
Argentina has been exporting natural gas through the 13-mile Gasoducto del Litoral since 1998. The pipeline begins in Colón, Argentina and terminates in Paysandú, Uruguay. The pipeline belongs to Uruguay's ANCAP, which is also responsible for its operation and maintenance. In January 2003, Argentine natural gas began to flow to Montevideo, Uruguay, through the Gasoducto Cruz del Sur (GCDS, Southern Cross pipeline). The pipeline is significant because the GCDS project includes a concession covering a possible extension from Uruguay to Porto Alegre in southern Brazil. Partners i the project are British Gas (40%); Pan American Energy (30%); Uruguayan state company, ANCAP (20%); and Wintershall (10%).

COAL

Argentina has very limited coal resources, and coal is not a major component of the country's fuel mi With only 474 million short tons (Mmst) of coal reserves, the country produced 0.21 Mmst and consumed 0.63 Mmst in 2001. There is a small coal field at Río Turbio in southern Patagonia. Import come from Australia, the United States, and South Africa.

ELECTRICITY

Argentina relies mostly on hydropower and natural gas to fuel its electricity sector. In 2001, the coun had 25.9 gigawatts (GW) of installed generation capacity, of which 59% was fossil fuel-based (prima natural gas), 37% hydroelectric, and 4% nuclear. Electric generation in 2001, which totaled 97.2 billi kilowatthours (Bkwh), increased 17% over 2000. Consumption also increased in 2001 in comparison



the previous year. Demand grown every year since 199

except 1994 when it decrea
9% (see chart below). However, the collapse of the economy in late 2001 has caused both production demand to drop off, according to CAMMESA (the administrator of the electricity market). The count also imports and exports electricity with neighboring countries. Argentina has the third-largest power market in Latin America, behind Brazil and Mexico.

Hydro

Hydroelectricity plays a major role in Argentina's energy sector. The Yacyreta hydroelectric dam, wi its 3,200 MW of installed capacity, is the largest power plant in Argentina. In 2002, the hydropower plant accounted for 16% of the country's total electricity production and 33% of production from hydropower plants. Argentina and co-owner Paraguay share the electricity generated from Yacyreta evenly, with most of Paraguay's electricity being exported to Argentina. The 1,890-MW Salto Grand another bi-national project, owned by the governments of Argentina and Uruguay.

Argentina and Paraguay had planned to build another hydroelectric dam on the Paraná, the 3,000-MV Corpus Christi dam. In 2001, Argentina and Paraguay hired an international consortium to carry out environmental-impact studies for the planned dam. It remains unclear, however, whether this project materialize.

Nuclear Power

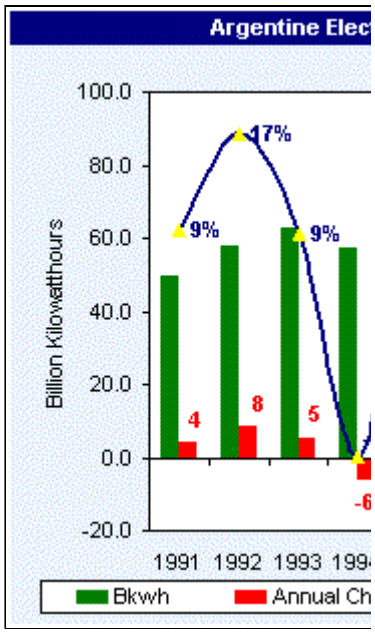
Argentina currently has two nuclear power plants in operation: the 357-MW Atucha I and 648-MW Embalse. Nucleoelectrica Argentina SA owns and operates both facilities. A third plant, the 745-MW Atucha II plant, remains under construction. Work on the Atucha II facility was halted in 1994, after government was unsuccessful in privatizing the two existing facilities. However, the government announced in December 2003 that it plans to spend $300 million to complete the project. The government hopes that construction will began in fall 2004 and be completed in 2008.

Industry Organization

Argentina has one of the most competitive deregulated power sectors in South America. With the pas of the State Reform Act in 1989, the Argentine government initiated an aggressive privatization prog for the country's electricity sector (as well as for the entire state sector). The initial step for reorganization of the sector was to divide the electricity sector into distribution, transmission, and generation instead of the previous approach, which encouraged integrated utilities, as well as to estab regulatory agencies to ensure fair competition within the market.

The main power regulatory body in Argentina is Ente Regulador de la Energía Eléctrica (ENRE), wh oversees all aspects of the industry and mediates disputes among the participants. Tariffs are regulate ENRE and include connection and usage charges. The functions of generation, transmission, and distribution are open to the private sector, but there are restrictions on ownership of more than one function within the industry. The law guarantees access to the grid in order to create a competitive environment and to allow generators to serve customers anywhere in the country.

Argentina has two power market zones. Mercado Eléctrico Mayorista (MEM) covers most of the cou while Mercado Eléctrico Mayorista en las Región Patagónica Argentina (MEMSP) is responsible for southernmost region of the country. Both zones are under the administration of the Compañía Administradora del Mercado Mayorista Eléctrico SA (CAMMESA), a non-profit organization heade the Ministry of Energy and owned by participants on the power grid. The participants are organized i four associations according to function: ATEERA (Transportation; ADEERA (Distribution); AGUEI (Large electricity-users); and AGEERA (Generators). CAMMESA is also responsible for functioning the central grid (SADI).



transmission company, Compañía Nacional de Transporte Energética en Alta Tensión (Transener), ar operates the grid (Sistema Argentino de Interconexión - SADI) under a 95-year license agreement en 1993.

Smaller distribution companies that share part of their distribution lines operate under a separate orga Transportation Function (PFTT), which reports to CAMMESA.

Regional Interconnections

Argentina has electricity interconnections with Chile, Brazil, and Uruguay. The InterAndes Transmis northern electric grid.

In October 2003, Petrobras Energía announced that it is considering developing an interconnector bet southern Chile, with operations beginning in 2006. The line would connect Petrobras' 1,400-MW Pic river. The line would be 205 miles and require an investment of $135 million.

Devaluation and Utilities

Prior to January 2002, utility companies operating in Argentina made sales on the domestic market in under the country's 1991 Convertibility Law. With the abandonment of the Convertibility Law in Jan foreign-owned) suffered sizable losses as the value of the peso fell dramatically. Simultaneous with d tariffs, holding them at their peso-denominated rate, thus passing the cost of devaluation on to the uti

These actions have severely impacted Argentina's electricity sector, causing some companies to annc others simply abandoning their holdings. For instance, PSEG Global and FirstEnergy liquidated their Argentine electricity distributor Edesur reported that it lost $56.5 million in 2002 because of Argentir reportedly discouraged utility companies from investing in new capacity. With rising demand for elec that Argentina could face electricity shortages unless prices are increased. Through November 2003, same period last year, according to CAMMESA.

ENVIRONMENT

Notwithstanding its recent economic difficulties, Argentina experienced strong economic growth dur America's third-largest energy consumer as well as the continent's second largest emitter of carbon di While developing the economy, the Menem administration (1991-1999) also made significant commi

In 2001, Argentina had South America's second-highest per capita energy consumption at 71 million per person behind only Venezuela, as well as South America's third highest per capita carbon emissic (0.9 million metric tons). Conversely, energy consumption per dollar of GDP (energy intensity) in Argentina, and carbon emissions per dollar of GDP (carbon intensity) are both relatively low compar to other South American countries.

Argentina also faces urban air pollution and industrial pollution problems. While past commitments t the reduction of greenhouse gas emissions and towards increasing the use of renewable fuels augured well for environmental protection, recent political turmoil has left the country's environmental future uncertain. Finding an appropriate balance between economic growth and environmental protection w represent a continuing challenge for Argentina in coming years.

COUNTRY OVERVIEW
President: Néstor Kirchner (since May 25, 2003)
Independence: July 9, 1816 (from Spain)
Population (2003E): 38.4 million
Location/Size: Southern South America/2.8 million square kilometers (1.1 million square miles), ab four times the size of Texas
Major Cities: Buenos Aires (capital), Córdoba, La Plata, Mendoza, Rosario, Santa Fe
Languages: Spanish (official), English, Italian, German, French
Ethnic Groups: white (mostly Spanish and Italian) 97%, mestizo, Amerindian, or other nonwhite gr 3%
Religion: nominally Roman Catholic 92% (less than 20% practicing), Protestant 2%, Jewish 2%, oth 4%

ECONOMIC OVERVIEW
Minister of the Economy: Roberto Lavagna
Currency: Peso
Financial Exchange Rate: US$1 = 2.89 Argentine Pesos (1/6/04)
Gross Domestic Product (2002E): $101.1 billion **(2003E):** $131.6 billion **(2004F):** $142.4 billion
Real GDP Growth Rate (2002E): -10.9% **(2003E):** 6.9% **(2004F):** 4.0%
Inflation Rate (2002E): 25.9% **(2003E):** 13.5% **(2004F):** 7.5%
Unemployment Rate (2003E): 22.9% **(2004F):** 22.1%
Current Account Balance as a % of GDP: (2002E): 8.9% **(2003E):** 8.0% **(2004F):** 7.9%
Merchandise Exports (2002E): $25.4 billion
Merchandise Imports (2002E): $8.5 billion
Trade Balance (2002E): $16.9 billion
Main Destinations of Exports (2002E): Brazil (19%), Chile (12%), United States (11%), Spain (5%
Major Export Products (2002E): Agricultural products (including manufacturing of agricultural products) (31%), minerals include energy (19%), industrial products (6%)
Main Origins of Imports (2002E): Brazil (28%), United States (20%), Germany (6%)
Major Import Products (2002E): Industrial Products (28%), machines and electrical materials (21% transport equipment (11%)
External Debt (2002E): $94 billion **(2003E):** $96.2 billion **(2004F):** $98.1 billion

ENERGY OVERVIEW
Proven Oil Reserves (1/1/03E): 2.9 billion barrels
Oil Production (Jan.-Sept. 2003E): 796,000 barrels per day (bbl/d), of which about 741,700 bbl/d w crude oil
Oil Consumption (Jan.-Sept. 2003E): 411,000 bbl/d
Net Oil Exports (Jan.-Sept. 2003E): 385,700 bbl/d

Natural Gas Reserves (1/1/03E): 27.5 trillion cubic feet (Tcf)
Natural Gas Production (2001E): 1.31 Tcf
Natural Gas Consumption (2001E): 1.1 Tcf
Net Natural Gas Exports (2001E): 0.21 Tcf
Coal Reserves (2001E): 474 million short tons (Mmst)
Coal Production (2001E): 0.21 Mmst
Coal Consumption (2001E): 0.63 Mmst
Electric Generation Capacity (2001E): 25.9 million kilowatts
Electricity Consumption (2001E): 92.1 billion kilowatthours (Bkwh)
Electricity Generation (2001E): 97.2 Bkwh (conventional thermal 52%, hydroelectricity 42%, nucl 6%)

ENVIRONMENTAL OVERVIEW

Total Energy Consumption (2001E): 2.7 quadrillion Btu* (0.7% of world total energy consumptior
Energy-Related Carbon Emissions (2001E): 34.8 million metric tons of carbon (0.5% of world car emissions)
Per Capita Energy Consumption (2001E): 71.0 million Btu (vs. U.S. value of 341.8 million Btu)
Per Capita Carbon Emissions (2001E): 0.9 metric tons of carbon (vs U.S. value of 5.5 metric tons carbon)
Energy Intensity (2001E): 6,995 Btu/ $1995 (vs U.S. value of 10,809 Btu/ $1995)**
Carbon Intensity (2001E): 0.09 metric tons of carbon/thousand $1995 (vs U.S. value of 0.17 metric tons/thousand $1995)**
Fuel Share of Energy Consumption (2001E): Natural Gas (43.1%), Oil (37.0%), Coal (0.6%), Hyd (15.5%)
Fuel Share of Carbon Emissions (2001E): Oil (50.6%), Natural Gas (48.0%), Coal (1.1%)
Status in Climate Change Negotiations: Non-Annex I country under the United Nations Framewor Convention on Climate Change (signed June 12, 1992 and ratified on March 11, 1994). Signatory to Kyoto Protocol (signed March 16, 1998 and ratified on September 28, 2001).
Major Environmental Issues: Erosion resulting from inadequate flood controls and improper land u practices; irrigated soil degradation; desertification; air pollution in Buenos Aires and other major cit water pollution in urban areas; rivers becoming polluted due to increased pesticide and fertilizer use.
Major International Environmental Agreements: A party to the Antarctic-Environmental Protoco Antarctic Treaty, Biodiversity, Climate Change, Desertification, Endangered Species, Environmental Modification, Hazardous Wastes, Law of the Sea, Marine Dumping, Nuclear Test Ban, Ozone Layer Protection, Ship Pollution and Wetlands. Has signed but not ratified Marine Life Conservation.

* The total energy consumption statistic includes petroleum, dry natural gas, coal, net hydro, nuc geothermal, solar, wind, wood and waste electric power. The renewable energy consumption statist based on International Energy Agency (IEA) data and includes hydropower, solar, wind, geothermal, solid biomass and animal products, biomass gas and liquids, industrial and municipal wa Sectoral shares of energy consumption and carbon emissions are also based on IEA data.
** GDP figures from OECD estimates based on purchasing power parity (PPP) exchange rates.

ENERGY INDUSTRY

Organization: The energy sector has been privatized and deregulated, with many private se participants. Examples of oil and natural gas producers are: Repsol-YPF; Pan American Ene Petrobras Energía; ChevronTexaco; TotalFinaElf; Sipetrol; Tecpetrol; and Pluspetrol. Natural pipeline companies have also been privatized - Transportadora de Gas del Norte, Transportadora de del Sur. Electric power companies - numerous producers in a highly competitive generation market; main transmission companies in a regulated monopoly, three main regional distributors, muni utilities.

Major Ports: Bahía Blanca, Buenos Aires, La Plata
Major Oil and Gas Producing Basins: Neuquén, Austral, Golfo San Jorge, Cuyana, Northwest
Major Refineries (Capacity): Repsol-YPF La Plata (189,000 bbl/d), Repsol-YPF Lujan de (120,000 bbl/d), Shell Buenos Aires (110,000 bbl/d), Esso Campana (84,500 bbl/d), Refineria Lorenzo (32,000 bbl/d), Refinor - Campo Duran (32,000 bbl/d)

Sources for this report include: Banco Central de la República Argentina; Business News Amer CAMMESA; CIA World Factbook; Global Insight; Dow Jones; Economist Intelligence Unit Views\ ENARGAS; Financial Times; Instituto Nacional de Estadística y Censos; International Energy Ag International Oil Daily; LatinFinance; Oil Daily; Oil and Gas Journal; OLADE; Petroleum Econo Petroleum Finance Week; Petroleum Intelligence Weekly; ; Platt's Commodity News; Platt's G Power Report; Platt's Oilgram News; Power in Latin America; Repsol-YPF; Reuters; Secretari Energía (Argentina); Transportadora de Gas del Norte (TGN); Transportadora de Gas del Sur (T U.S. Energy Information Administration; World Markets Analysis.

LINKS

For more information on Argentina, see these other sources on the EIA web site:
EIA - Country Information on Argentina

Links to other U. S. Government sites:
CIA World Factbook - Argentina
U.S. Department of Energy's Office of Fossil Energy's International section - Argentina
U.S. State Department Background Notes - Argentina
U.S. International Trade Administration, Country Commercial Guide - Argentina
U.S. Embassy in Argentina
U.S. Trade and Development Agency - Latin America and the Caribbean
U.S. State Department's Consular Information Sheet - Argentina
International Trade Administration, Energy Overview of Argentina

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Argentina's Embassy in Washington, DC
The Latin American Integration Association (ALADI)
Argentine Economy Links
International Newspapers Online: Argentina
Argentina's Ministry of Energy
Argentine Energy Distribution Association (ADEERA)
Argentine Large-users of Energy Association (AGUEERA)
Argentine National Statistic Office
CAMMESA
Central Bank (Argentina)
ENER
ENERGAS
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TGS
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