



**United States Oil Security
Latin America's Role: Challenges and Opportunities**

Jorge R. Piñón
Visiting Research Fellow
Florida International University
Latin American and Caribbean Center

**Looking Forward, Looking Back: Celebrating 80 Years of
Latin American Studies at the University of Florida
March 24 – 26, 2011
Gainesville, Florida**



...oil only 35% of total, but over 72% in the transportation sector and less than 1% in the electric power sector...

United States Primary Energy Consumption

<u>Fuel</u>		<u>Oil by Sector</u>	
Oil	35.3%	Transportation	72.0%
Natural Gas	23.4	Industrial	22.0
Coal	19.7	Residential	5.0
Nuclear	8.3	Electric Power	1.0
Renewable	7.7		

DOE 2009



*...the United States is the largest consumer
and importer of oil in the world...*

Demand

USA	20.0
China	8.0
Japan	4.8
India	3.0
Russia	3.0

Imports

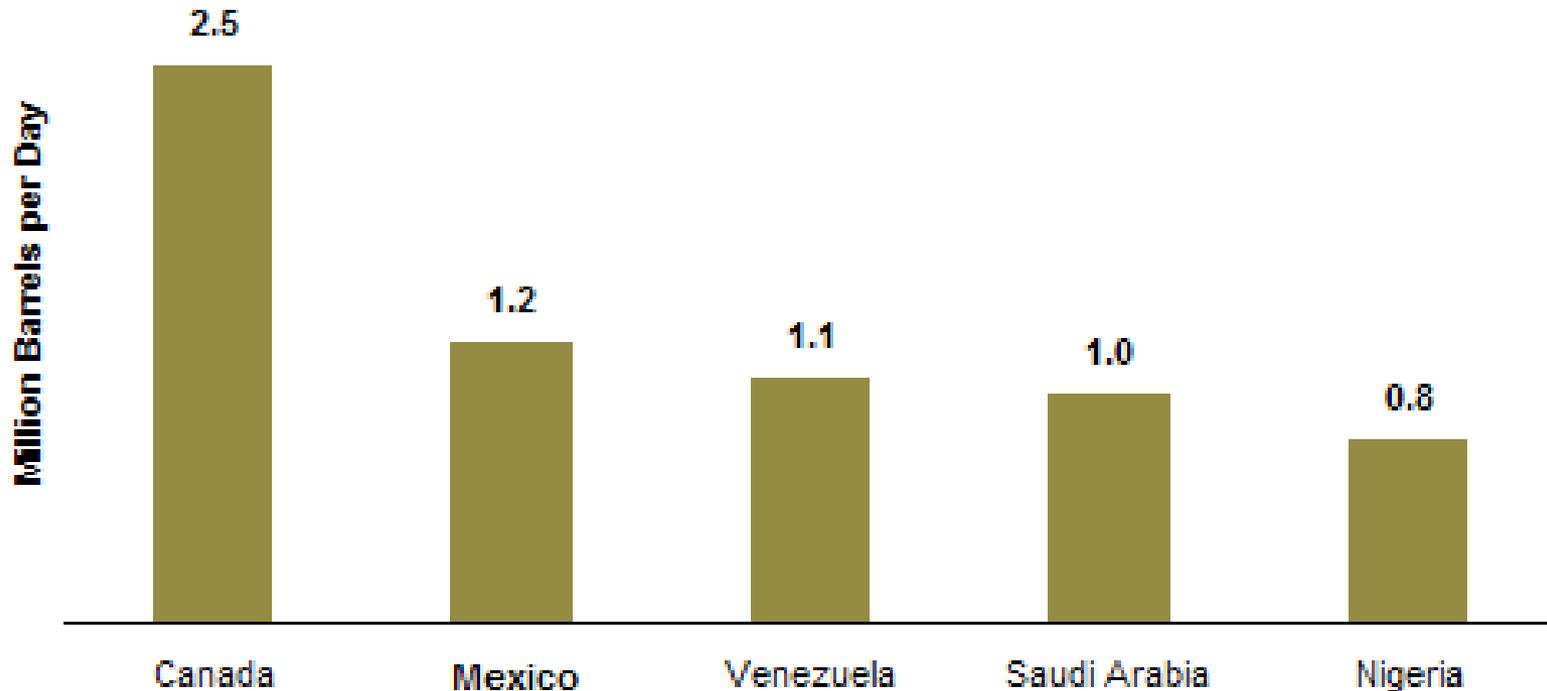
USA	11.0
Japan	4.6
China	4.0
Germany	2.4
South Korea	2.2

MMBD – DOE 2009



...the western hemisphere provides 45% of the United States petroleum needs, latin america is the largest regional supplier, not the middle east...

Top 5 Sources of U.S. Petroleum Imports, 2009



Source: EIA Petroleum Supply Monthly



...the western hemisphere provides 45% of the United States petroleum needs, latin america is the largest regional supplier, not the middle east...

Western Hemisphere 45%

W.H. ex Canada 26%

Middle East 18%

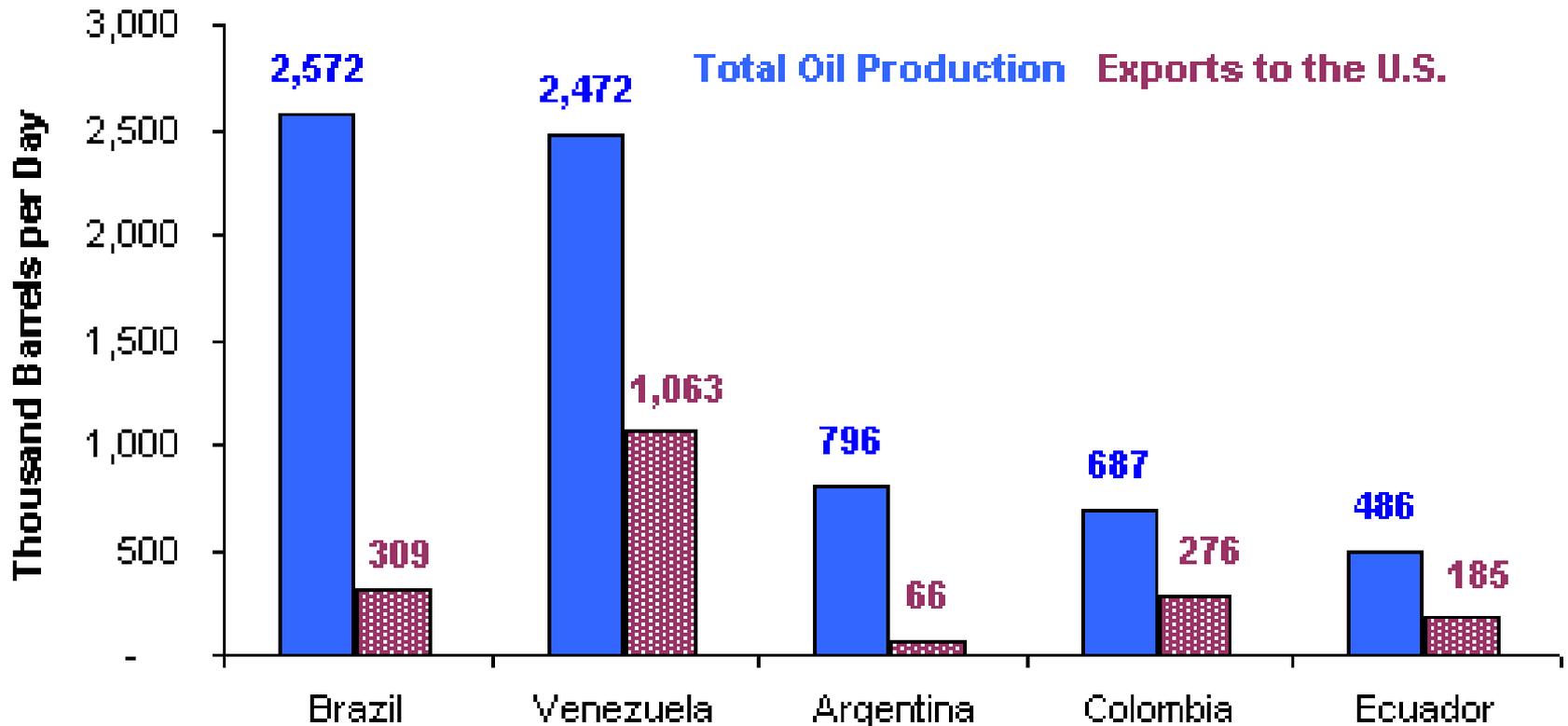
**Mexico, Venezuela, Brazil, Colombia ,Ecuador,
Argentina, Peru, Guatemala, Trinidad & Tobago**

EIA 2009



...the western hemisphere provides 45% of the United States petroleum needs, latin america is the largest regional supplier, not the middle east...

Top South American Oil Producers, 2009



Source: EIA



*...four critical success factors for
the monetization of hydrocarbon resources;
do Latin America's national oil companies have what it takes?*

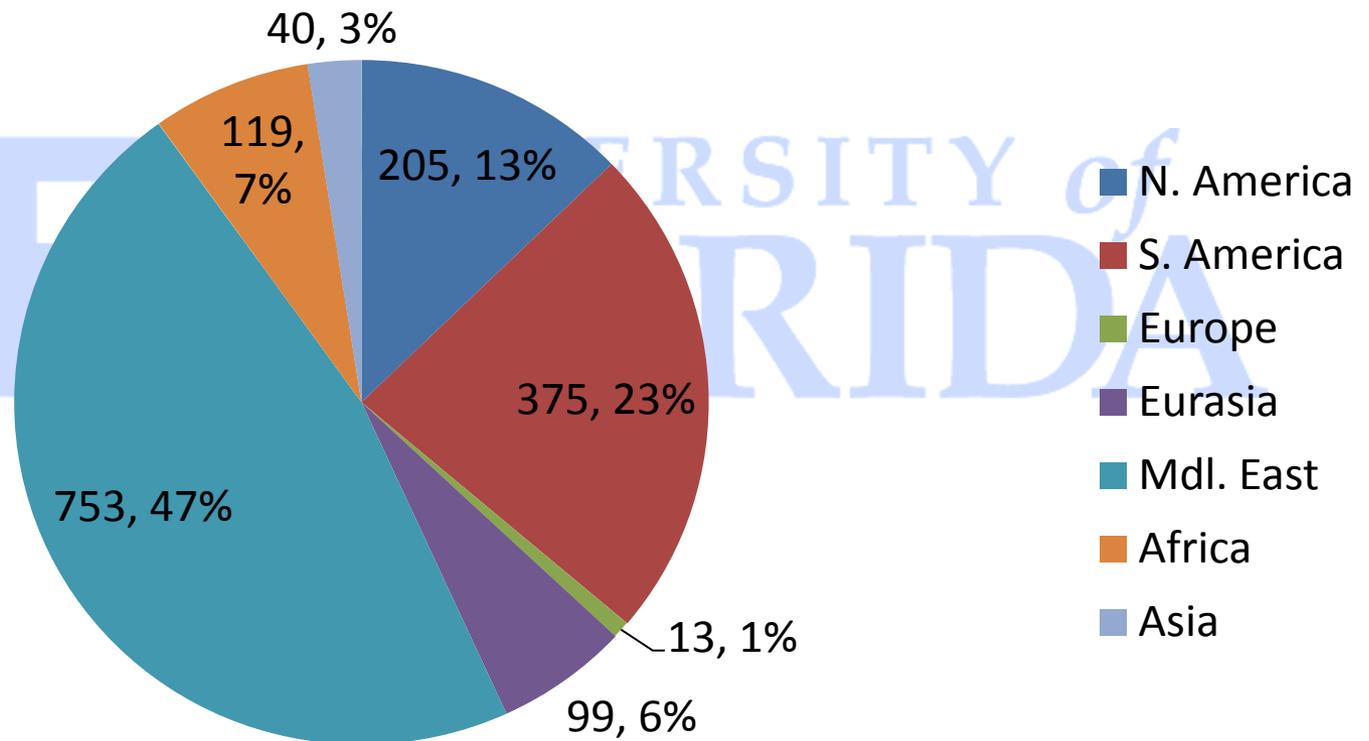
Capital
Technology
Know-How
Stewardship

UF | UNIVERSITY of FLORIDA



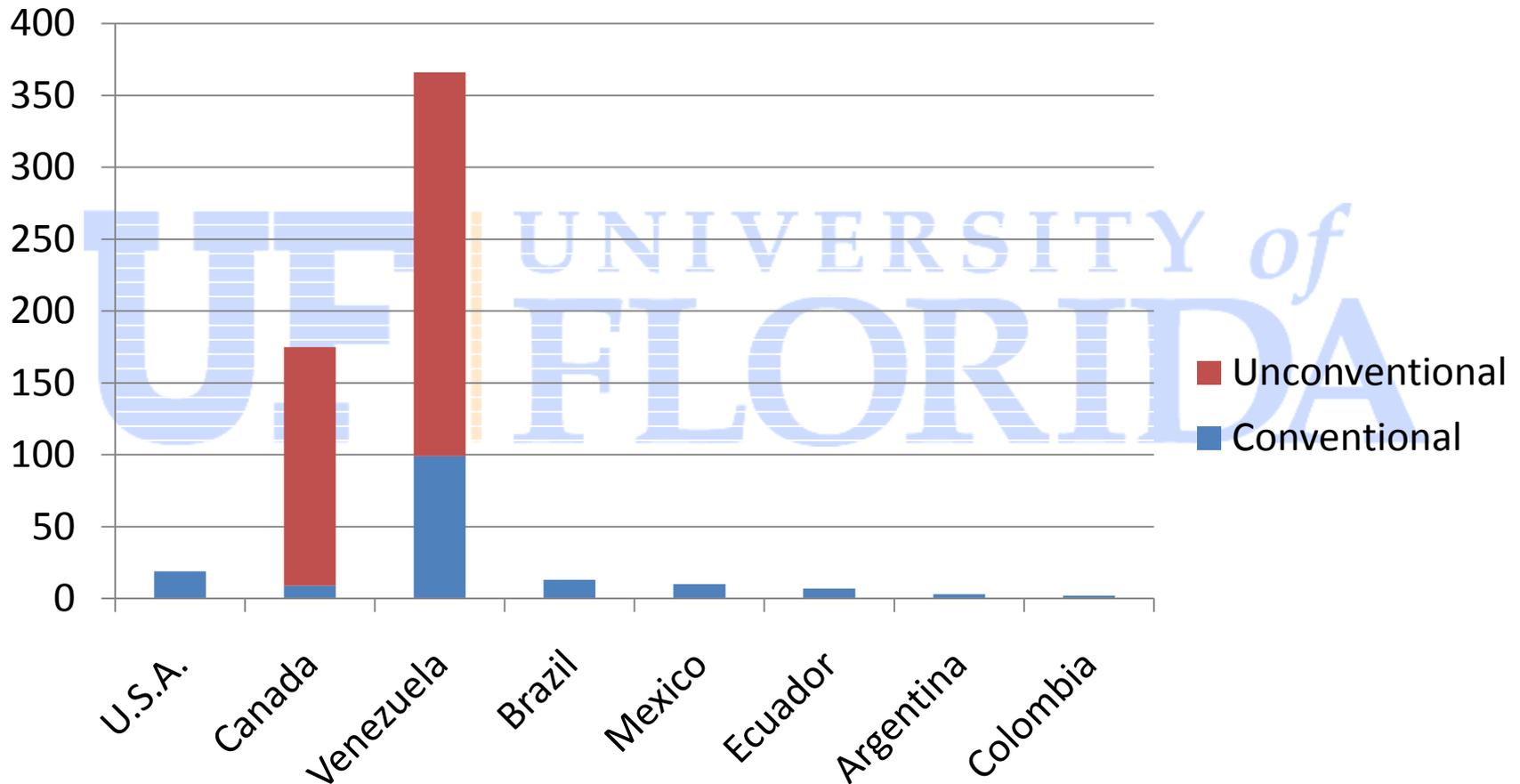
...when we include un-conventional oil reserves, western hemisphere second largest regional holder of world oil reserves

World Oil Reserves bbls





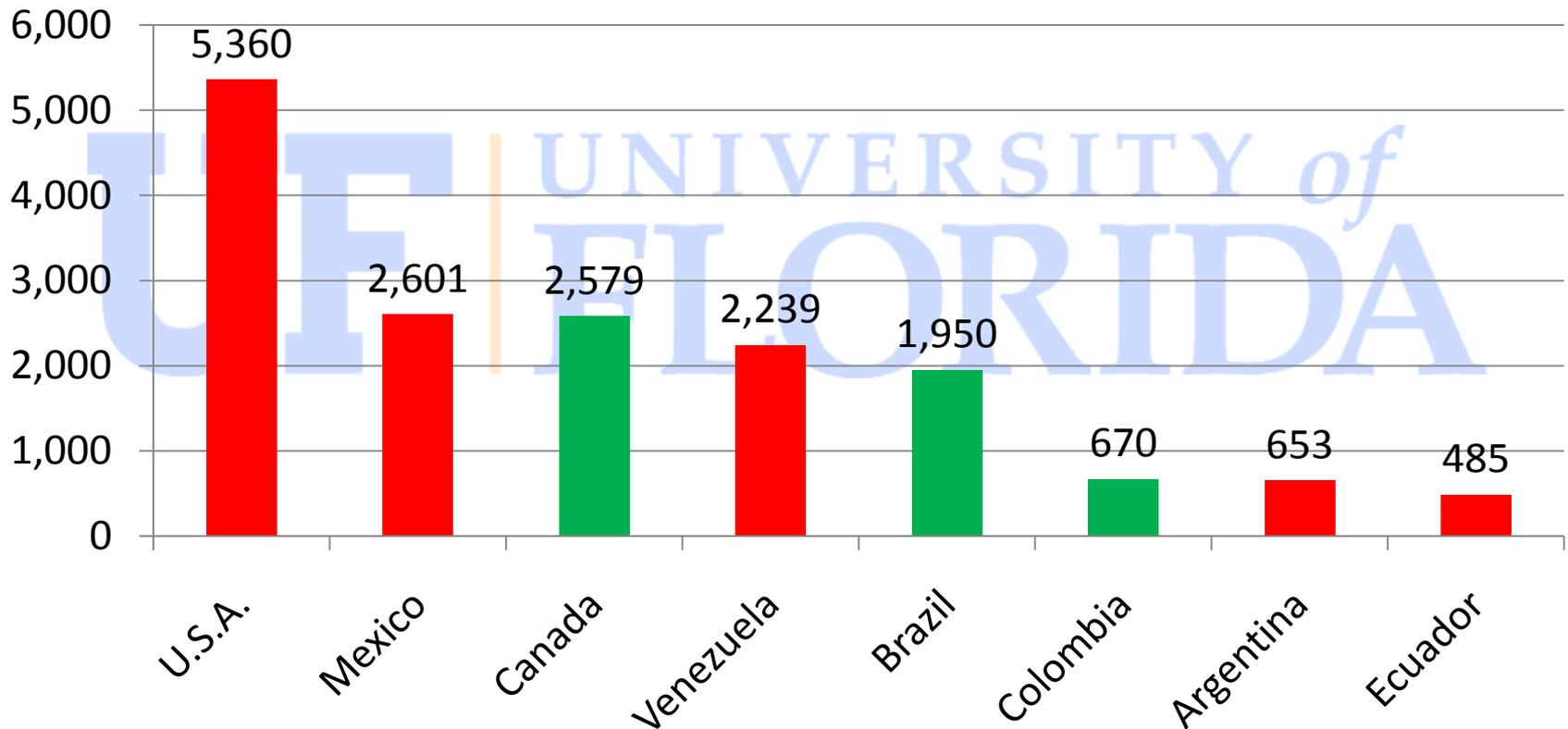
*...the future is in capital intensive, technologically challenging,
and environmentally sensitive extra heavy oil
and oil sands development...*





*...oil growth in un-conventional and deepwater production;
technical, capital, and environmental challenges ahead...*

Western Hemisphere's Largest Oil Producers mbd





*...and there are winners and there are losers;
it's just how you manage the asset.*



Brazil's Petrobras 



Colombia's Ecopetrol 



Venezuela's Pdvsa 

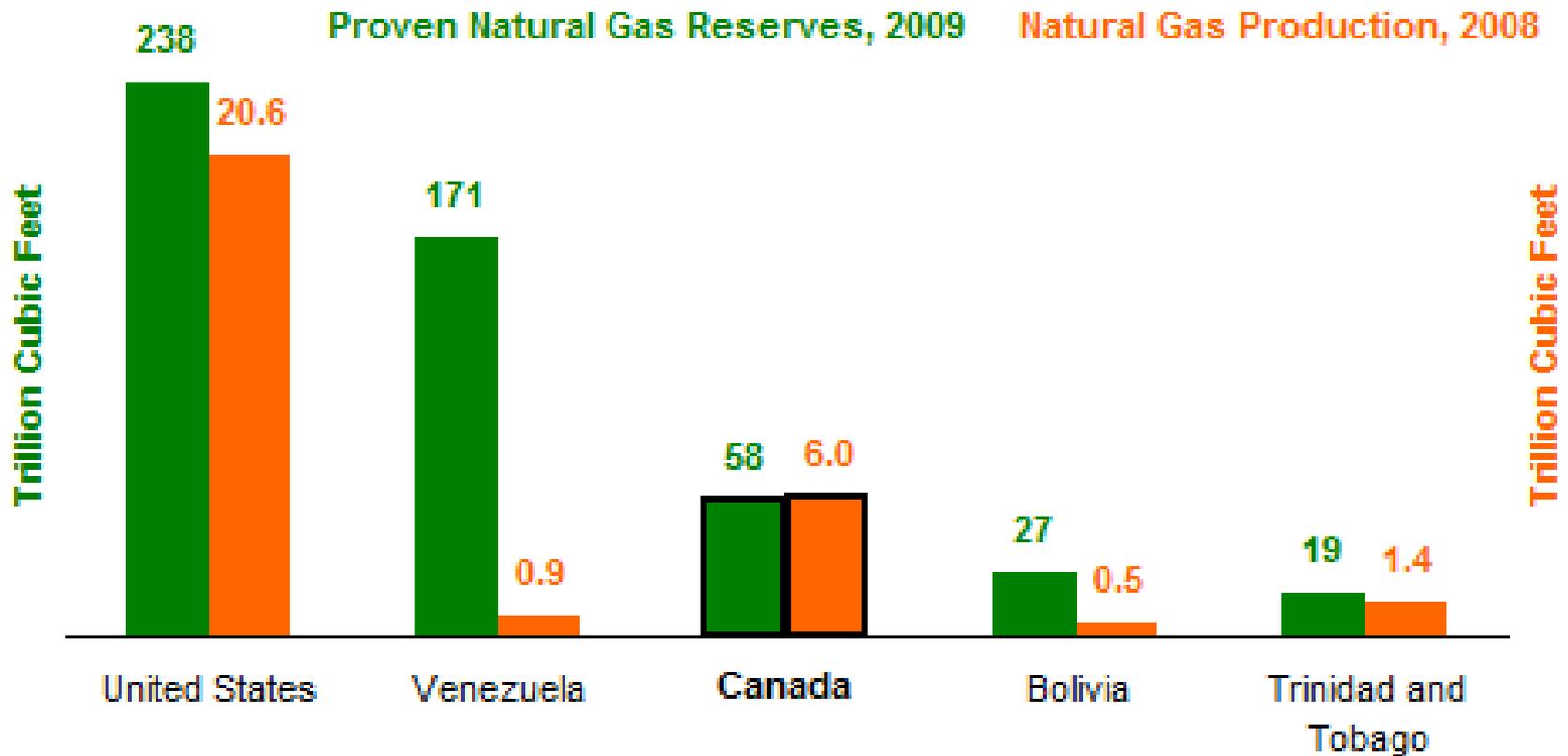


Mexico's Pemex 



...natural gas/LNG; possible game-changer in the Southern Cone

Selected Western Hemisphere Proven Natural Gas Reserves and Production





*...new players, new challenges for United States
policy toward Latin America*

China: Over \$60 billion in investments and credits in Latin America's oil and natural gas sectors...Brazil, Argentina, Ecuador, Peru, Venezuela, Cuba

Cuba: Upcoming deepwater oil exploration efforts just 60 miles south of Key West will drive relationship with Venezuela and the U.S. It will also influence U.S. Gulf of Mexico oil drilling policies.