



VENEZUELAN OIL SECTOR



Petroleum Unit

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Energy Situation in Venezuela

- Venezuelan Proven Crude Oil Reserves are 89 Billion Barrels
- Orinoco Belt has 1.2 Trillion Barrels of extra-heavy crude, so far 10 Billion Barrels have been certified and 226 are in process of certification and will be added to Venezuelan proven reserves by 2009, making Venezuela the largest reserve holder in the World
- Current Venezuelan production is 3.3 Million Barrels a Day
- PDVSA refining capacity is 3.3 million barrels per day of finished products. PDVSA's global network includes 24 refining complexes
- Venezuela has 180 Trillion Cubic Feet (TCF) of proven natural gas reserves, plus 195 TCF in prospective reserves, mainly offshore
- Venezuela produces 6.9 Billion Cubic Feet per day of gas, and consumes 2.4 billion cubic feet per day
- PDVSA's income amounted to \$101.8 billion with \$4.7 billion in profit
- Venezuela only consumes 500,000 barrels of oil per day, since it has plenty of other energy resources: Hydroelectricity represents over 70% of total Venezuelan power generation



US—Venezuela Energy Relation

- Venezuela has been a stable supplier to the US for over 90 years
- The US is Venezuela's primary and natural energy export markets (accounting for over 50% of total crude oil and petroleum products exports)
- In 2006 Venezuela was the 4th largest foreign supplier of oil to the US (If including Virgin Islands, Venezuela was the 1st foreign supplier of oil to the US)
- Venezuela accounts for 10% of total US oil imports
- Venezuela is the 2nd largest exporter of gasoline and diesel fuel to the US
- Shipping time from Venezuela to the US is only of 4-5 days, compared with 35 days from the Middle East or 15 days from the African west coast
- PDVSA is one of the largest foreign investors in the US through CITGO Petroleum Corp. – a \$12 billion book value investment
 - CITGO is one of the five largest refiners in the US
 - CITGO creates 2,400 direct jobs in the US and indirectly 150,000 jobs
 - PDVSA and CITGO purchase over \$2 billion in goods and services from over 800 US companies annually
- Venezuela is the 2nd largest overall trading partner to the US in Latin America and the 13th largest in the world, with \$38.5 billion of trade

Oil for the People



Social development in PDVSA is a process of formulating and executing projects in alignment with the Community Development plans of the State. In order to put oil resources to the service of the wider population and create a new economic model, putting an end to the social inequalities so apparent in Venezuela in the last decades, PDVSA promotes Fondespa (The Fund for Social and Economic Development within the Country), which has the task of promoting social development through a transparent and fair distribution of oil revenues.

Backing the social missions promoted by the National Executive is one of the ways in which PDVSA gets directly involved in the lives of ordinary Venezuelans. The company, as part of its revolutionary, corporate responsibility program, encourages groups to take part in their own development projects by first considering the specific conditions (cultural, productive, etc) of each region in the country. By doing so, the corporation acknowledges and respects the constitutive plurality of Venezuelan society. That is how the Endogenous Development Nucleus (Núcleos de Desarrollo Endógeno or NDE) are established, allowing each community to become aware of its potential and is also capable of strengthening and transforming itself so as to generate benefits for the community and eventually become self-supporting.

PDVSA is 100% committed to the eradication of both rural and urban poverty. The company promotes an extensive network of endogenous development projects throughout the country. It also actively discourages every kind of discrimination and is dedicated to supporting minority groups within Venezuela, through a wide range of different programs.

The social programs organized by PDVSA:

- Offer the means, possibilities, and real resources to enable citizens to improve conditions in personal, social, cultural and professional aspects of their own lives. This is carried out in a way that educates individuals to develop a communitarian consciousness, whilst upgrading their skills and allowing them a greater participation in the economic, political, and social life of the country.
- Establish the strategies and programs that conform to the regulations of the National Executive and PDVSA, and enable information, resources, assets and document exchanges between PDVSA and other sources of social development that contribute to satisfying community requirements and expectations.
- Align and communicate, together with PDVSA's main organizations social and economic programs; guaranteeing an improved coexistence and greater understanding between PDVSA and the communities it serves

For more information in English please go to

<http://www.embavenez-us.org>

<http://www.pdvsa.com>

<http://www.veninfo.org>