

ARPEL: Regional Association of Oil and Gas *Evolution and Transformation*

World Petroleum Council – Council meetings 2007

**José Félix García García
ARPEL Executive Secretary**

***25-28 November 2007
Punta del Este, URUGUAY***

Content

- **ARPEL Today**
- **New Strategy 2007-2015**
- **ARPEL Evolution and Transformation**

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ARPEL

Regional Association of Oil and Natural Gas companies in Latina America and the Caribbean

- Unique Regional Association of Oil and Gas Companies – Created in 1965
- Its members represent more than 90% of the regional upstream and downstream operations
- 29 Member Companies (NOCs-65% and IOCs-35%)
- Focal point and Forum of the Regional Oil and Gas Industry



ARPEL – Public/Private Association

COMPANIES

PUBLIC

ANCAP - ECOPETROL - ENAP -
PCJ - PDVSA - PEMEX -
PETROBRAS - PETROECUADOR -
PETROPAR - PETROPERU -
PETROTRIN - RECOPE -
STAATSOLIE – STATOILHYDRO - YPFB

PRIVATES

BP – Chevron – ExxonMobil
Pluspetrol – RepsolYPF – Shell -
Total – Wintershall

INSTITUTIONS

REGIONAL

AIHE - IAPG - IBP – IMP

EXTRA REGIONAL

CCA - WPC

- **ARPEL Today**
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Mission

To promote and facilitate the development and the integration of the oil and natural gas industry in Latin America and the Caribbean strengthening its reputation and its interaction with the society

Vision

To be recognized as a relevant player in the process of energy integration and sustainable development of the Region



Foundational Values

- **Cooperation**
- **Knowledge**
- **Social Responsibility**

Target Audience

- **Employees**
- **Communities**
- **Governments and Institutions**
- **Opinion leaders and media**

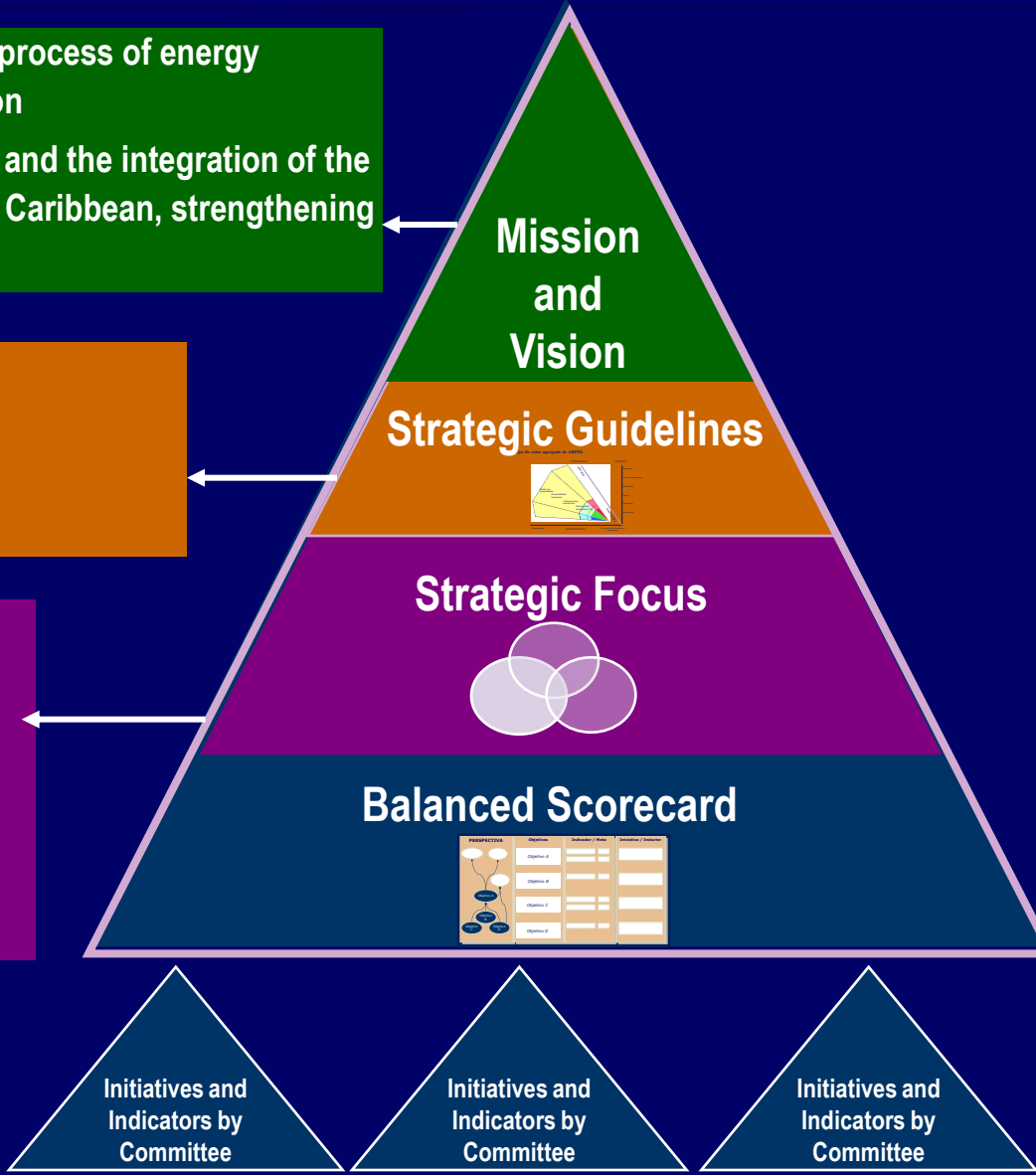
Key Word – Integration



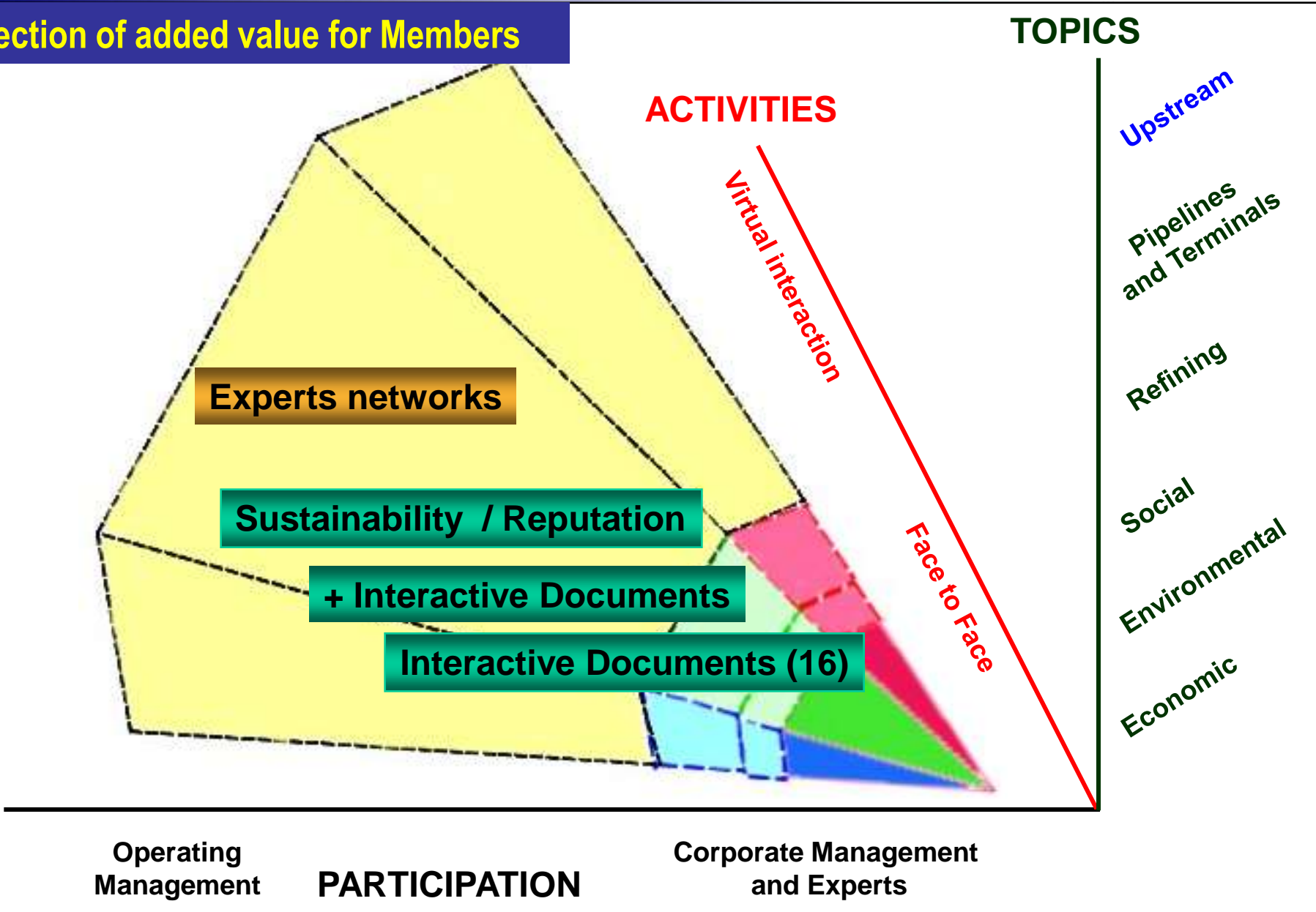
- **VISION:** To be recognized as a relevant player in the process of energy integration and sustainable development of the region
- **MISSION:** To promote and facilitate the development and the integration of the oil and natural gas industry in Latin America and the Caribbean, strengthening its reputation and its interaction with the society.

- STRATEGIC GUIDELINES**
- Increase participation
 - From face-to-face activities to virtual activities
 - Expansion of Issues (Operating segments)

- STRATEGIC FOCUS**
- Relationship with key players, industry growth, energy integration
 - Operations integrity management
 - Management of relations with communities where ARPEL Member Companies operate
 - Eco-efficiency



Projection of added value for Members



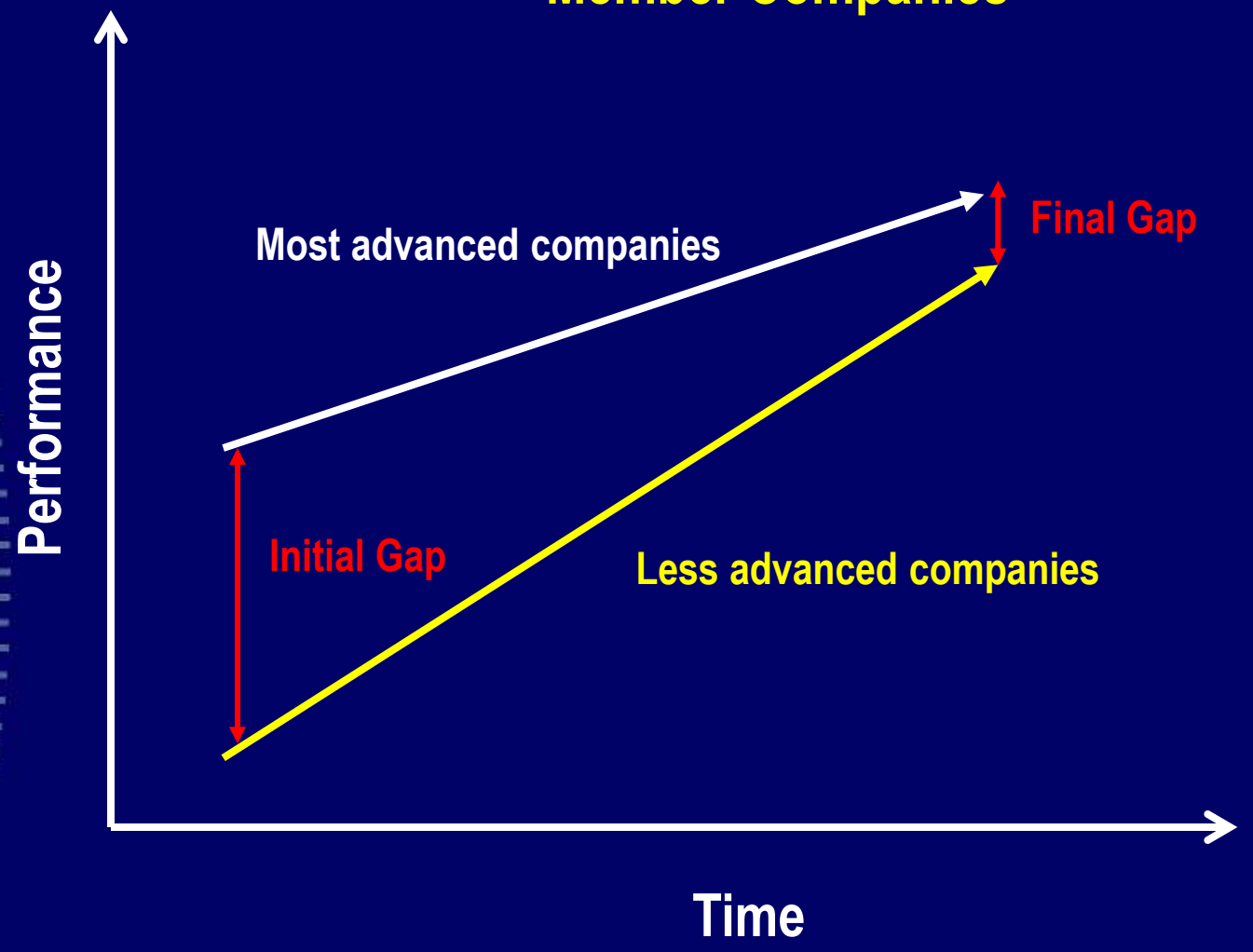
ARPEL Strategic Focus

- **Prioritized Management Systems of:**
 - *Operations Integrity*
 - *Relation with communities where ARPEL MCs operate*

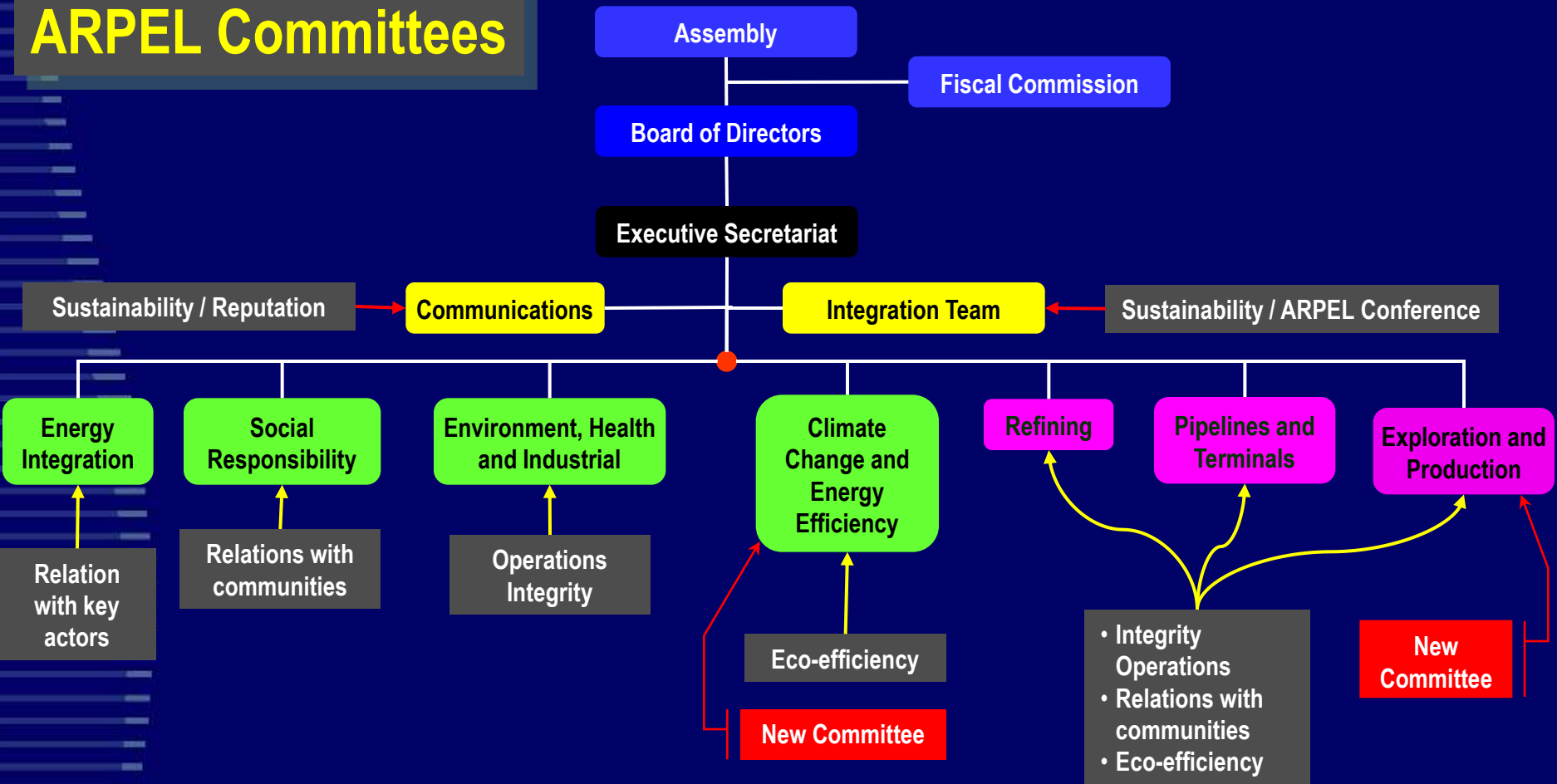
- **Objective: Evaluation and continuous improvement programs of management in companies**

- **Management System: Baseline → Minimum Standards → Gaps → Plans/training → Evaluation (internal → external) → New baseline → continuous improvement**

ARPEL Role to improve the performance of its Member Companies



ARPEL Committees



9 Committees aligned with the ARPEL strategic focus

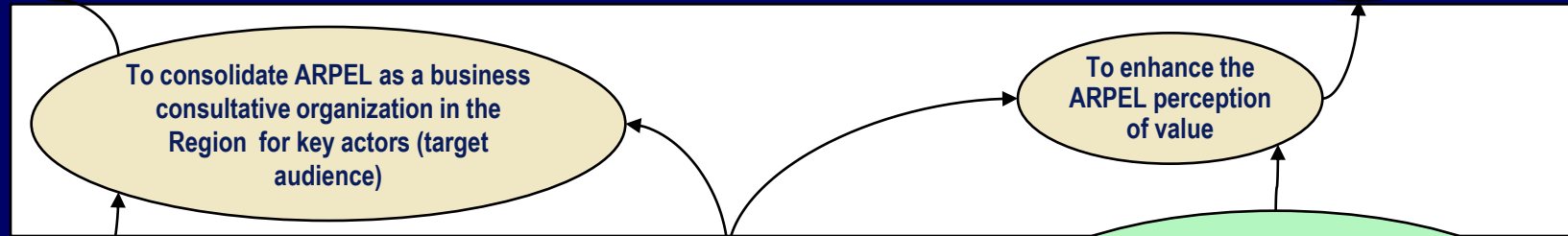
ARPEL Strategic Map



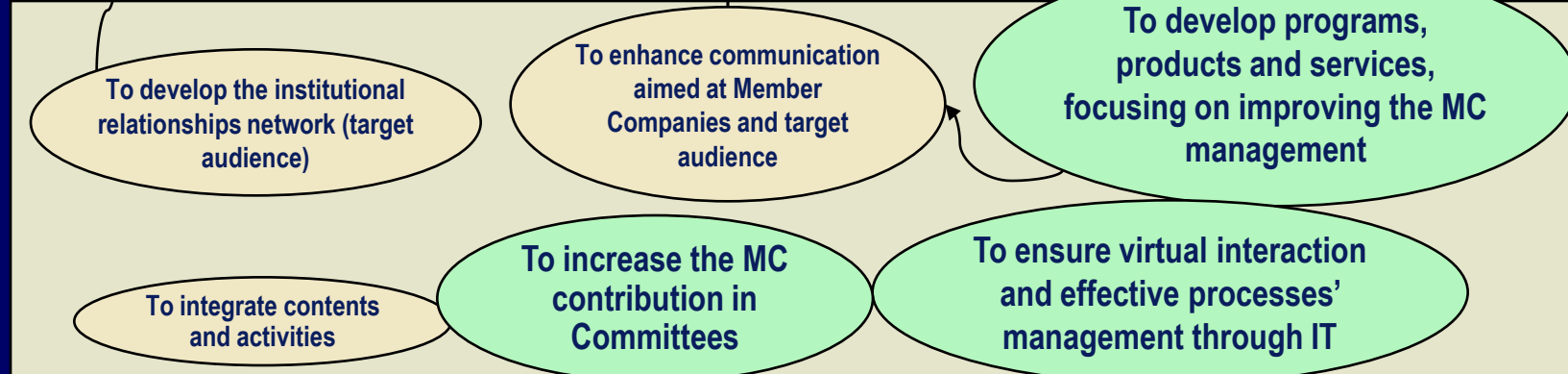
OWNERS PERSPECTIVE



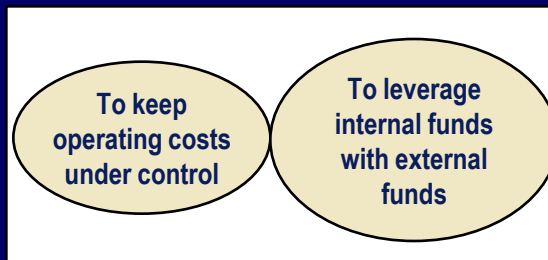
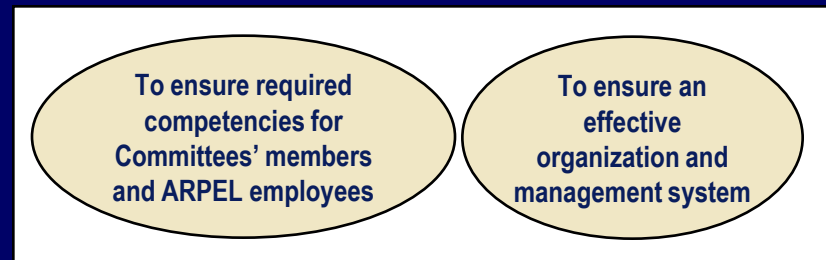
USERS AND GROUPS OF INTEREST PERSPECTIVE (TARGET AUDIENCE)



PROCESS PERSPECTIVE (ARPEL VALUE CHAIN)



INTERNAL CAPITAL PERSPECTIVE

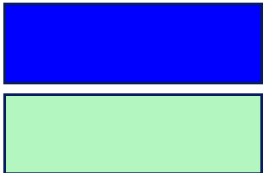


ECONOMIC – FINANCIAL SUSTAINABILITY PERSPECTIVE

ARPEL BALANCED SCORECARD

Persp.	Objective	Indicator / Initiative	Goals as of 31 May 2008	Responsible
OWNERS	<i>D1. To contribute to industry's sustainable development and growth in the Region</i>	D1.01- Index of Satisfaction of the CEOs of the Member Companies	(under construction) 50% satisfaction level	
		i1. % advance in the development of the Satisfaction Index / survey to the CEOs of the Member Companies	100%	Communications Committee
	<i>D2. To contribute to the relationship with key actors in the sector (target audience)</i>	D2.01 – # of projects jointly Developed with key players	(to report)	
	<i>D3. To improve industry's reputation in the Region</i>	D3.01- Reputation index	(under construction)	
		i1. % advance in the development of the Reputation index	20%	Communications Committee
		i2. % advance in the monitoring of the Statement of Commitments	100%	Communications Committee Integration Team

REFERENCES



Indicators

Initiatives

- **ARPEL Today**
- **New Strategy 2007-2015**
- **ARPEL Evolution and Transformation**

ARPEL Evolution and Transformation



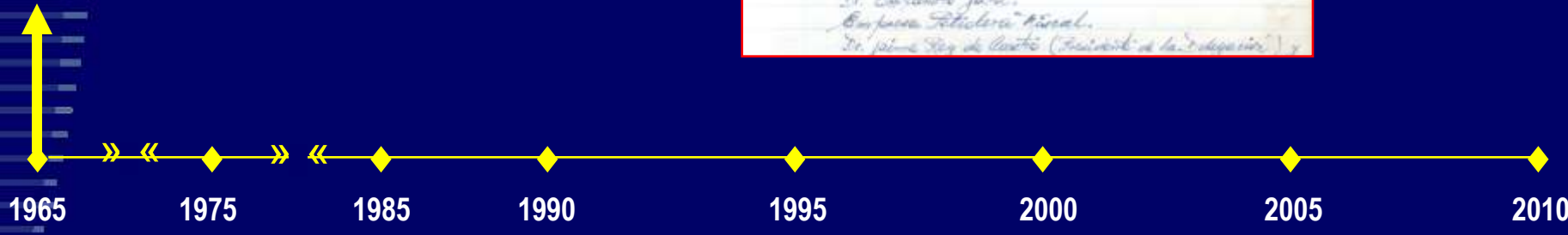
*Sesión de Análisis de la I. C.E.P.E.L.
Acta de la Sesión Ordinaria Ordinaria de ARPEL.*

Nueva Sesión Plena de la II. Conferencia de Embajadas Petroleras, Petroleras Latinoamericanas y constitución de la Asociación de Petroleras Latinoamericanas.

Se realizó en fecha 2 de Octubre de 1965, a las 17:00 horas, en la ciudad de Rio de Janeiro, en el local de la Conferencia (Hotel Ipanema), bajo la Presidencia del Sr. General Ademar de Gusmão, Presidente de Petróleo Brasileiro, S.A. (PETROBRAS), asistiendo como Secretario el Sr. Jaime Rey de Castro, Presidente de Empresa Petrolera Brasil (EPB), y con la asistencia de los siguientes señores Delegados:

- Administración Nacional de Combustibles, Alcohol y Portland:*
- Dr. Rafael Wynne (Presidente de la Delegación);*
- Dr. Edmundo Zúñiga;*
- Dr. Carlos Farrell;*
- Corporación Venezolana del Petróleo;*
- Dr. Rubén Andújar (Presidente de la Delegación);*
- Dr. Carlos Rojas Zúñiga;*
- Dr. Juan Carlos;*
- Empresa Colombiana de Petróleos;*
- Dr. José Giordanelli Lamasquilla (Presidente de la Delegación);*
- Dr. Manuel Ríos Irujo;*
- Dr. Antonio L. Zamora;*
- Dr. Ignacio Villaverde Medina;*
- Empresa Nacional del Petróleo;*
- Dr. Fernando Sales Veliz (Presidente de la Delegación);*
- Dr. Javier A. Romero;*
- Dr. César Antonio Jara;*
- Empresa Petrolera Nacional;*
- Dr. Jaime Rey de Castro (Presidente de la Delegación);*

2 October 1965
ARPEL creation
8 State-owned Companies



ARPEL Evolution and Transformation



1991
ARPEL/CIDA
Project starts





1993

Private Latin American
Companies Extra Regional
State-owned Companies
(Associated Members)



ARPEL Evolution and Transformation



1995
**Extra Regional
 Private Companies
 (Associated
 Members)**

ARPEL NOTICIAS

Las razones de una nueva estrategia

En el contexto de la nueva estrategia diseñada por ARPEL, reproducimos hoy una entrevista periodística realizada al Ing. Andrés Thuesen Álvarez, secretario general de la Asociación, para conocer en profundidad los motivos y el espíritu de una nueva filosofía.

¿En qué condiciones y en qué marco se produjo el nacimiento de ARPEL, en relación al objetivo estratégico de una industria petrolera regional? ARPEL, como Asociación de Compañías Petroleras de la Región Latinoamericana, ha devenido, desde su creación en el año 1995, un eje estratégico en el desarrollo de la industria petrolera regional.

En sus orígenes se constituyó como una organización no gubernamental con el objetivo de promover el intercambio, la cooperación y la asistencia entre entre las compañías petroleras costales.

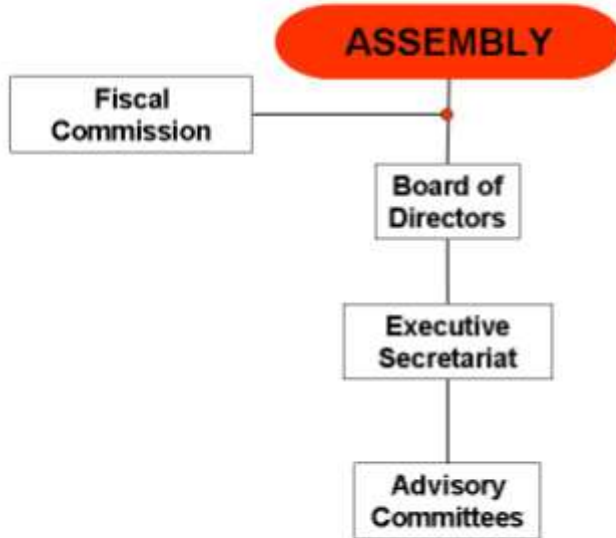
Las condiciones socioeconómicas en la Región en esa época, conjuntamente a la consideración de un rol estratégico para el petróleo por la mayor parte de los gobiernos del mundo, que como consecuencia llevó a la creación de monopolios petroleros estatales. Estas compañías monopolísticas trabajaban, en su mayoría, en un mercado doméstico muy regulado, llevando a cabo actividades en los áreas de exploración y desarrollo dentro de sus propios países. Las oportunidades para la inversión privada eran muy limitadas, y sus actividades se restringían a proveer servicios a un único cliente, que era el monopolio estatal.

Con el paso del tiempo se ha ido confirmando un importante proceso de integración Latinoamericana acompañado con una apertura de las economías que han provocado cambios de suma importancia en el momento regional.

¿Qué desafíos a partir de esta integración sub-regional como el Pacto Andino, el Mercado Común del Sur (MERCOSUR), el Mercado Común Centroamericano (MCCA) y el Nafta (North America Free Trade Agreement) están teniendo gran repercusión en los actividades petroleras de...



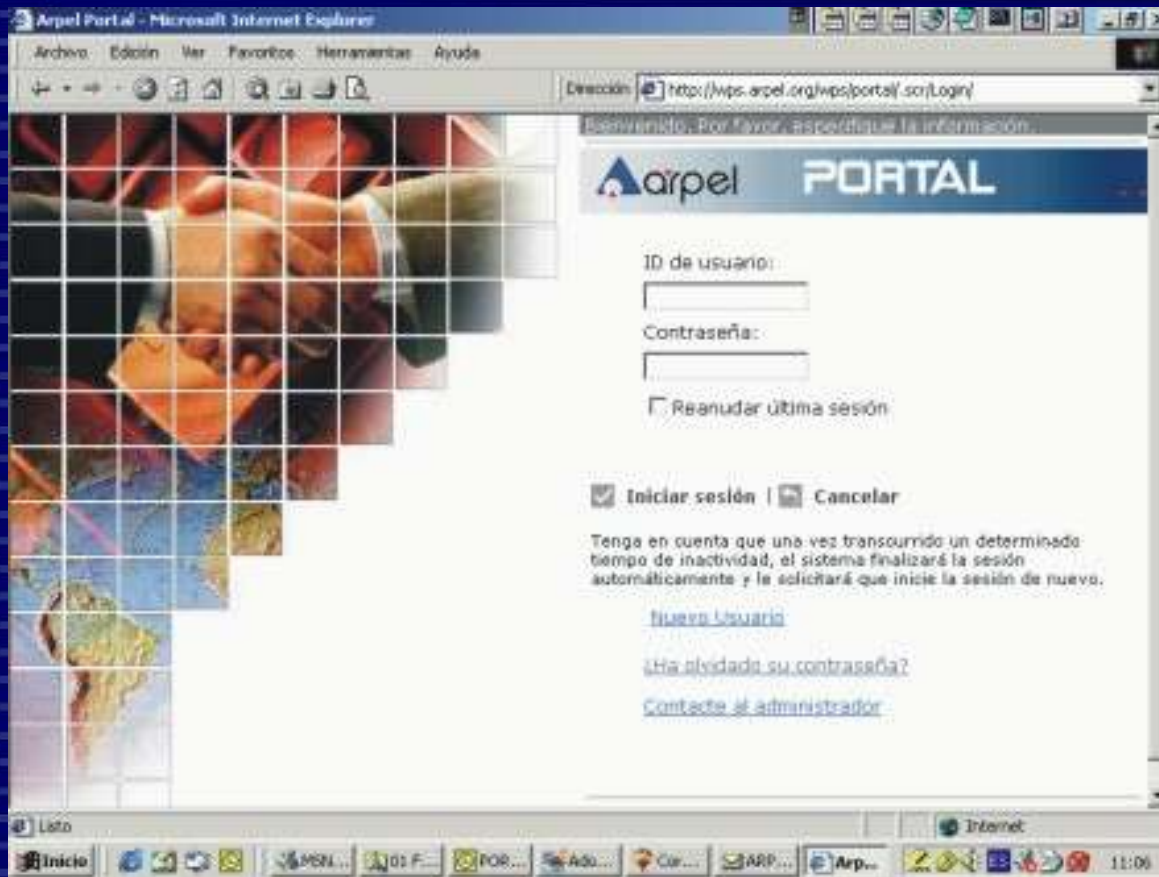
ORGANIZATIONAL STRUCTURE



1998

- All Companies operating in the LAC Region are Active Members
- Strategy / Communication Plan
- Creation of Board of Directors
- Professionalization and re-structure of Secretariat





2003

- Reputation Master Plan
- Web Portal



ARPEL Evolution and Transformation

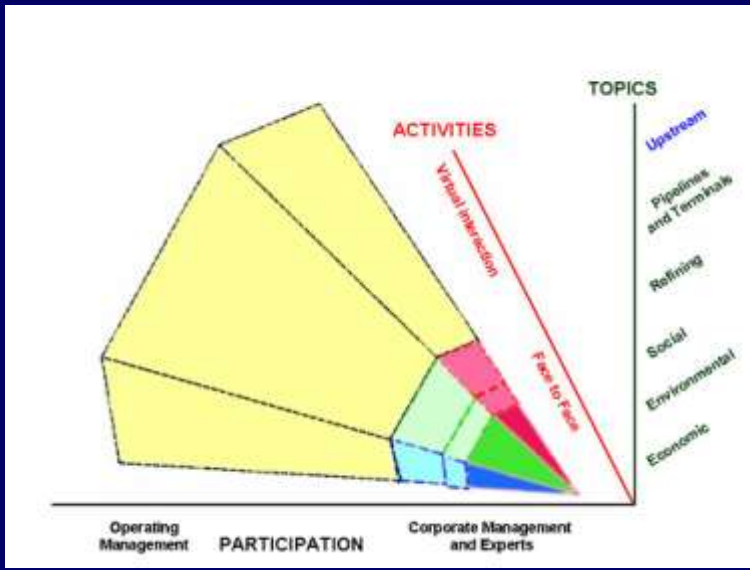
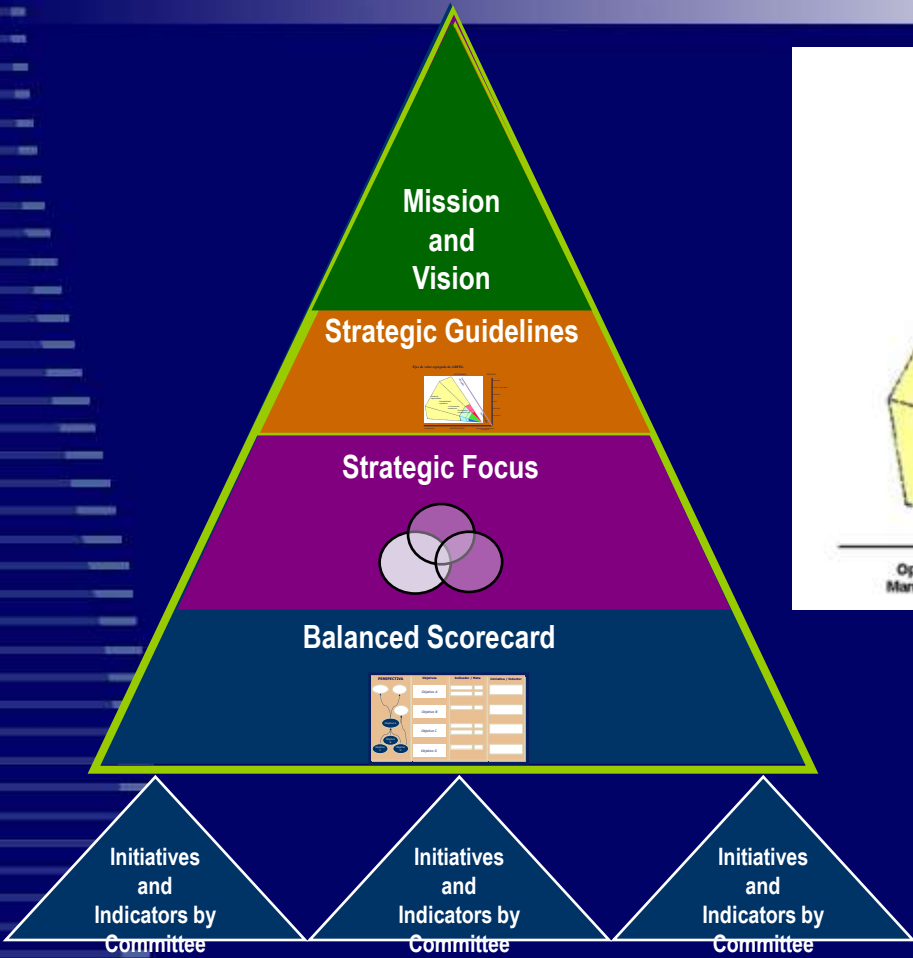


2005

- 40th Anniversary
- Statement of Commitments



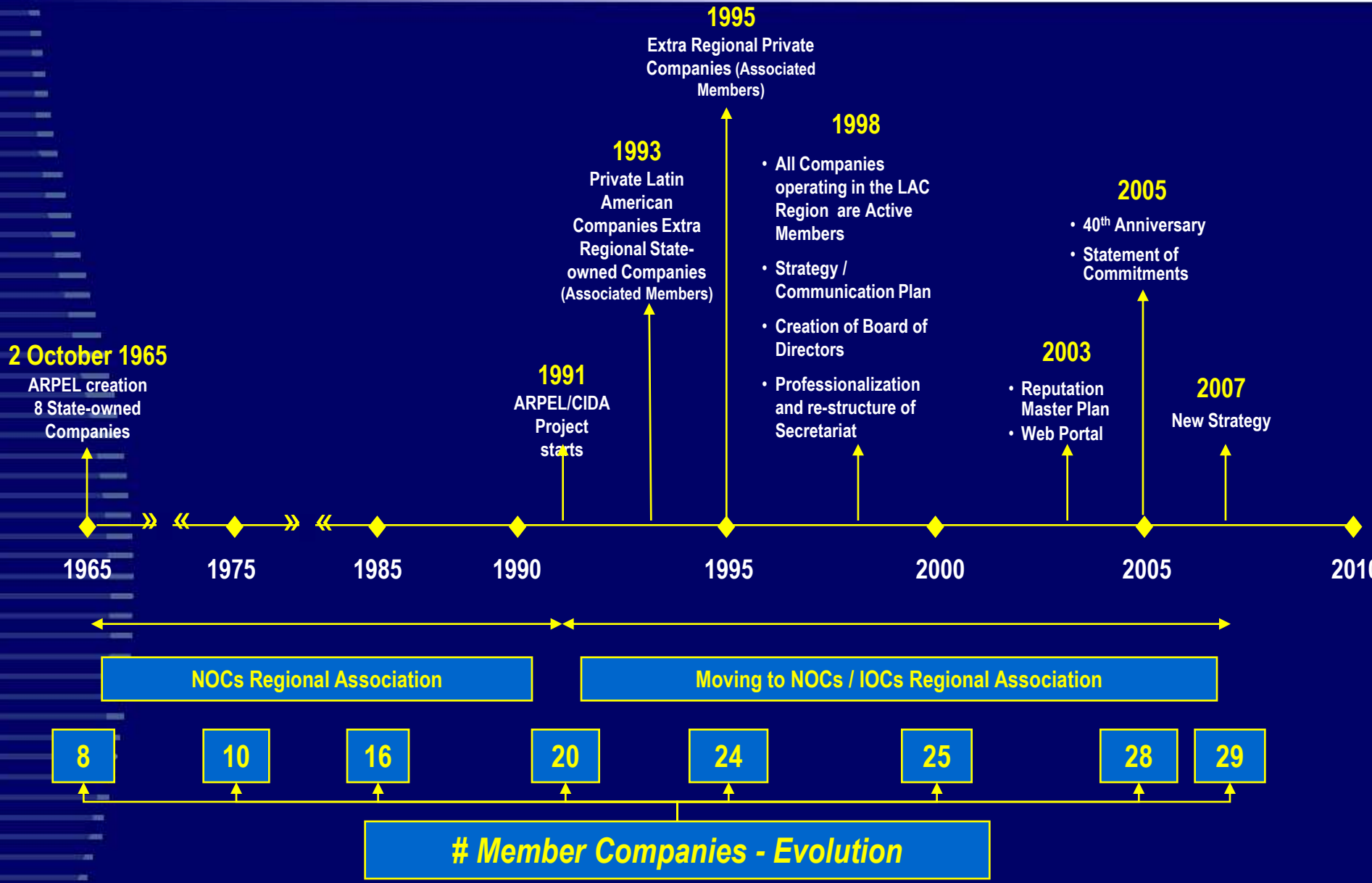
ARPEL Evolution and Transformation



2007
New Strategy



ARPEL Evolution and Transformation





Issues

Issues

Human Resources Development

Experts & Managers Meetings

Research & Development

Oil and Products Commercialization

Andean Basin Geologic Study

Energy Integration

Communications

NOCs Transformation

Public-Private Partnership

Knowledge Management

Environment

Occupational Health & Safety

Air Quality

Fuels and Refining

Climate Change - Eco-efficiency

Pipelines & Terminals

Indigenous Peoples

Social Responsibility

1965 → 1991

1992 → 2007

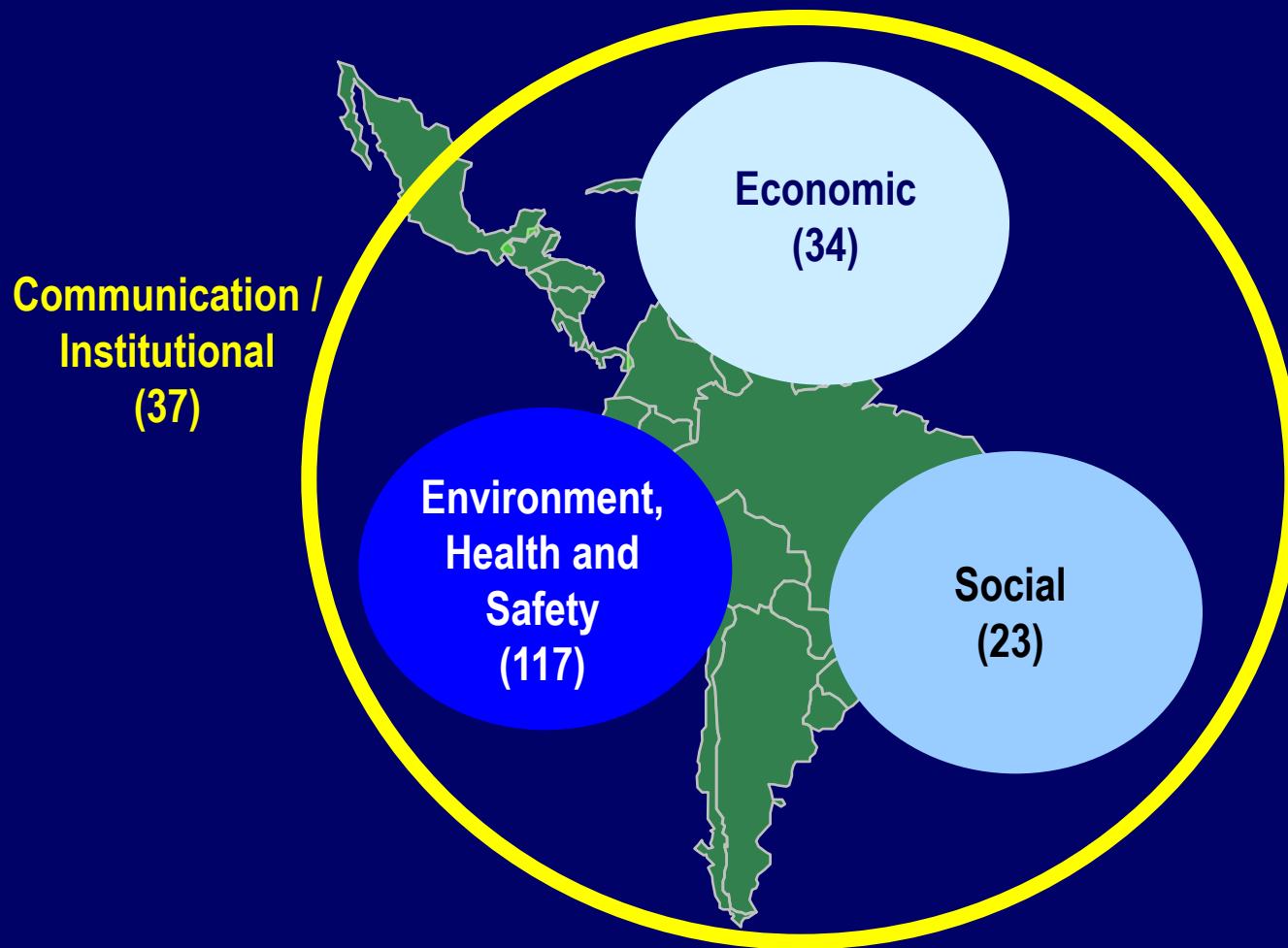
Vision 2000

To be the focal point of the Latin America and the Caribbean region for all the issues related to the oil and natural gas industry: environment, legislation, integration, technology and society

ARPEL Issues Towards the Region's sustainable development



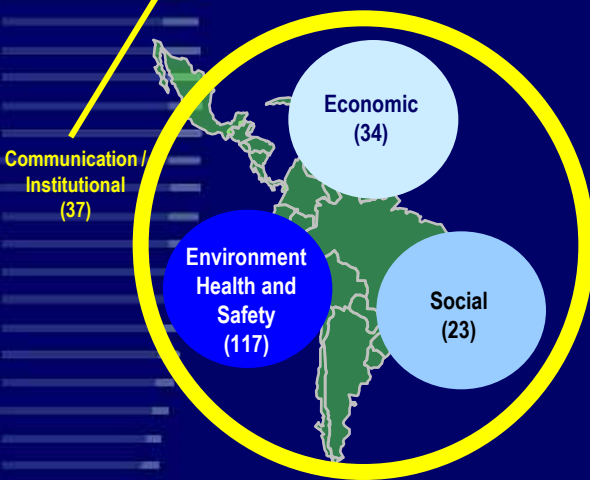
Summary of 2000-2006 deliverables*



* Deliverables = Reports, Guidelines, Documents, Data Bases and Direct Technical Assistance

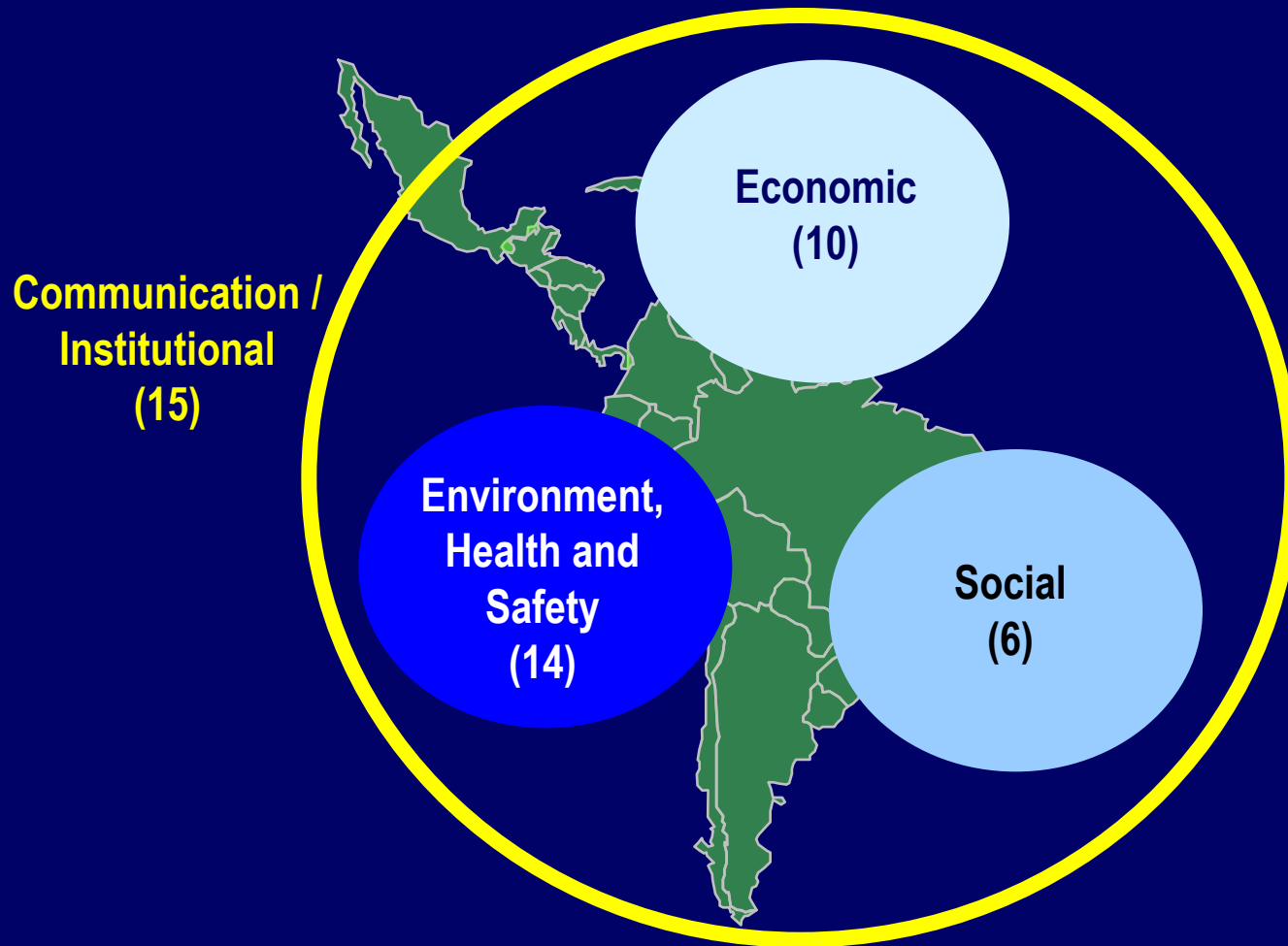
Major deliverables for the 2000-2006 term

- Reputation Master Plan
- Statement of Commitments
- Book – 40 years
- New web Portal
- Communication Plan



37 deliverables
Communication / Institutional

Summary 2005-2006 deliverables*

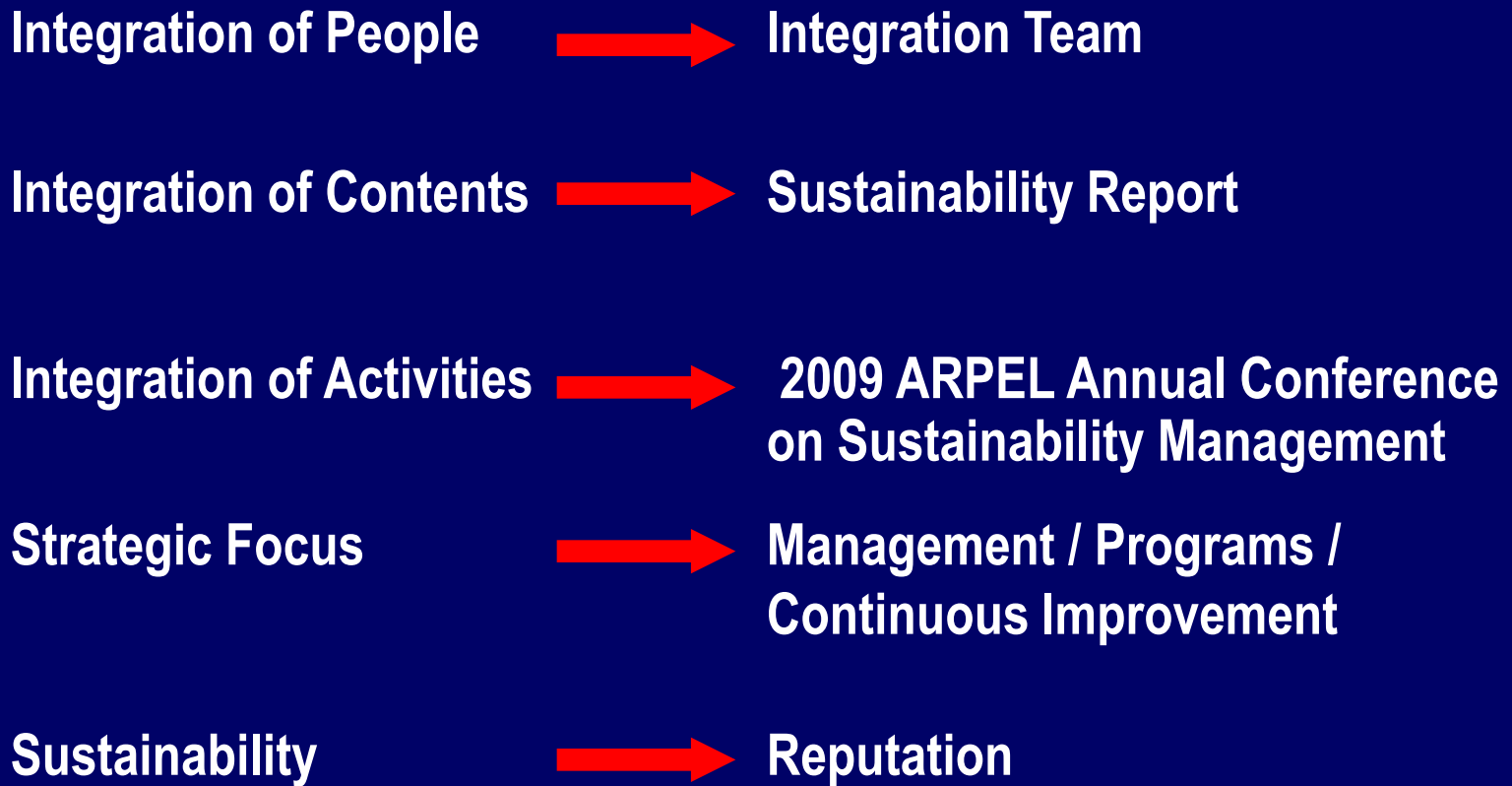


* Deliverables = Reports, Guidelines, Documents, Databases

ARPEL News Recipients evolution



42 years of Integration and Transformation



多謝

ขอบคุณ

Grazie

धन्यवाद

Thank You

Gracias

Спасибо

Danke

Obrigado

Merci

감사합니다

شكرًا

多謝

நன்றி

ありがとうございました

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