



Agenda

- **Why CLEAN TECH in Latin America?**
- **Who are in the market?**
- **Opportunities per country / sector**
- **Q + A**



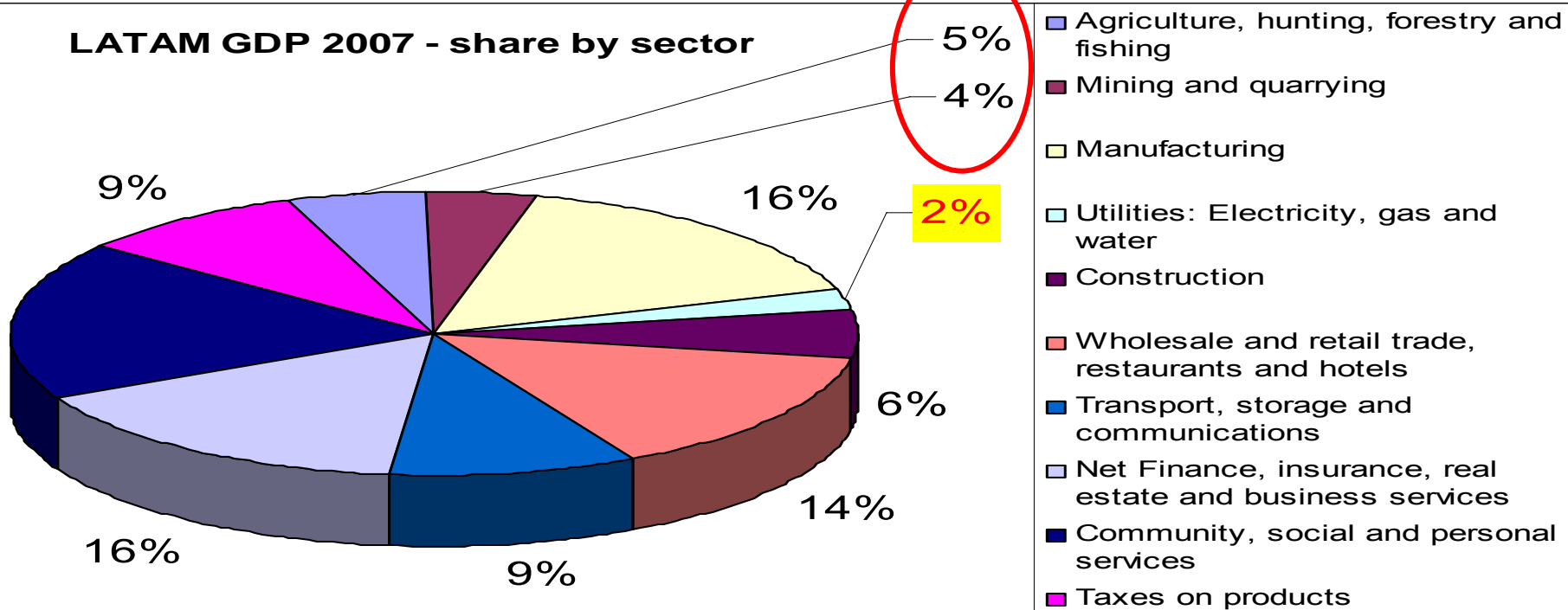
LATAM at a glance

	2007
Population, total (millions)	560.6
Population growth (annual %)	1
Surface area (sq. km) (thousands)	20,421
GDP (current US\$ bn)	2,687
GDP per capita, Atlas method (current US\$)	4,793
Exports (current US\$ bn)	860.8
Imports (current US\$ bn)	827.9
Unemployment, total (% of total labor force)	9
CO2 emissions (metric tons per capita)	2

Source: World Bank / ECLAC statistics

LATAM GDP ANALYSIS

LATAM GDP 2007 - share by sector



Source: ECLAC statistics



INTRODUCTION

LATAM:
BILLION \$\$\$
OPPORTUNITIES'
REGION



Energy needs up to 2020: 216 GW
Environment needs: US\$ 23bn
Biofuel developments (ethanol/biodiesel)



World Bank comments

- Over the **last five years Latin America grew at an average of 5% annually**, which played an important role in reducing poverty and improving development indicators in the region. According to World Bank calculations, 52 million people came out of poverty between 2002-2007, while the region boasted the highest life expectancy and per capita income rates among developing nations.
- **Countries in the region that have managed to save during the good times, and that have more diversified markets (Brazil, Chile, Colombia and Peru) will face milder impacts from the crisis.** Overall, countries with autonomous central banks, with inflation targeting regimes, and solid fiscal processes are better positioned.

LATAM UTILITIES \$VALUE

2.1.1.16 AMÉRICA LATINA Y EL CARIBE: VALOR AGREGADO DE LOS SECTORES DE ELECTRICIDAD, GAS Y AGUA, A PRECIOS CONSTANTES DE MERCADO
 LATIN AMERICA AND THE CARIBBEAN: AGGREGATE VALUE OF THE ELECTRICITY, GAS AND WATER SECTORS, AT CONSTANT MARKET PRICES

USD Millions at constant 2000 prices

País	1995	2000	2004	2005	2006	2007	Country
Antigua y Barbuda	11.4	17.2	18.9	20.1	21.1	23.3	Antigua and Barbuda
Argentina	4 924.7	6 587.3	7 358.9	7 729.4	8 114.3	8 580.3	Argentina
Bahamas	134.7	172.8	208.2	238.8	276.0	287.2	Bahamas

GROWTH

(at constant prices)

1995-2007: 53%

2000-2007: 26%

2004-2007: <3% annual growth

LATAM is lagging behind in utilities sector

Uruguay	634.7	826.2	787.4	833.4	821.0	914.7	Uruguay
Venezuela (República Bolivariana de)	2 303.9	2 513.0	2 905.4	3 232.1	3 418.4	3 499.7	Venezuela (Bolivarian Republic of)
América Latina y el Caribe	38 229.1	46 548.7	51 106.5	53 104.4	56 010.8	58 825.5	Latin America and the Caribbean
América Latina	37 625.9	45 750.7	50 189.5	52 131.8	54 961.8	57 743.2	Latin America
Caribe	603.2	798.0	917.0	972.6	1 049.0	1 082.3	Caribbean

Source: ECLAC 2008, statistical summary



Australian Government
Austrade



An Australian Government Initiative



ENTERPRISE
CONNECT

LATAM UTILITIES \$VALUE

2.1.1.16 AMÉRICA LATINA Y EL CARIBE: VALOR AGREGADO DE LOS SECTORES DE ELECTRICIDAD, GAS Y AGUA, A PRECIOS CONSTANTES DE MERCADO
LATIN AMERICAN UTILITIES

USD Growth at L6 (top 6 countries)

País						Country
Antigua y Barbuda	11.4					Antigua and Barbuda
Argentina	4924.7					Argentina
Bahamas	134.7					Bahamas
Barbados	56.7					Barbados
Belice	23.8					Belize
Bolivia	206.5					Bolivia
Brasil	16 399.6					Brazil
Chile	1917.9					Chile
Colombia	2 819.7					Colombia
Costa Rica	278.6					Costa Rica
Cuba	428.7					Cuba
Dominica	9.2					Dominica
Ecuador	103.4					Ecuador
El Salvador	171.2					El Salvador
Granada	12.1					Grenada
Guatemala	279.3					Guatemala
Guyana	...					Guyana
Haití	27.4					Haiti
Honduras	123.8					Honduras
Jamaica	199.7					Jamaica
México	5 296.7					Mexico
Nicaragua	88.6					Nicaragua
Panamá	227.9					Panama
Paraguay	152.2					Paraguay
Perú	908.7					Peru
República Dominicana	332.6					Dominican Republic
Saint Kitts y Nevis	4.1					Saint Kitts and Nevis
San Vicente y las Granadinas	13.4					Saint Vincent and the Grenadines
Santa Lucía	20.9					Saint Lucia
Suriname	27.7					Suriname
Trinidad y Tabago	89.4					Trinidad and Tobago
Uruguay	634.7					Uruguay
Venezuela (República Bolivariana de)	2 303.9					Venezuela (Bolivarian Republic of)
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2004-2007

Ann. Growth

Argentina 3%

Brazil 2%

Chile 0%

Colombia 2%

Mexico 4%

Peru 4%

Source: ECLAC 2008, statistical summary



What drives Australia apart
from LATAM...?

- **NEWS**
- **The geography barrier**



Who is investing in Latin
America

OPPORTUNITY IN LATAM: INVESTMENT
<2% TOTAL GDP
(≈US\$ 40bn)



Big players in the LATAM Energy Market

- **ENEL (ITALY / SPAIN)**
 - 15.95 GW of installed power
 - **Renewable energies:**
 - **0.7 GW of installed power**
 - **2 geothermal power project under development**
- **GDF SUEZ Energy International (Belgium)**
 - 9.8GW in operation
 - Basically thermal Generation and LNG Business
 - **Panama: Geothermal project 0.24 GW**
- **ENERTHI (SPAIN)**
 - **Specialised promotion and development of renewable energy projects**
 - Operation over 5 GW.
 - Operates in Spain, France and Italy within industrialised countries.
 - **Emerging market ventures: México, Brasil, Peru and Eastern Europe**



Surmounting the Crossroad

- **Two (2) Choices:**
 - **Keep things in the same way**
 - **Look to what LATAM has to offer**

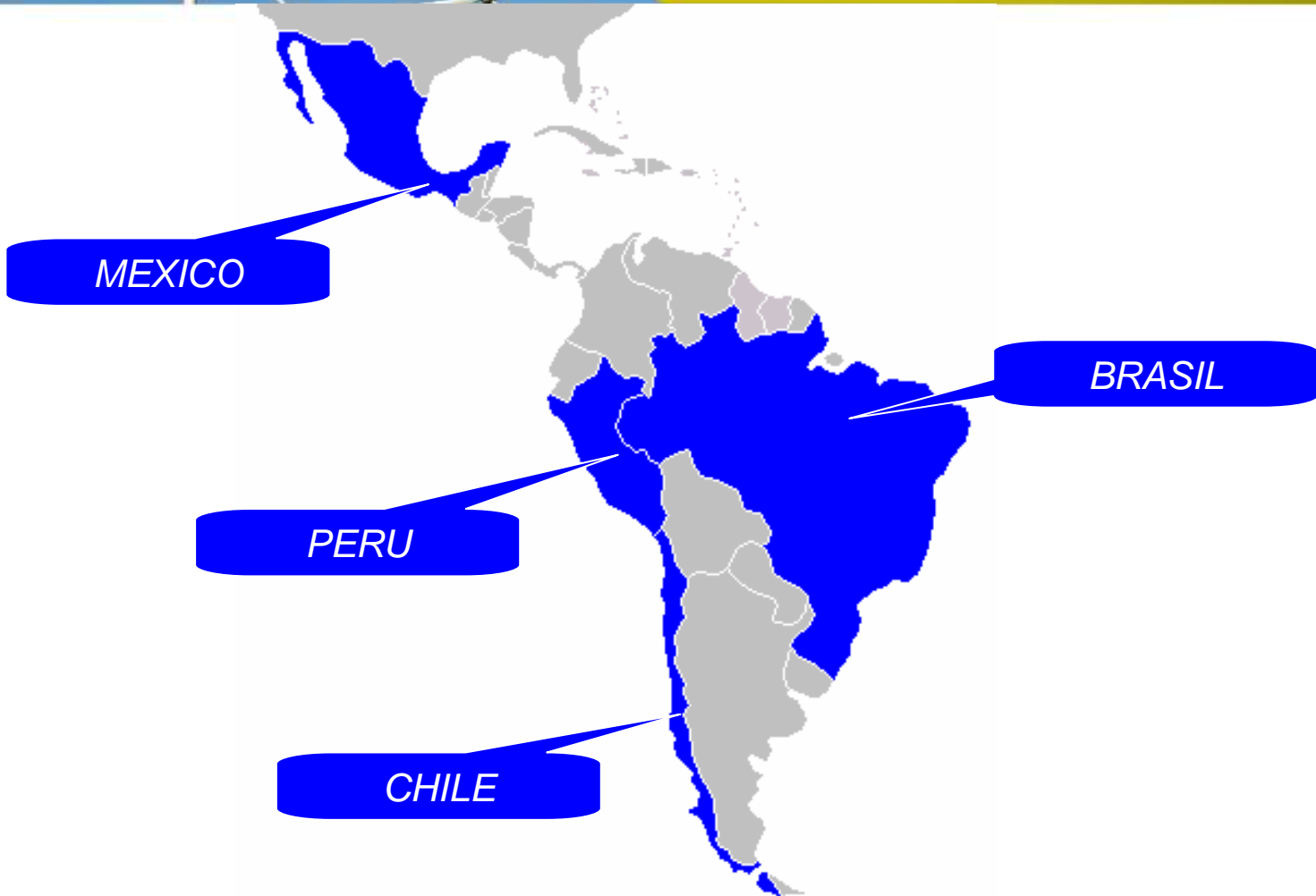
- **216 GW in Energy**
- **US\$23 bn in Environment Needs**
- **Biofuels**



2 Businesses appear for Australia:

- 1. Invest in Latam**
- 2. Sell Products & Services to infrastructure projects**

Where to go?





BRAZIL: GIANT MARKET

- ***HUGE DEMAND: almost additional 200GW by 2020***
- ***G20 & BRIC country***
- ***World leader in sugar cane ethanol***
- ***R&D***
- ***Finance alternatives***
- ***Well planned & structured market***
- ***MAJOR OPPORTUNITY:***
 - ***Wind Generation***
 - ***Hydro Project Development***
 - ***Biofuels***



BRAZIL: TOP OPPORTUNITIES



Co Development Offer at Bahia Identified by Austrade Sao Paulo

- Biodiesel, Seedcake
- 18,500ha potential.
- Open to exchange land for equity in a bioenergy forestry project

Government initiative:
Vale do Rio Sao Francisco Project

Opportunities; Dam Engineering, Biomass

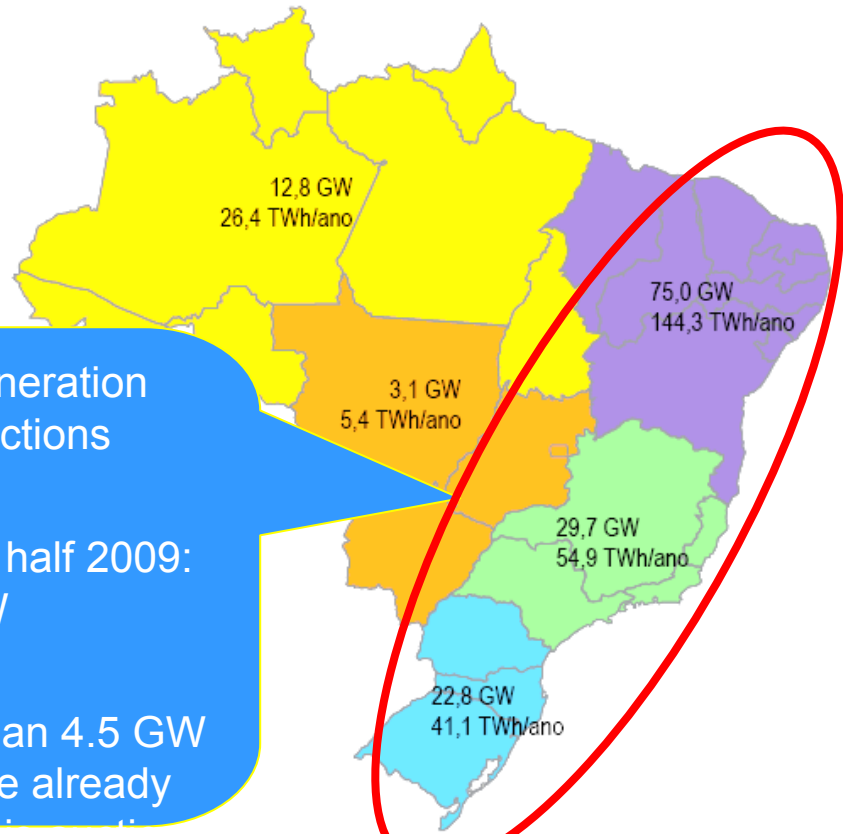
Private company initiative
CPFL Energia

Baldin Bio-mass Cogeneration Project
&
Foz do Chapeco Hydro Generation Project





BRAZIL: TOP OPPORTUNITIES



Electric Wind Generation
Concession Auctions

Next one: 2nd half 2009:
1GW

NOTE: More than 4.5 GW
of projects are already
in the pipeline

Figura 5.1 – Potencial eólico brasileiro.

Fonte: EPE, 2007.



CHILE: ENERGY HUNGER

- ***Australia-Chile FTA***
- ***Well developed legal frame***
- ***Finance alternatives***
- ***Different competitors in the market***
- ***MAJOR OPPORTUNITY:***
 - ***Biomass***
 - ***Minihydros***
 - ***Eco-Technology***



CHILE: TOP OPPORTUNITIES

Large Hydro projects under Study or ready to begin construction:

<u>COMPANY</u>	<u>CAPACITY</u>
<i>Endesa/Colbun</i>	<i>2,750 MW</i>
<i>Xstrata Copper</i>	<i>1,014 MW</i>
<i>Pacific Hydro</i>	<i>555 MW</i>
<i>Trayenko</i>	<i>546MW</i>
<i>AES Gener</i>	<i>531 MW</i>

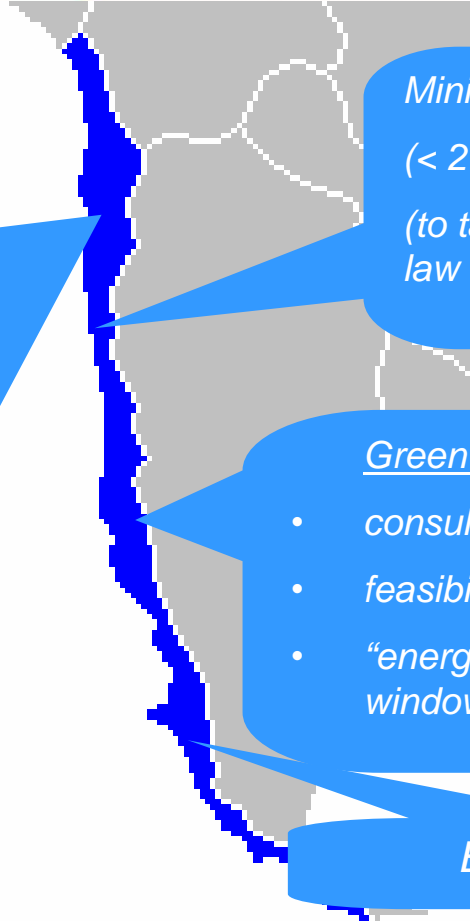
- *Engineering*
- *Project design*
- *Project management*
- *Dam construction*
- *Large equipment*

*Minihydros & Wind projects
(< 20 MW Capacity)
(to take advantage of the new
law mechanisms)*

Green Building / Eco Technologies:

- *consulting services*
- *feasibility to completion studies*
- *“energy efficient” building supplies:
windows, doors, panelling, etc.*

Biomass Generation



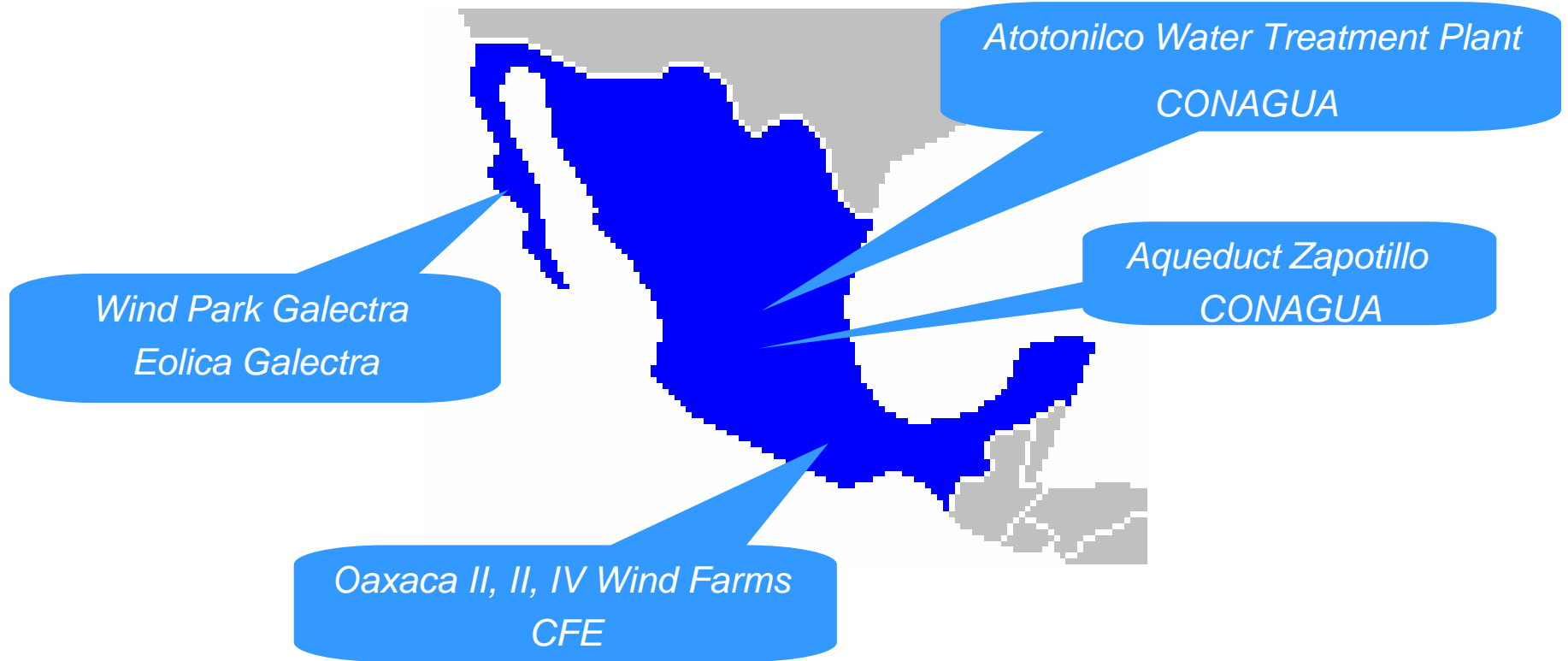


MEXICO: TAKING OFF

- ***2nd biggest economy in LATAM***
- ***G20 country***
- ***Oil producer country***
- ***Finance alternatives***
- ***Lagging behind in eco planning***
- ***MAJOR OPPORTUNITIES:***
 - ***Water technologies (\$19bn)***
 - ***Wind Generation (+8.6GW)***
 - ***Eco-Technology***



MEXICO: TOP OPPORTUNITIES



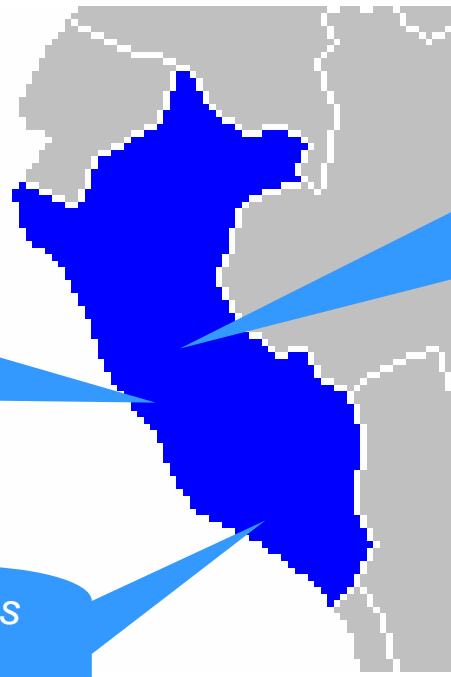


PERU: NEEDS QUICK ATTENTION

- ***Fastest growing economy in LATAM***
- ***Legal framework***
- ***No more Natural Gas for thermoelectric generation***
- ***Lagging behind in infrastructure***
- ***Year round sugar cane crops (high yield; >10k lt per ha)***
- ***MAJOR OPPORTUNITIES:***
 - ***Hydro dams***
 - ***Sewage technology***
 - ***Biofuels***



PERU: TOP OPPORTUNITIES



*La Chira Water Treatment
Plant and Submarine
Emissor
ProInversión*

*Hydro & Irrigation project Pampas
de Sigvas
ProInversión*

*Hydro Electric Potential
Assessment
Ministry of Mining and
Energy*

Guatemala:

Concession for Electric Transmission Service 2008-2018

National Commission for Electric Energy (CNEE)

OTHER LATAM OPPORTUNITIES

Nicaragua:

- Hydroelectric Plant Pajaritos
- Geothermal Plants: Mombacho Hot Spot & Volcano

Ministry of Energy and Mines

Dominican Republic

West Aqueduct (Santo Domingo),

CAASD

**UNEXPLORED
GEOTHERMAL
POTENTIAL**

Costa Rica

- Restoration of Pajaro Electric Plant of Cariblanco

Central Bank of Costa Rica

Paraguay

- Iguazu River Hydro Dam

Administración Nacional de Electricidad (ANDE)



LATAM Events Programmed for FY 2009-10

- Geo Oleo e Gas (Sao Paulo, Brasil) – 21 to 23 Jul/2009
http://www.geobr.com.br/home/index_pt.php
- The Green Expo (México DF, Mexico) – 29 Sep to 1 Oct/2009
<http://www.thegreenexpo.com.mx/infogral.html>
- Ambiental & Exporecicla 2009 (Santiago, Chile) – 7 to 10 Oct/2009
<http://www.expoambiental.cl/>
- ExpoSustentat Brazil (Sao Paulo, Brasil) – 28 to 30 Oct/2009
<http://www.exposustentat.com.br>
- 8th Annual Latin American Leadership Forum – April 2010, exact dates and location yet to be disclosed (normally in USA)
<http://www.cg-la.com>





Austrade your partner in LATAM

- Five (5) Posts
in LATAM:
 - Mexico City, Mexico
 - Lima, Peru
 - Sao Paulo, Brazil
 - Santiago, Chile
 - Buenos Aires, Argentina

- **216 GW in Energy**
- **US\$23 bn in Environment Needs**
- **Biofuels**





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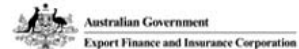
¡ALAS Y BUEN VIENTO!

“Have wings and wind to fly!”

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HOW CAN AUSTRALIA LATAM HELP ME?



Where can I find more on LATAM Clean Tech Opportunities?

Call us at Austrade:

Argentina

Australian Embassy
Villanueva 1400
C1426BMJ Buenos Aires
Tel: (54 11) 4779 3573
Fax: (54 11) 4779 3583
Email: infoargentina@austrade.gov.au

Brazil

Alameda Santos, 700, 9th floor, Unit 92
Edifício Trianon Corporate – Cerqueira César
01418-100 São Paulo SP
Tel: (55 11) 2112 6200
Fax: (55 11) 3171 2889

Remote Office: Belo Horizonte
Tel: (55 31) 8749 8200
Fax: (55 31) 8749 8200

Chile

Av. Nueva Tajamar 481
Torre Norte, Oficina 1101
Las Condes Santiago
Tel: (56 2) 560 7800
Fax: (56 2) 203 6599

Mexico

The Austrade office in Mexico is responsible for Honduras and Jamaica and can assist with any queries.

Australian Embassy
Ruben Dario #55
Esquina Campos Eliseos
Col Polanco 11580
Mexico, D.F.
Tel: (52 55) 1101 2267
Tel: (52 55) 1101 2200 (Embassy Switchboard)
Fax: (52 55) 5223 0883

Peru

The Austrade office in Peru is responsible for Colombia and can assist with any queries.

Av. Víctor Andrés Belaúnde 147
Torre Real 3, Of. 1301
Lima 27
Tel: (51 1) 222 8281
Fax: (51 1) 221 4996

**To contact Austrade call 13 28 78
(Australia only) or email
info@austrade.gov.au.**



Australian Government
Austrade





AUSTRADE's Value-Added effort in LATAM

- **Total Australian Exports to LATAM: AUD \$2.2bn**
- Total 2007-2008 successful companies: 121
- Total assisted value in the region: AUD \$134mn
- Mission: Assist Aussie companies to access the market easier, faster and with minimum risk
- Our major aim: develop long term exporters and internationalise Australian companies
- 5 key industry sectors: Mining and energy (including clean energy), ICT, Services, Agribusiness, F&B



AUSTRADE: WHAT WE CAN DO FOR YOU

- Arrange participation in trade events
- Arrange product demonstration
- Organise meetings and video-conferences
- Organise visit programs
- Organise delegations
- Assist with your negotiations
- Arrange local services you need
- Be your eyes and ears in the market
- Provide advice on market access and briefings where and when necessary



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TOP RENEWABLE ENERGY PROJECTS - LATAM -

TOP CLEAN TECH PROJECTS

presented at the 7th Latin America Leaders Forum – April 2009

Country	Project	Sponsor	Sector	Value US \$ MM	Phase	Type	Status	Data available in internet
Brazil	CPFL Energy: Baldin Bio-mass Cogeneration Project & Foz do Chapeco Hydro Generation Project	CPFL Energia	Electricity	1500	Tender	Private Operation/Concession	Confirmed	http://www.cg-la.com/lalf7/lalf7mapview/266-brazil-cpfl-hydro-generation
Brazil	Vale do Sao Francisco Irrigation PPP	Brazilian Ministry of Planning	Water/Wastewater	100	Feasibility Study	Private Operation/Concession	Confirmed	http://www.cg-la.com/lalf7/lalf7mapview/222-brazil-vale-do-sao-francisco-irrigation-ppp
Costa Rica	Restoration of Hydroelectric Plant of Cariblanco	Central Bank	Electricity	50	Feasibility	Design-Build/Turnkey	Confirmed	http://www.cg-la.com/lalf7/lalf7mapview/261-costa-rica-restoration-hydroelectric-plant
Dominican Republic	West Aqueduct (Santo Domingo)	CAASD	Water/Wastewater	300	TBA	TBA	Confirmed	NO
Guatemala	Concession for Electric Transmission Service 2008-2018	National Commission for Electric Energy (CNEE)	Smart Grid	404	Tender	Private Operation/Concession	Confirmed	http://www.cg-la.com/lalf7/lalf7mapview/258-guatemala-expansion-electric-system
Mexico	Wind Park Galectra	Eolica Galectra	New Energy	60	Financial Closure	Private Operation/Concession	Confirmed	http://www.cg-la.com/lalf7/lalf7project-descriptions/214-wind-park-northern-mexico
Mexico	Oaxaca II, II, IV Wind Farms	CFE	New Energy	160	Tender	Private Operation/Concession	Confirmed	http://www.cg-la.com/lalf7/lalf7mapview/273-mexico-oaxaca-wind-farms
Mexico	Water Treatment Plant of Atotonilco	CONAGUA	Water/Wastewater	709	Tender	DBOT	Confirmed	http://www.cg-la.com/lalf7/lalf7mapview/281-mexico-atotonilco-water-treatment
Mexico	Aqueduct Zapotillo	CONAGUA	Water/Wastewater	385	TBA	TBA	Confirmed	NO

http://www.cg-la.com/lalf7projecttable?utm_source=press%252Brelease&utm_medium=email&utm_campaign=press%252Brelease%20email

TOP CLEAN TECH PROJECTS presented at the 7th Latin America Leaders Forum – April 2009

Country	Project	Sponsor	Sector	Value US \$ MM	Phase	Type	Status	Data available in internet
Nicaragua	Hydroelectric Plant Pajaritos	Ministry of Energy and Mines	Electricity	84.46	Pre-Feasibility	Private Operation/Concession	Confirmed	http://www.cg-la.com/lalf7/lalf7mapview/250-nicaragua-hydroelectric-plant
Nicaragua	Geothermal Plants: Caldera and Volcan Mombacho	Ministry of Energy and Mines	New Energy	256	Pre-feasibility	Private Operation/Concession	Confirmed	http://www.cg-la.com/lalf7/lalf7mapview/249-nicaragua-geothermal-project
Paraguay	Iguazu River Hydro Dam	Administración Nacional de Electricidad (ANDE)	Electricity	261.79	Construction/Procurement	Public Procurement	Confirmed	http://www.cg-la.com/lalf7/lalf7mapview/288-paraguay-yguazu-river-dam-hydroelectric
Peru	La Chira Water Treatment Plant and Submarine Emissor	ProInversión	Water/Wastewater	141	Tender (II T 2009)	Private Operation/Concession	Confirmed	http://www.cg-la.com/lalf7/lalf7mapview/236-peru-la-chira-water-treatment-plant
Peru	Concession of Larger Water Consolidation Works and Infrastructure for Irrigating Pampas de Siguas	ProInversión	Water/Wastewater	373	Tender (IV T 2009)	Private Operation/Concession	Confirmed	http://www.cg-la.com/lalf7/lalf7mapview/235-peru-project-majes-siguas-ii

http://www.cg-la.com/lalf7projecttable?utm_source=press%252Brelease&utm_medium=email&utm_campaign=press%252Brelease%20email

USD 4.4 bn in top eco related projects

By sector: Energy / Grid

Country	Project	Sponsor	Sector	Value US \$ MM	Phase	Type	Status	Data available in internet
Brazil	CPFL Energy: Baldin Bio-mass Cogeneration Project & Foz do Chapeco Hydro Generation Project	CPFL Energia	Electricity	1500	Tender	Private Operation/Concession	Confirmed	http://www.cg-la.com/lalf7/lalf7mapview/266-brazil-cpfl-hydro-generation
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Paraguay	Iguazu River Hydro Dam	Administración Nacional de Electricidad (ANDE)	Electricity	261.79	Construction/Procurement	Public Procurement	Confirmed	http://www.cg-la.com/lalf7/lalf7mapview/288-paraguay-yguazu-river-dam-hydroelectric

USD 2.8 bn in top energy related projects



Australian Government
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An Australian Government Initiative



ENTERPRISE
CONNECT

By sector: Water / Wastewater

Country	Project	Sponsor	Sector	Value US \$ MM	Phase	Type	Status	Data available in internet
Brazil	Vale do Sao Francisco Irrigation PPP	Brazilian Ministry of Planning	Water/Wastewater	100	Feasibility Study	Private Operation/Concession	Confirmed	http://www.cg-la.com/lalf7/lalf7mapview/222-brazil-vale-do-sao-francisco-irrigation-ppp
Dominican Republic	West Aqueduct (Santo Domingo)	CAASD	Water/Wastewater	300	TBA	TBA	Confirmed	NO
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USD 1.6 bn in top water related projects



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AUSSIE PRESENCE IN LATAM

What is the trade between Australia and LATAM?

TABLE 7. AUSTRALIA'S TRADE IN GOODS AND SERVICES WITH THE AMERICAS

	Exports			Imports		
	2006 \$m	2007 \$m	Trend growth 2002-2007 %	2006 \$m	2007 \$m	Trend growth 2002-2007 %
Goods and services^(a)						
United States	15,630	15,817	-0.1	32,000	31,904	2.7
Canada	2,384	2,530	1.9	2,815	2,718	5.2
Mexico	890	738	14.7	1,077	1,162	18.2
Total NAFTA	18,903	19,086	0.6	35,892	35,784	3.3
Central America & Caribbean^(c)	206	310	3.2	679	874	7.3
Brazil ^(b)	892	869	19.6	838	917	16.4
Chile	304	320	18.2	270	536	24.4
Argentina ^(b)	181	115	18.0	168	260	5.5
Total South America^(b)	1,493	1,354	13.5	1,287	1,726	14.4
Total Americas	21,112	21,538	1.8	38,199	38,835	3.8

(a) Goods data on a recorded trade basis, services data on a balance of payments basis.

(b) Goods data only. Services data is not published by the ABS for these countries.

(c) Excluding Mexico.

Source: DFAT STARS database and ABS Catalogue 5368.0.



Australia – Chile FTA (6th March, 2009)

THE AUSTRALIA-CHILE FTA

The Governments of Australia and Chile signed a comprehensive Free Trade Agreement (FTA) at Parliament House in Canberra on 30 July 2008.



Australian Minister for Foreign Affairs Stephen Smith and Chilean Minister for Foreign Affairs Alejandro Foxley sign the Australia-Chile FTA.

The FTA covers trade in goods and services as well as investment and a range of trade related issues such as intellectual property and government procurement.

The agreement entered into force on 6 March 2009.

This is Australia's first FTA with a Latin American country.

The agreement is expected to deliver new trade and investment opportunities to Australia.

It is an important milestone in our growing links with the Latin American market.



THE AUSTRALIA-CHILE FTA – KEY POINTS

- Tariffs on all existing merchandise trade will be eliminated by 2015.
- Around 97 per cent of goods exported in both directions will enter duty free under the FTA.
- The FTA will secure both sides' liberal services regime.
- The FTA will lock in both sides' liberal investment regime.
- The FTA will guarantee both sides' high standards of intellectual property protection for patents, trademarks, geographical indications and copyright.
- Government Procurement: The FTA secures national treatment for Australian goods, services and suppliers in the Chilean market for procurements above agreed value thresholds.

OUR TRADING RELATIONSHIP

Trade between Australia and Chile is growing fast.

Two-way trade was \$1.1 billion in 2007-08, up from \$682 million in 2006-07.

Australian exports to Chile include coal, civil engineering equipment, measuring and analysing instruments, rubber tyres, treads and tubes.

Australia's merchandise exports to Chile in 2007-08 were valued at \$210 million.

Australian services exports to Chile in 2007-08 reached A\$140 million.



ABOUT CHILE

Chile has Latin America's most stable and transparent commercial environment. It has a population of 16.6 million and a GDP of US\$164 billion.

It is an investment base for over 70 Australian or Australian-affiliated companies, mainly providing mining technology and services, gas distribution, power generation, engineering and consulting services and information and communications technology.

Australia is the fourth largest foreign investor in Chile with around US\$3 billion of direct investment.

Chile is Australia's third most significant merchandise trading partner in Latin America.



- **March 2006**, *Australia and Mexico agreed to commence a Joint Experts Group (JEG)*, investigate possible FTA
- **JEG meetings**: Adelaide, April 2007 and Mexico City, June 2007
- **Mid 2009**: JEG final report to respective Ministers for Trade
- **FTA** decision yet to come



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CARBON BONDS IN LATAM

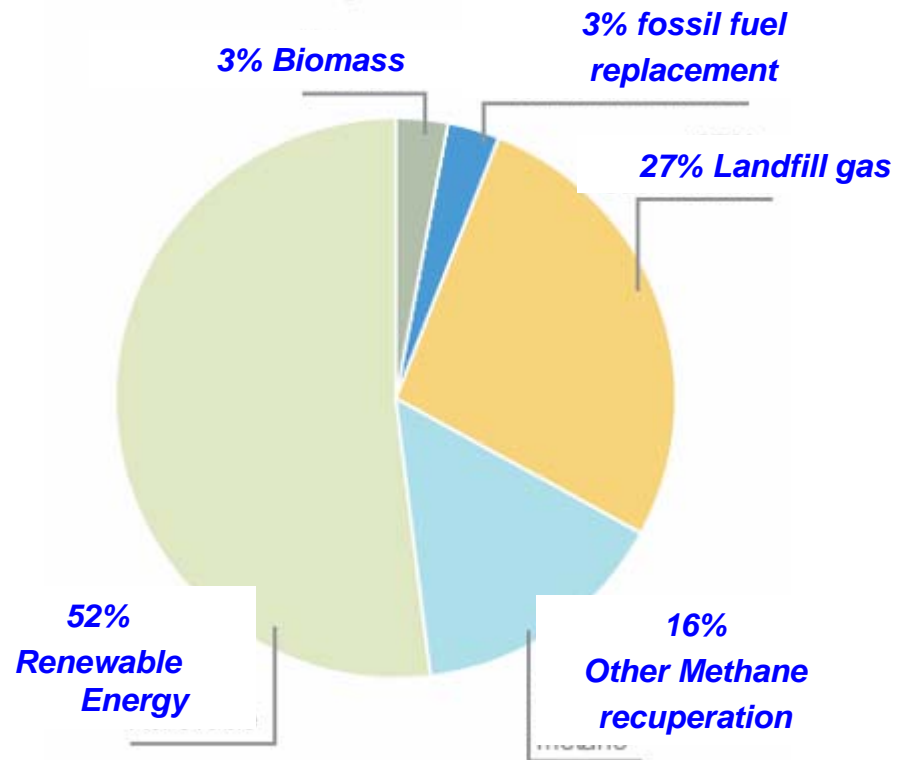
CARBON BONDS MARKET

- World market size US\$ bn:
 - Current size: 54
 - 2012 only Kyoto : 75~150
 - 2012 Post-Kyoto+USA: 300~500
 - 2020 Post-Kyoto +USA:2000

- World Share

- Brazil 4%
- Mexico 3%
- Chile 1.5%
- Peru <1%

LATAM BY KIND OF ACTIVITY



Source: 2007 UN Climate change convention