

The Chuchupa and Ballenas gas fields, offshore from the Guajira Peninsula, and the recent discoveries of Opón in the middle Magdalena valley and Volcanera located near the Cusiana, Capiagua crude oil fields (Piedemonte), will yield enough natural gas resources to supply the market demand and the implementation of expansion projects.

The "gas massification programme", as it is known locally, is a major component of the Colombian government's energy policy. A priority of this programme is to enhance international private participation in the development and operation of the natural gas infrastructure. Urban/regional distribution networks are in an advanced planning stage and implementation of projects will require economic resources of over US\$3.5 billion over the next 10 years.

Four major pipeline projects, covering most of the country and awarded to private investors under the BOMT (build-operate-maintain-transfer) systems, will help increase the number of user-households from the 600,000 families currently served to 2 million subscribers in the year 2000.

A recently enacted law permits the Colombian government to create a new entity, the Empresa Colombiana de Gas (ECOGAS), a new organization with large private equity participation and oriented to manage and control nationally, the natural gas transport and distribution network system.

This overall programme offers Canadian utilities an opportunity for profitable investment. For equipment, materials and services suppliers it presents significant opportunities for export sales.