

NEWSLETTER

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JOINT DECLARATION FOR THE IMPLEMENTATION OF THE CLEAN HYDROGEN AND/OR LOW EMISSIONS CERTIFICATION SYSTEM IN LATIN AMERICA AND THE CARIBBEAN

In a joint effort to meet the global challenge of climate change and move towards a cleaner and more sustainable economy, energy ministers and secretaries from more than 10 countries in the region established a certification system for clean and low-emission hydrogen and its derivatives in Latin America and the Caribbean, called “CertHILAC”. This initiative is supported and sponsored by OLADE and the Inter-American Development Bank (IDB).

CertHILAC will focus on the certification of clean hydrogen and low emissions produced in Latin America and the Caribbean, ensuring product traceability and providing detailed information on its origin and production technology, among other key attributes. In addition, environmental and social sustainability criteria will be established, with special attention to the responsible use of water and respect for local communities and indigenous peoples.

To ensure the effective implementation of CertHILAC, a System Representatives Group has been created, composed of two representatives from each government, which will be responsible for issuing recommendations, establishing regional and national governance, and defining system actors. The Latin American Energy Organization (OLADE) will act as the coordinating body of CertHILAC, facilitating collaboration between countries and other stakeholders.

The Executive Secretary of Olade, Andrés Rebolledo, highlighted the importance of this initiative for the benefit of sustainable development in the region and which reflects the firm commitment of the participating countries to move towards a clean and sustainable hydrogen economy.

“CertHILAC is a cornerstone for regional integration and the creation of a clean, low-emission hydrogen market. With it, we establish a joint framework and open the doors to new economic and technological opportunities, ensuring that the benefits of sustainable development are shared by all people,” said Ariel Yépez, IDB’s infrastructure and energy manager.

CertHILAC will not only benefit the signatory countries, but will also become an internationally recognized regional standard, fostering global cooperation in the clean and low-emission hydrogen market. This certification system, voluntary and adaptable, will serve as a tool to achieve decarbonization goals and will significantly contribute to a more sustainable energy future for Latin America and the Caribbean.

This declaration was signed within the framework of the VIII Energy Week developed in Montevideo Uruguay from November 6 to 10, 2023.



LIII SESSION OF THE MEETING OF MINISTERS OF ENERGY OF LATIN AMERICA AND THE CARIBBEAN

The LIII session of the Meeting of Energy Ministers of Latin America and the Caribbean, the highest governance body of the Latin American Energy Organization, concluded in Montevideo, Oriental Republic of Uruguay.

In the context of the Organization's 50th Anniversary, the meeting was attended by 21 delegations that addressed central issues for energy development and regional integration. Within the framework of the meeting, the Business Dialogue took place, which brought together the Ministers of the member countries with more than 40 energy companies with a regional presence.

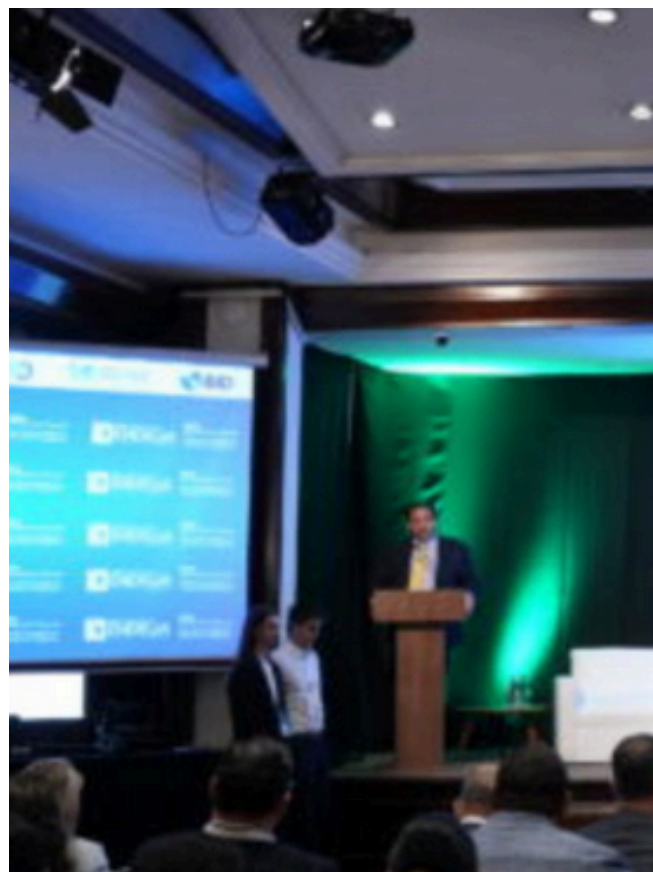
At the Meeting, which was led by Argentina and Bolivia, in exercise respectively of the Presidency and Vice Presidency Pro Tempore, it was agreed that the next edition of OLADE's Energy Week will be hosted in the Republic of Paraguay in 2024.

- The Montevideo Declaration was signed, which emphasizes the importance and geopolitical, economic and social relevance of energy resources for human progress.
- The Declaration also emphasizes the need for just and sustainable energy transitions, promoting the adoption of renewable energy, universalizing access to energy, and fostering energy efficiency.
- In addition, the diversity of resources and strategies among Member States is recognized, adapting energy policies according to national needs, and the importance of promoting the participation of women in the energy sector is highlighted, closing gender gaps in decision-making and promoting women's equitable access to modern and clean energy sources.
- Among other agreements, the Ministers agreed to:
 - create the Business Council as a permanent body of OLADE
 - promote regional gas integration and next generation fuels.
 - create OLADE's Gender Commission with the aim of promoting gender equality and women's empowerment, integrating a gender perspective into energy activities in the region.
- the 16 member countries of the RELAC initiative agreed to increase the regional goal of incorporating renewable energy into the electricity matrix to 73% by 2030.
- The same countries agreed on a new regional target for the share of renewable energies in the total energy supply of 36% by 2030.
- 12 countries established CertHiLAC, a regional certification system for low-emission hydrogen in the region.

Regional energy integration at the close of OLADE's VIII Energy Week and IRENA's First Energy Transition Investment Forum for Latin America

Regional energy integration marked the successful closing of OLADE's VIII Energy Week and IRENA's First Energy Transition Investment Forum for Latin America, which took place November 6-10 in Montevideo. This event, organized by the Ministry of Industry, Energy and Mining (MIEM), the Latin American Energy Organization (OLADE), and the Inter-American Development Bank (IDB), attracted 3,500 participants, had 54 events, 257 panelists and approximately 50 delegations.

The closing ceremony was led by representatives of the Latin American Energy Organization (OLADE), the Inter-American Development Bank (IDB), the Ministry of Industry, Energy and Mining (MIEM), and the International Renewable Energy Agency (IRENA).



Results of the Useful Energy Balance (BEU) are presented in Panama

The presentation of the results of the Useful Energy Balance (BEU) for the industrial, residential, transport, commercial, services and public sectors of the Republic of Panama was held at the Crowne Plaza Hotel in Panama City on 21, 22 and 2023. This event was organized by the National Energy Secretariat of Panama and the Latin American Energy Organization (OLADE).

Jorge Rivera Staff, National Secretary of Energy of Panama, expressed his gratitude for the collaboration of OLADE and stressed that the Useful Energy Balance is a crucial tool that will enhance and strengthen decision-making in the energy transition agenda. He pointed out that this tool will be key to promoting issues such as electrification, steadily and continuously advancing the quality of the energy system.



SUCCESSFUL START OF THE CONO SUR ELECTRIC ROUTE



This past November 22, the Southern Cone Electric Route was launched in Santiago de Chile, led by the Latin American Association of Sustainable Mobility (ALAMOS), the Electric Vehicle Association of Chile AG (AVEC) and the support of the Latin American Energy Organization (OLADE). The event, which took place at the facilities of the Emasa Mobility Hub, was actively attended by numerous representatives of the private and public sectors and associations dedicated to promoting electric mobility in the region.

The Association of Electric Vehicles of Chile AG (AVEC) led the organization of this initial event, which will connect five countries of the Southern Cone and had the support and presence of 18 companies and different institutions that strongly support the deployment of electric mobility in the region.

The main authorities present at the event underlined the importance and cross-cutting support given today to sustainable mobility in our country. There was Luis Felipe Ramos, Undersecretary of Energy, Andrés Rebolledo, Executive Secretary of the Latin American Energy Organization (OLADE), Silvia Rojas, President of the Latin American Association of Sustainable Mobility (ALAMOS), Rodrigo Salcedo, President of the Electric Vehicle Association of Chile (AVEC), Matías Errázuriz, President of the Chilean Association of Light Electromobility (Achiel), the great team of the Energy Sustainability Agency and Directors of AVEC.

The event also featured an exhibition of electric vehicles with more than 25 units and different types of chargers, highlighting the var



BYD AND LATIN AMERICAN ENERGY ORGANIZATION (OLADE) FORM STRATEGIC PARTNERSHIP TO DRIVE ELECTRIC MOBILITY

BYD Ecuador (hereafter referred to as BYD) and the Latin American Energy Organization (OLADE) announced that an Interinstitutional Cooperation Agreement was formalized recently, with the aim of advancing the cause of electric mobility in Latin America and the Caribbean.

OLADE, under the leadership of its Executive Secretary, Andrés Rebolledo Smitmans, and BYD, represented by Jorge Burbano, Country Manager of BYD Ecuador, have signed this agreement, solidifying their joint commitment to promoting electric vehicles and accelerating energy transitions in the region.

Established in 1973, OLADE is a respected intergovernmental cooperation organization dedicated to fostering energy integration, development, and conservation in Latin America and the Caribbean. In contrast, BYD, founded in 1995, stands as a leading technology company with a focus on innovation in diverse industries, including automobiles, electronics, rail transit, and new energy.

The collaboration outlined in this agreement will encompass crucial elements such as promoting sustainable mobility, conducting workshops, and providing specialized training in electromobility. These initiatives will target both the public and private sectors, academia, specialized guilds, and civil society in Latin America and the Caribbean. Moreover, the partnership will involve site visits and technical demonstrations at OLADE facilities, specifically focusing on electromobility, for universities, technology centers, educational institutions, guilds, and related organizations. Additionally, BYD's vehicles will be utilized in OLADE's electromobility studies, aligning with OLADE's work plans.

BYD will significantly contribute to this collaboration by providing a TANG EV electric vehicle model along with a charging station. This equipment will be used to demonstrate the electric infrastructure and the vehicle's autonomy, emphasizing the advantages of electric vehicles.

Commenting on the partnership, Jorge Burbano, Country Manager of BYD Ecuador, stated, "We are deeply honored to collaborate with OLADE, leveraging our expertise in electric mobility and energy solutions. Our joint mission is crucial – reducing CO2 emissions and contributing to global efforts to cool the earth by 1°C. I am confident that our cooperation will serve as a beacon for knowledge transfer and research, fostering sustainable development and energy security in the region."

The Executive Secretary of OLADE, Andrés Rebolledo, highlighted the significance of the recent agreement as a key commitment to regional energy integration and cooperation for the benefit of OLADE's 27 member countries. He emphasized the importance of transitioning to a sustainable vision in Latin America and the Caribbean, advocating for a long-term perspective in energy integration. This milestone signifies a notable collaboration between both entities, dedicated to a cleaner and more sustainable future for the region. It focuses on priority areas such as electrification of mobility and sustainable mobility training, with the possibility of agreeing on specific agreements for the execution of projects aligned with their shared objectives.

Through this agreement, BYD and OLADE reaffirm their dedication to regional energy integration and cooperation for the benefit of member countries. By closely collaborating and implementing joint projects, they aim to promote sustainable development and optimize energy resources and transportation through clean energy sources in the region.

CLEAN HYDROGEN CERTIFICATION IN LATIN AMERICA AND THE CARIBBEAN

In recent years, the possibility of developing a large-scale industry for the production of clean or low-emission hydrogen and its derivatives has become increasingly important in the countries of the region. This is seen as a way to deepen and accelerate the energy transition, especially in sectors where the utilization of renewable energy sources through conventional energy carriers such as electricity and biofuels is challenging. Additionally, considering the high potentials of these resources in most countries of the region, there is also the prospect of becoming net exporters of renewable energy to other regions of the world, mainly to Europe and Central Asia, where the commitments made by their countries in the Paris Agreement are incentivizing the emergence of a significant market for importing clean energy sources.

However, despite these promising energy and economic prospects for the region, there are challenges that need to be overcome to consolidate an efficient and sustainable business model for both intra and extra-regional markets. Among these challenges are the need for the necessary infrastructure for the production, storage, and transportation of clean hydrogen and its derivatives, and ensuring that the levelized cost of these new energy carriers is competitive with that of other regions of the world. Additionally, it is necessary to ensure that these innovative export products comply with the regulations required by potential importing countries to be considered and certified as true carriers of clean energy.

While each country is sovereign in terms of the regulation and standards it adopts for its industry, when it comes to export products, the most important thing is that these products comply with the regulations and standards of the importing countries. Therefore, it is necessary to have an in-depth understanding of such regulations and the mechanisms to achieve certification under them.

In this regard, the Inter-American Development Bank (IDB) and OLADE have decided to promote the CertHiLAC initiative, aimed at creating a regional system for the registration and certification of products from the clean hydrogen industry developed in Latin America and the Caribbean with the expectation of exporting them to intra and extra-regional markets under internationally recognized standards. This system will be coordinated by OLADE and will involve the participation of two representatives from the governments of countries that voluntarily join the initiative. The creation of the CertHiLAC system is facilitated by the joint declaration signed on November 8, 2023, by government authorities from the energy sector of 12 OLADE member countries during the eighth edition of OLADE's Energy Week.

It is worth noting that this declaration is non-binding and therefore does not create any legal or economic obligations for the signatory countries, which have the authority to join or withdraw from the system at any time. Figure 1. Countries with clean hydrogen projects in LAC.

