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SEPTEMBRE
2024

NUCLEAR ENERGY MAKES INROADS IN THE REGION



EDITORIAL

Nuclear energy is forging a new path in its global development, and Latin America is no exception.

The commitment made by 22 countries from four continents to strengthen nuclear energy and triple installed capacity by 2050, as an effective measure to reduce CO₂ emissions, marked a turning point and a significant shift in recognizing this technology as an option among the solutions proposed to tackle climate change.

This commitment, signed during COP28 held last year in Dubai, highlighted a change in attitude towards nuclear energy since the events and the Fukushima accident in 2011.

However, other important factors contribute to this change, mainly related to technological development and the emergence of Small Modular Reactors (SMRs), which are more accessible due to their size, lower complexity, and cost. Most importantly, they can be prefabricated and later installed in the required locations, marking a profound difference from traditional nuclear plants.

The presence of nuclear energy in Latin America and the Caribbean is very limited. Only Argentina, Brazil, and Mexico have nuclear plants for electricity generation, with a combined capacity that barely reaches 1.1% of the region's installed capacity, and a production that accounts for approximately 2% of the energy generated.

The development and deployment of small modular reactors have attracted the attention of countries in Latin America, mainly due to the potential of their modularity and reliability to complement the increasingly dynamic deployment of intermittent renewable energies.

It is crucial that Latin America and the Caribbean are adequately prepared for the development and future incorporation of this technology into their energy matrix. This requires proper regulation, institutional frameworks, and, above all, well-trained professionals.

To address this challenge and meet the urgent need to generate knowledge on this new technology and create spaces to share best practices, the role of international organizations such as OLADE, working alongside specialized agencies like the IAEA (International Atomic Energy Agency), is fundamental.

Andrés Rebolledo Smitmans
Secretario Ejecutivo Olade

OLADE AND SHENZHEN MUNICIPALITY PROMOTE ENERGY INNOVATION AT THE CHINA-LATIN AMERICA AND CARIBBEAN DIGITAL ENERGY FORUM



A key meeting to promote technological cooperation and the development of digital energy solutions between China and Latin American and Caribbean countries.

The Latin American Energy Organization (OLADE) and the Shenzhen Municipality organized the China-Latin America and the Caribbean (LAC) Digital Energy Forum on September 10 in that city. At this event, attendees had the opportunity to learn about cutting-edge technologies and innovative applications in the field of digital energy being developed in China.

Additionally, the forum discussed opportunities for regional cooperation with China in areas such as the digital energy industry, energy storage technologies, sector investment and financing, the role of digital technologies in the energy transition, and investment opportunities.

The event was attended by representatives of the Chinese Government in the energy sector and delegates from 12 OLADE member countries, as well as representatives from the Shenzhen Municipality and key industry organizations.

The inaugural ceremony featured remarks by Andrés Rebolledo Smitmans, Executive Secretary of OLADE, and Yu Jing, Deputy Director of the Shenzhen Development and Reform Commission.

During the event, key topics such as “How Clean Energy Can Drive Electricity Markets in Brazil,” with the participation of Fernando Luiz Mosna Ferreira da Silva, Director of the Brazilian National Electricity Regulatory Agency (ANEEL); “The Development of Low Carbon Emissions in Shenzhen,” with Tang Jie, Director of the Chinese University of Hong Kong (Shenzhen) and former Deputy Mayor of Shenzhen; and “Legislative and Regulatory Impacts and Challenges in the Energy Sector of Chile,” with Marco Antonio Sulantay, Congressman and President of the Mining and Energy Committee of Chile’s National Congress, were discussed.

Important progress in Paraguay's National Useful Energy Balance

In May, surveys began and will continue until the end of August as part of the Useful Energy Balance (BEU) Paraguay project. The surveys are being conducted in establishments across the commercial, services, and public sectors throughout the national territory simultaneously, by a team of specialized professionals who receive essential logistical support and coordination from the National Institute of Statistics (INE) and Paraguay's Vice Ministry of Mines and Energy VMME. It is worth noting that this inter-institutional cooperation has been key to the successful development of this project.

The final results of this work, as well as the project's outputs, will be presented during the IX OLADE Energy Week, which will take place in Asunción, Paraguay, between October 28 and November 1, 2024.

The BEU is a fundamental tool that provides detailed and relevant information on the energy consumption of the various national subsectors, in addition to the uses and technologies applied. This information offers deep insights into energy needs and the efficiency with which available energy is consumed, making it a critical tool for the design of public policies and strategic planning in the energy sector, as well as an essential input for energy prospect studies.



Paraguay already updated its BEU for 2021 as a result of a project implemented by OLADE, with funding from the European Union's EUROCLIMA program and coordination from the Spanish Agency for International Development Cooperation (AECID) between 2020 and 2023. This year, thanks to an approved scaling by the EUROCLIMA program and AECID, Paraguay will also be able to carry out the BEU for the commercial, services, and public sectors, while simultaneously updating the consolidated BEU with data from 2023, providing a highly relevant set of information for public energy policymakers.

THE LATIN AMERICAN ENERGY ORGANIZATION PRESENTS ITS NEW PUBLICATION – OLADE TECHNICAL NOTES FIRST EDITION: OVERVIEW OF ELECTRIC MOBILITY IN THE REGION



The Secretary of the Latin American Energy Organization (OLADE), Andrés Rebolledo, today announced the launch of a new publication, OLADE Technical Notes, which will be presented monthly with topics that are part of the debates and agenda of the energy sector in Latin America, the Caribbean, and the world.

“In Technical Note No. 01, which includes the Latin American and Caribbean Electric Mobility Monitor (LAC), a new tool is presented that will allow us to track the development of electromobility in the region, the progress, and challenges in further expanding this technology in the region,” Rebolledo said.

The LAC Electric Mobility Monitor provides a general overview of the evolution and current state of the electrified light vehicle fleet (EV), including battery electric vehicles (BEV) and plug-in hybrid vehicles (PHEV), as well as electric buses and charging infrastructure. It also analyzes the current regulations in the countries of the region aimed at promoting the development of electric mobility.

Electromobility is advancing rapidly in LAC. Some of the key findings are as follows:

- The electrified light vehicle fleet has grown more than 14 times in the last 4 years.
- The number of electric vehicles per capita is 3.8 units per 10,000 inhabitants. In China, it's 241, Europe 183, and the U.S. 72.
- In the last 3 years, the total electric bus fleet in the region has increased by 160%.
- In 2023, LAC had 5,084 electric buses, which is 7.7 electric buses per million inhabitants, surpassing Europe (3) and the U.S. (0.9), but far below China (299).
- In 2023, there were 4,848 public charging stations in Latin America and the Caribbean. This equates to 3.3 charging stations per 100 electric vehicles, placing it above Europe (1.3) and the U.S. (2.8), but below China (5.1).

It is interesting to note that most LAC countries have implemented or are in the process of implementing regulatory and public policy instruments to encourage the transition of the transportation sector toward electromobility.

Rebolledo also stated that “to expand electric mobility in the region, a key issue is to advance the harmonization of regulatory frameworks in LAC and the implementation of international green corridors with sufficient and standardized charging infrastructure, including their associated services.”

Finally, he announced that the next Technical Note No. 02, scheduled for October 2024, will address the state of electric integration in South America, its progress, and outstanding matters.

EXPO ELECTRIC MOBILITY 2024 PROMOTES THE DECARBONIZATION OF TRANSPORTATION



Expo Electric Mobility 2024, held in Montevideo, was an event organized to promote electric mobility as one of the fundamental strategies to ensure the decarbonization of transportation. The event was driven by the National Energy Directorate of Uruguay with the goal of fostering electric mobility by bringing together key public and private sector players.

This activity featured the participation of Uruguay's Minister of Industry, Elisa Facio; the National Director of Energy from the Ministry of Industry, Energy and Mining (MIEM), Christian Nieves; the Vice President of UTE, Pablo Ferrari; his counterpart at Ancap, Diego Durand; the National Director of Climate Change, Natalie Pareja; and the Director of Studies and Projects from the Latin American Energy Organization (OLADE), Fitzgerald Cantero.

During her speech, Facio noted that promoting electric mobility policy is a key factor in advancing the second energy transition, which involves the decarbonization of the global energy matrix. In this regard, she mentioned that 37% of Uruguay's energy matrix is of fossil origin, and that half of that percentage corresponds to the transportation sector, which is why she considered electric mobility essential for decarbonizing this sector.

Fitzgerald Cantero, in his intervention, highlighted the importance of events like this, where countries share best practices on energy issues, especially in the development of electric mobility. He presented the project "Monitoring Electromobility" in Latin America and the Caribbean, developed by OLADE. He explained that a Technical Note was presented, which included data on electric cars (BEV), plug-in hybrids (PHEV), electric buses, and their charging infrastructure. Projections of the vehicle fleet and the necessary investments for new energy generation were also analyzed.

This event provided an opportunity for the public to learn about products, projects, and initiatives related to sustainable mobility, and for companies, state organizations, and civil society to exchange perspectives on the development and current status of electric mobility.

OLADE PARTICIPATES IN THE 24TH ASEAN ENERGY BUSINESS FORUM ORGANIZED BY THE ASEAN CENTRE FOR ENERGY – LAOS



The ASEAN Centre for Energy (ACE) organized the 24th ASEAN Energy Business Forum (AEBF-24) from September 25 to 27, 2024, at the Laos National Convention Center, under the coordination of the Ministry of Energy and Mines (MEM) of the Lao People's Democratic Republic, as part of Laos' chairmanship of ASEAN.

This event was held in conjunction with the 42nd ASEAN Ministers on Energy Meeting (AMEM-42), providing a platform for knowledge exchange between government officials, academics, industry leaders, investors, and energy experts.

The Latin American Energy Organization (OLADE) was represented by Gloria Alvarenga, Director of Energy Integration, Access, and Security.

Alvarenga emphasized that Latin America and the Caribbean have been working with international partners and organizations to develop the energy sector. "Cooperation between institutions must stem from willingness and trust, allowing consensus to be reached and activities to be undertaken that everyone wishes to develop. In this way, a project could emerge that seeks solutions adaptable to the realities of different countries, fostering the pursuit of joint financing," Alvarenga highlighted.

Additionally, Gloria Alvarenga participated in the 2nd Inter-Regional Energy Forum, where she emphasized that energy integration is key to sustainable development in Latin America and the Caribbean. Despite 97% of the population in Latin America having access to electricity, 16 million people still lack this service, and 83 million continue to use biomass for cooking. "We must adapt to new technologies to offer more efficient and cleaner energy," Alvarenga noted, stressing international cooperation as a crucial factor in continuing progress in the energy transition. She also highlighted the importance of implementing a regional energy policy.

Alvarenga took the opportunity to invite participation in OLADE's Energy Week in October, a key event to address the challenges of the energy transition and strengthen cooperation among countries.

This forum provided a favorable space to share regional experiences and initiatives, as well as to influence the global energy agenda, presenting priorities such as improving energy security, promoting renewable energy, and advancing regional energy connectivity. It also allowed leaders to engage in discussions on sustainable energy solutions, essential for the economic and environmental resilience of Asia.

OLADE PARTICIPATED IN CLIMATE WEEK IN NEW YORK



The World Climate Summit is part of initiatives aimed at achieving key results aligned with the impact framework of the Foundation for COP29, guiding the world toward a 1.5 °C pathway. This event featured over 50 parallel activities, workshops, and round tables, as well as an exhibition of climate solutions and an immersive Climate Action stage, where the Latin American Energy Organization (OLADE) was represented by its Executive Secretary, Andrés Rebolledo.

This event served as a meeting point for key stakeholders, including non-governmental organizations and accredited observers of the United Nations Framework Convention on Climate Change (UNFCCC).

Firstly, OLADE participated in the Sustainable Development Impact Summit of the World Economic Forum, where global and regional leaders discussed investment and job creation opportunities in the energy sector. Rebolledo highlighted the challenges and opportunities in the energy sector in the region: "Latin America and the Caribbean are one of the greenest regions in the world in terms of electricity generation from renewable energies, reaching 31% of its energy matrix, a figure higher than the global average of 14%." However, he warned that the challenge is to continue advancing in this direction. Currently, only 30% of hydropower potential, 10% of wind, and just 1% of solar have been utilized.

This forum emphasized the promotion of sustainable and inclusive economic models, exploring initiatives that drive technological development and environmental resilience.

The Executive Secretary also participated in the high-level event "Energy Transition Dialogue," organized by the International Energy Agency (IEA) and supported by the UNFCCC Secretariat. This dialogue was held in preparation for COP29 and brought together global leaders in energy and climate decisions, aiming to build consensus and define the necessary actions for achieving just and equitable transitions aligned with the goal of limiting global warming to 1.5 °C.

The dialogue focused on how COP29 can advance solutions that convert energy outcomes into concrete actions. In particular, it spotlighted "Turning Methane Pledges into Action," discussing strategies for reducing methane emissions in the energy sector. Rebolledo emphasized the crucial role of regional cooperation in Latin America and the Caribbean to drive the energy transition and meet methane emission reduction targets, highlighting the importance of regional collaboration to address this challenge. He also referred to the "Methane Observatory in LAC," which is currently under development.

INFLACIÓN ENERGÉTICA EN AMÉRICA LATINA Y EL CARIBE JULIO 2024

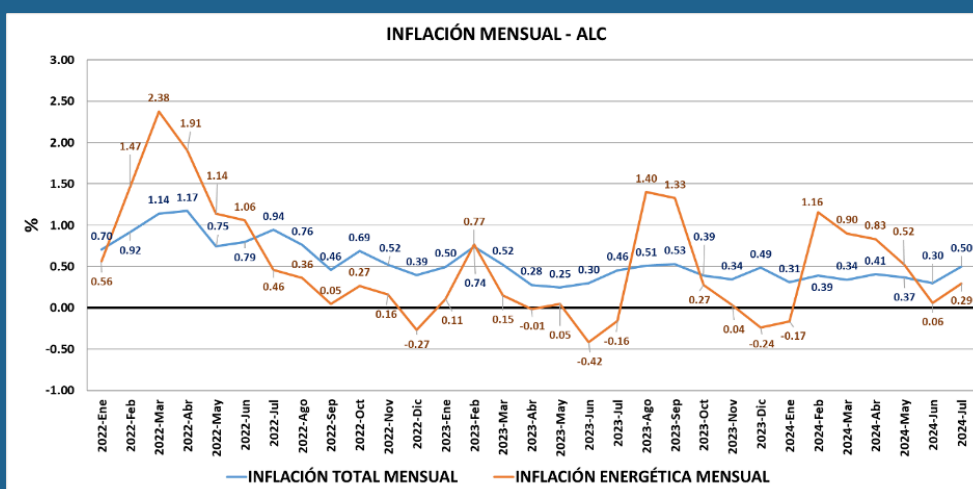


According to OLADE, in July 2024, the monthly energy inflation in LAC was 0.29% and the annual rate was 4.45%.

The Latin American Energy Organization (OLADE) has published today its Energy Inflation Indicator for Latin America and the Caribbean (IE-LAC) corresponding to July 2024. This report provides a detailed analysis of energy trends in the region, which is crucial for understanding the behavior of energy markets and their impact on the economy and sustainability of the countries in Latin America and the Caribbean.

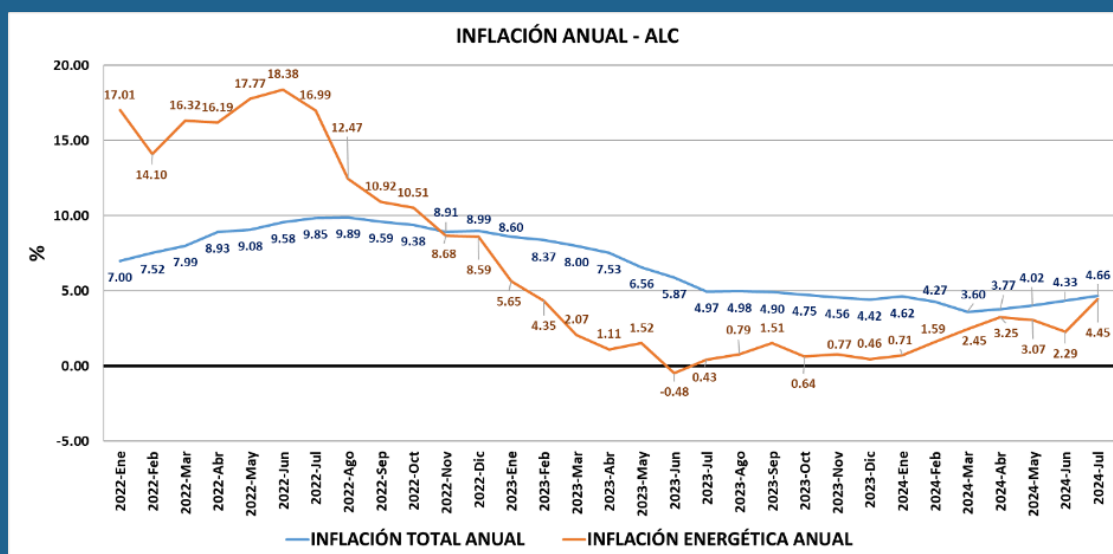
Energy inflation in July is 4.8 times the value recorded in June, mainly due to the increase in oil prices in June and July, rising from USD 79.77 to USD 81.80 per barrel. In general terms, the inflation indicator increased in 12 out of the 20 countries analyzed.

It is also worth noting that in July 2024, both the total monthly inflation and the monthly energy inflation for LAC showed an increase.



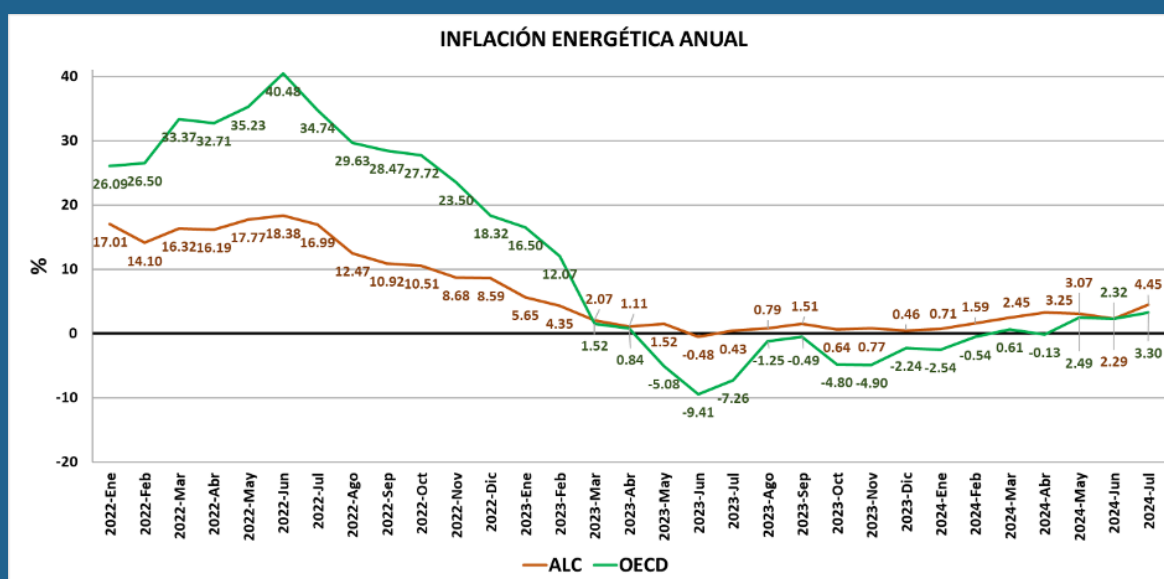
SOURCE: OLADE, BASED ON DATA FROM THE STATISTICAL INSTITUTES AND CENTRAL BANKS OF OLADE MEMBER COUNTRIES.

The annual energy inflation in Latin America and the Caribbean, in July 2024 (compared to July 2023) was 4.45%, with the largest increase occurring during the first half of 2024.



SOURCE: OLADE, BASED ON DATA FROM THE STATISTICAL INSTITUTES AND CENTRAL BANKS OF OLADE MEMBER COUNTRIES.

On the other hand, in OECD countries, energy inflation increased from 2.32% in June to 3.30% in July, which corresponds to the highest value recorded during the last semester, despite the total annual inflation decreasing from 5.6% in June to 5.4% in July. Overall, energy inflation rose in 22 OECD countries and decreased in 13, with significant differences between these countries.



SOURCE: OLADE, BASED ON DATA FROM THE STATISTICAL INSTITUTES AND CENTRAL BANKS OF OLADE MEMBER COUNTRIES AND INFORMATION PUBLISHED BY OECD.