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NEWS

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STATISTICAL  
DATA

# NEWSLETTER OLADE

**JANUARY**  
**2025**

# 2024: REGULATORY ADVANCES IN THE ENERGY SECTOR OF LATIN AMERICA AND THE CARIBBEAN



Throughout 2024, significant progress was made toward regulating and institutionalizing the energy transitions of the Member States of the Latin American Energy Organization (OLADE) in Latin America and the Caribbean.

Regarding the creation and strengthening of institutional frameworks, some countries established specialized undersecretaries, committees, and other entities focused on transition matters. Others added new functions and reassigned responsibilities within pre-existing commissions or entities to include actions related to the goals outlined in their energy transition frameworks. In this context, policies, plans, programs, and roadmaps were approved and reformulated to establish and/or accelerate actions, projects, and activities within the energy transition strategies of the majority of OLADE Member States. These initiatives aim to promote the use of cleaner technologies and fuels, achieve goals in energy efficiency, position natural gas as a transition fuel, digitalize the electricity sector, advance sustainable mobility, diversify the generation matrix with non-conventional renewable energies, and introduce alternative technologies.

## Regulatory Advances:

- **Electricity:** Legislative and regulatory reforms introduced measures to promote the competitiveness of energy services among distributors, including digitalization solutions; ensure the incorporation of Battery Energy Storage Systems (BESS) as a complement to firm capacity calculations for renewable generation plants, which entails improvements in remuneration; and establish incentives for systems with extended capacity hours.
- **Sustainable Mobility:** Notable advancements included the approval of provisions to increase the use of biofuels, other low-carbon fuels, and alternative propulsion systems, as well as stricter sustainability requirements for new vehicles. Additionally, regulations were introduced to measure carbon emissions “from well to wheel,” covering the entire vehicle lifecycle, and the approval of guidelines for the installation and operation of electric mobility charging infrastructure.
- **Hydrocarbons:** Legislative instruments emphasizing the characteristics of natural gas as a lower greenhouse gas-emitting fuel were approved. These aim to improve regulations for the commercialization, storage, refining, industrialization, and transportation of natural gas.
- **Renewable Energy Sources:** The region continued advancing regulatory instruments to promote electricity generation from non-hydraulic, non-conventional renewable sources, expand benefits and incentives for distributed generation with a focus on micro- and mini-generation, enforce phased transitions in clean and renewable energy projects in public buildings and public lighting services, increase the percentage of ethanol blended with base gasoline and biodiesel mixed with diesel, and approve certification programs and labels for biofuels and sustainable biomass.

# FIRST STUDY ON METHANE EMISSIONS INVENTORY IN LATIN AMERICA AND THE CARIBBEAN (LAC)

## A COMPREHENSIVE ANALYSIS OF GAPS IN GREENHOUSE GAS (GHG) INVENTORIES



The report highlights the development and maturity of national GHG inventory systems in LAC, showcasing notable progress in countries such as Argentina and Colombia.

The Latin American Energy Organization (OLADE) presents the first study prepared by the Methane Emissions Observatory in Latin America and the Caribbean (OEMLAC), titled “Gaps in Greenhouse Gas (GHG) Inventories in the Region.” This technical report provides an in-depth analysis of the state of national GHG inventories in the region’s countries, with a focus on methane emissions from the oil and gas sectors.

The study identifies significant progress in countries such as Argentina, Brazil, Chile, and Colombia, which have implemented robust inventory systems, efficient institutional structures, and mechanisms for continuous improvement in data quality. Other countries in the region, such as Venezuela and Small Island Developing States (SIDS), face key challenges in improving reporting frequency, data availability, and the evolution of Monitoring, Reporting, and Verification (MRV) Systems.

### Key Findings of the Study

1. **Heterogeneous Regulatory Frameworks:** Marked differences are evident in the development and implementation of legal frameworks supporting national GHG inventories.
2. **Dependence on International Resources:** A significant number of countries rely on external financing to maintain their inventory systems, although some have adopted best practices in early budget allocation.
3. **Governance Challenges:** Challenges persist in interinstitutional and intersectoral coordination, as well as in training specialized technical teams.
4. **Advances in Multidisciplinarity:** Cooperation between sectors and data sharing have been strengthened, promoting greater integration of national teams in energy policy formulation.

This document underscores the relevance of national GHG inventories as fundamental tools for guiding climate policies and meeting international commitments, such as the Biennial Transparency Report (BTR), whose first report was due by the end of 2024.

In this context, countries such as Argentina, Colombia, and Mexico position themselves as regional benchmarks in developing inventories for medium- and large-scale oil and gas producers. Similarly, Chile and Panama have made significant progress in their monitoring and reporting systems.

With this publication, OLADE reaffirms its leadership in promoting sustainable and collaborative solutions, offering a valuable resource for governments, institutions, the private sector, and civil society in their efforts to reduce methane emissions and advance climate transparency.



## OLADE PARTICIPATES IN THE “FIRST INTERNATIONAL ECONOMIC FORUM OF LATIN AMERICA AND THE CARIBBEAN IN PANAMA”



The Latin American Energy Organization (OLADE) participated in the First International Economic Forum of Latin America and the Caribbean, an event organized by CAF – the Development Bank of Latin America and the Caribbean, the PRISA Group, and World in Progress (WIP). This forum brought together prominent global figures and leaders from Latin America and the Caribbean to align interests and strengthen the region’s positioning in the face of major challenges such as climate change, the food crisis, energy transition, and the digital revolution.

During the workdays, the forum included a series of dynamic sessions with discussion panels, keynote speeches, and collaborative workshops. In this context, OLADE’s Executive Secretary, Andrés Rebolledo, participated in the panel titled “Clean Energy: The Region’s Potential to Accelerate the Energy Transition,” where he highlighted the immense potential of Latin America and the Caribbean to become a global leader in clean energy. He also emphasized that turning this potential into a driver of sustainable growth requires:

- Clear regulations that encourage investment in green infrastructure.
- Strategic investment in the development of renewable projects.
- Effective regional cooperation to achieve energy integration.

The event also provided an opportunity to analyze the main challenges the region faces in its journey toward a sustainable energy transition. These include:

1. **Infrastructure Development:** It is essential to strengthen resilient transmission networks and expand storage capacity for renewable energy.
2. **Robust Regulatory Frameworks:** Promoting policies that support clean energy projects, including green hydrogen, is critical.
3. **Access to Financing:** Developing financial mechanisms to support the electrification of key sectors and the growth of the renewable industry is crucial.
4. **Innovation and Digitalization:** Digital transformation in the energy sector is indispensable for improving efficiency and reducing costs.

With a strategic focus, Latin America and the Caribbean have the potential to consolidate themselves as leaders in the global energy transition. Cooperation among governments, the private sector, and multilateral organizations will be key to realizing this potential and ensuring a sustainable energy future. During the forum, the importance of fostering investment in green infrastructure, stimulating technological innovation, and strengthening regional collaboration to achieve effective energy integration was emphasized.

As a regional organization, OLADE reaffirms its commitment to energy integration and sustainability in Latin America and the Caribbean. We will continue promoting initiatives that strengthen the capacities of member countries, foster international cooperation, and accelerate the transition to a sustainable and equitable energy future.

# OLADE AND EUROCLIMA SUCCESSFULLY CONCLUDE THE BEU PROJECT IN PARAGUAY

The Latin American Energy Organization (OLADE) has successfully completed the intervention of the project “Preparation of the National Energy Balance in Useful Energy Terms for the Commercial, Services, and Public Sector of Paraguay” (BEU PY), funded by the EUROCLIMA Program through the Spanish Agency for International Development Cooperation (AECID). Within this framework, the final delivery of the project justification has been carried out, consolidating a key effort for sustainable energy planning in the region.

During the project’s closure, OLADE’s Director of Studies, Projects, and Information, Fitzgerald Cantero, formally handed over the project justification to the Administrative Head and the Program Officer of AECID’s OCE Ecuador. In this meeting, key lessons learned were discussed, and OLADE also had the opportunity to present various topics related to the energy sector it is currently working on, as well as potential points of future cooperation in Ecuador and other countries in the region.

The 2023 Useful Energy Balance (BEU) of Paraguay, an update of the 2021 BEU Paraguay, included an exhaustive data collection effort in the commercial, services, and public sectors, with a total of 444 surveys conducted in establishments within these sectors. This information will enable better planning and optimization of energy use in the country.

As part of the project, OLADE updated its Useful Energy Balance Methodology, incorporating lessons and best practices derived from the implementation of the BEU in Ecuador, Panama, and Paraguay. This progress strengthens technical and strategic capabilities in the energy sector across the region.



As part of Energy Week in Asunción, Paraguay, on October 30, 2024, the expert panel titled “Transforming Data into Energy: Useful Energy Balances” was held. It featured the notable participation of Cristina Lobillo, Director of Energy Policy at the European Union’s Directorate-General for Energy, as moderator, and an intervention by the General Coordinator of Spanish Cooperation in Paraguay from AECID. This event provided an opportunity to reflect on the importance of energy balances for decision-making in public policies and sectoral strategies.

Additionally, in Asunción on October 24 and 25, 2024, a training workshop was held for Paraguayan technical officials, with 34 participants (12 women and 22 men) from 14 institutions related to energy planning. This training space strengthened local capacities for implementing energy analysis tools.

With the culmination of the BEU PY Project, OLADE and EUROCLIMA reaffirm their commitment to developing tools and methodologies that contribute to an efficient and sustainable energy transition in Latin America and the Caribbean.

## OLADE ADDRESSES CHALLENGES AND SOLUTIONS FOR THE ENERGY TRANSITION AT THE XV IRENA ASSEMBLY



The Latin American Energy Organization (OLADE) participated in the XV Assembly of the International Renewable Energy Agency (IRENA), held in Abu Dhabi under the central theme: “Accelerating the Transition to Renewable Energy: The Way Forward.” The event addressed energy security, socio-economic development, and financing options essential for a global energy transition.

With the participation of over 1,450 global leaders and energy decision-makers, the assembly provided a platform for dialogue to evaluate progress and propose actions aligned with the UAE Consensus, the 2030 Agenda for Sustainable Development, and the Paris Agreement.

OLADE’s Executive Secretary, Andrés Rebolledo, took part in the high-level panel “Accelerating the Energy Transition: The Way Forward,” which explored the challenges and opportunities associated with the global energy transition. During his remarks, Rebolledo emphasized the importance of effective dialogue between public and private sectors to develop regulatory frameworks that create the necessary environment to attract investments.

“The critical issue for regulatory frameworks is adapting them to a long-term vision. This involves establishing policies that transcend political cycles and foster the stability needed to attract investments in long-term renewable energy projects,” Rebolledo stated. He also underscored the importance of implementing lasting policies and stable regulatory environments, particularly in developing countries, to mitigate risks and accelerate the deployment of renewable energy projects.

Additionally, Rebolledo highlighted the need to ensure access to clean energy for the 17 million people in Latin America and the Caribbean who still lack electricity. This challenge, he explained, requires comprehensive initiatives such as:

- Creating local value chains to integrate the region into the global economy.
- Promoting training and capacity-building programs in clean energy.
- Facilitating dialogue between public and private sectors to define strategic pathways.
- Strengthening the planning, regulation, and operation of energy systems.

The discussions at the XV Assembly also addressed key topics such as macroeconomic planning, the role of private finance, and international cooperation, especially in developing countries in Africa and other regions. Leaders emphasized the need to mobilize affordable climate financing and ensure the equitable distribution of benefits from the energy transition.

OLADE’s participation in this event reinforces its commitment to regional integration and energy sustainability, promoting solutions that positively impact the region and contribute to achieving global climate goals.

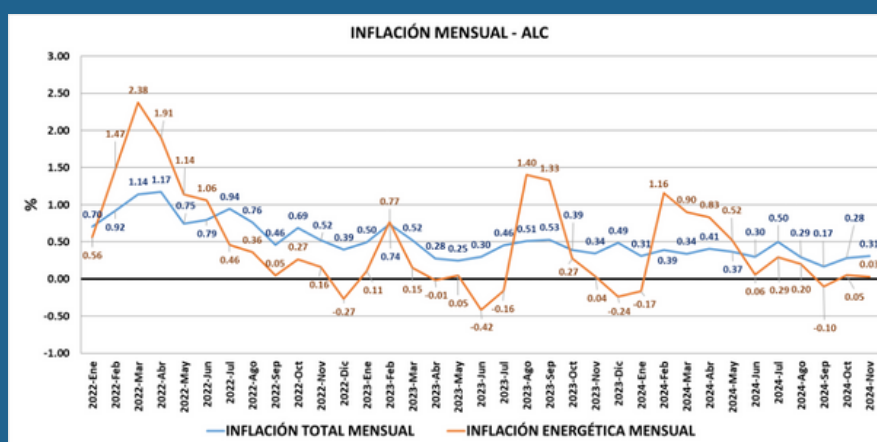
# ENERGY INFLATION IN LATIN AMERICA AND THE CARIBBEAN BELOW OECD PRICES AFTER NEARLY TWO YEARS.



**In November 2024, it was 0.03%, and the annual rate was 0.54%.**

The Latin American Energy Organization (OLADE) has published its Energy Inflation Indicator for Latin America and the Caribbean for November 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 economies of Latin America and the Caribbean.

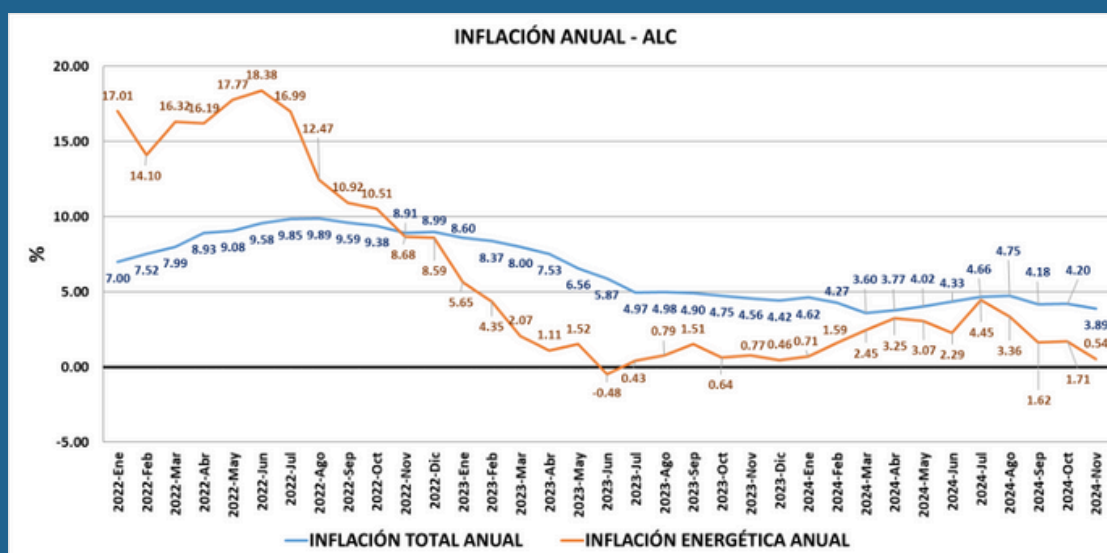
Monthly energy inflation decreased, dropping from 0.05% in October to 0.03% in November 2024. This decline is primarily attributed to a 2.3% reduction in oil prices in international markets compared to October 2024, leading to lower import costs, given that most countries in the region are net energy importers.



Source: OLADE, own elaboration based on information published by the Statistical Institutes, Census Bureaus, and Central Banks of OLADE Member Countries.

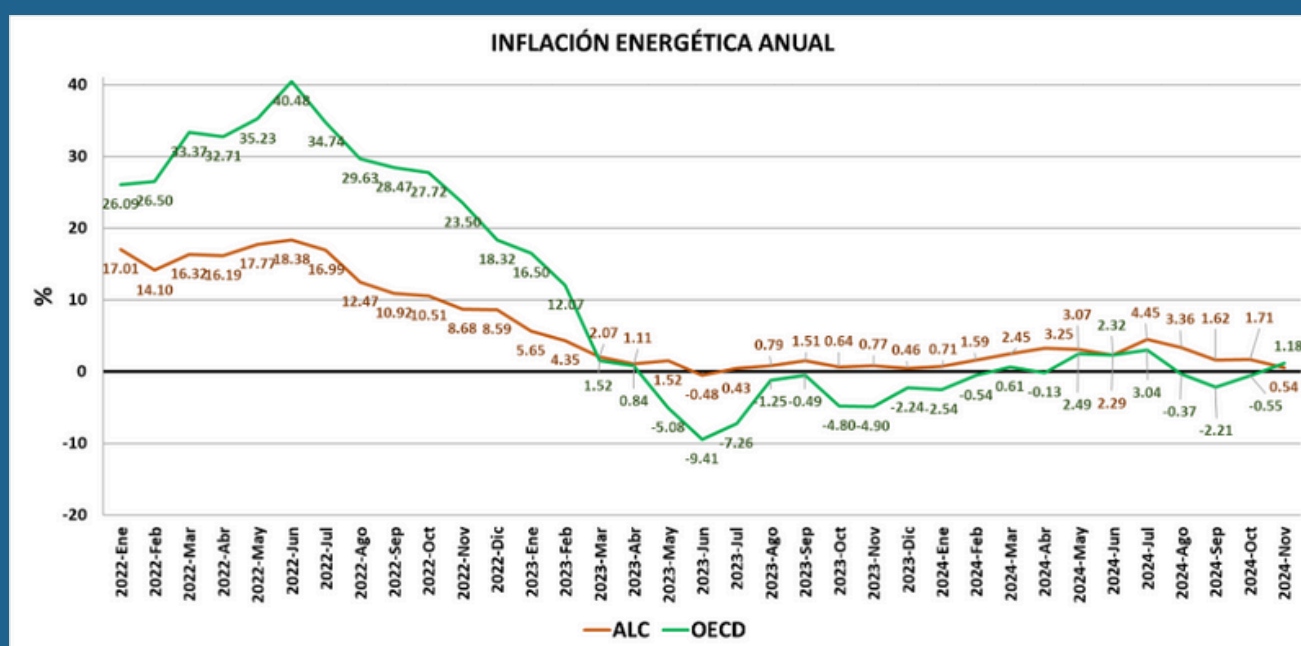
In November 2024, the annual energy inflation in Latin America and the Caribbean, compared to November 2023, stood at 0.54%. This figure is significantly lower than the overall inflation rate (prices across the entire economy), which reached 3.89%. Notably, since October 2022, energy sector prices in the region have consistently remained at a lower level than the overall prices of the regional economy.





Source: OLADE, own elaboration based on information published by the Statistical Institutes, Census Bureaus, and Central Banks of OLADE Member Countries.

In November 2024, energy inflation in OECD countries increased for the second consecutive month, reaching a positive value of 1.18%. This figure surpasses, after 19 months, the annual price index of our region, with increases reported in 26 OECD countries.



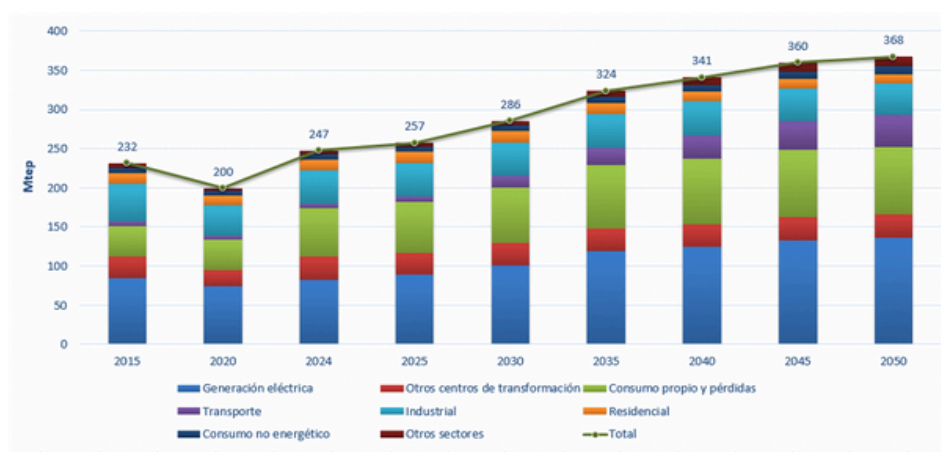
Source: OLADE, own elaboration based on information published by the Statistical Institutes, Census Bureaus, and Central Banks of OLADE Member Countries, as well as data published by the OECD.



# EVOLUTION AND PERSPECTIVES OF DOMESTIC NATURAL GAS DEMAND IN LATIN AMERICA AND THE CARIBBEAN

The demand for natural gas in Latin America and the Caribbean (LAC) has experienced some fluctuations over the past decade. However, in the post-pandemic period, there has been a net increase in demand due to the economic recovery of the region's countries. According to OLADE's projections, this growth trend will continue until 2050, even under a decarbonization scenario (NET0), reaffirming the role of natural gas as a transition energy source.

During the projection period, natural gas demand is expected to grow at an average annual rate of 2.4% between 2024 and 2030 and at 1.3% between 2030 and 2050, indicating a long-term stabilization trend. See Figure 1.



Regarding the demand structure, the most significant sector is electricity generation, which accounted for 33% of the total natural gas demand in the region in 2024. This was followed by the energy sector's own consumption (25%) and the industrial sector (17%).

The most important structural changes in the natural gas demand matrix, projected through 2050, include the increased share of the transportation sector, which rises from just 2% in 2024 to 11% in 2050, and the electricity generation sector, which increases from 33% in 2024 to 37% in 2050. This highlights the crucial role of natural gas in reducing emissions in both transportation and electricity production. See Figure 2.

