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REGIONAL COORDINATION, INTEGRATION AND RESILIENCE: A STRATEGIC RESPONSE FOR LATIN AMERICA AND THE CARIBBEAN FORGED IN BELIZE

At a time when international energy markets are facing some of their greatest uncertainties in decades, Latin America and the Caribbean is once again confronted with a fundamental question: how can energy security be ensured in a region characterized by diversity, inequality and vulnerability to external shocks?

The recent LIV Meeting of Experts of OLACDE, held in Belize City, made it clear that the region recognizes that the solution does not lie solely in expanding generation capacity or accelerating the adoption of clean technologies. It is equally essential to build a more robust, interoperable and politically coordinated architecture for regional energy cooperation.

Over the years, Latin America and the Caribbean has demonstrated significant comparative advantages in the energy sector. The region boasts one of the cleanest electricity matrices in the world, abundant renewable resources, strategic reserves of critical minerals, and substantial potential for the development of hydrogen, energy storage solutions, and new industrial value chains linked to the energy transition. However, current global conditions have shown that possessing resources alone is no longer sufficient. Geopolitical volatility, supply chain disruptions, and fluctuations in oil and natural gas prices require the region to adopt more integrated and resilient models.

Against this backdrop, the meeting held in Belize carries significance that extends well beyond protocol. This gathering not only laid the groundwork for the upcoming Meeting of Energy Ministers to be held in the Dominican Republic; it also advanced a shared vision recognizing that energy is no longer merely a sectoral issue, but a central pillar of economic stability, industrial competitiveness and regional governance.

One of the key outcomes of the discussions was the consensus that the energy transition cannot be limited to technological considerations alone. The integration of artificial intelligence, the digitalization of power systems, the circular economy and electrification demonstrate how the region is beginning to associate the energy transition with productivity, innovation and human development. The energy systems of the future will be defined not only by their physical resources, but also by countries' ability to manage data, interconnect networks, increase system flexibility and democratize access to emerging technologies.

It is also important to highlight that greater emphasis has been placed on concepts related to social inclusion, youth participation and gender equality within the regional agenda. For decades, regional energy planning was dominated by highly centralized technical approaches. Today, social legitimacy is increasingly recognized as a prerequisite for any transformative energy process. No transition will be sustainable unless it generates economic opportunities and equitable access for broad segments of the population.

The fact that Belize holds the Presidency of OLACDE this year also carries significant symbolic value, recognizing and highlighting the role that Central America and the Caribbean play as essential regions for advancing effective energy integration and elevating the climate resilience agenda.

The conclusions reached at the Belize meeting establish an undeniable reality: in an increasingly uncertain world, energy integration is no longer merely a long-standing aspiration for Latin America and the Caribbean; it is becoming a structural necessity, and the region has already begun taking concrete steps toward achieving it.

SOUTHERN CONE ADVANCES A REGIONAL GAS MARKET WITH ANNUAL TRADE FLOWS OF USD 5 BILLION

The Latin American and Caribbean Energy Organization (OLACDE) and the Development Bank of Latin America and the Caribbean (CAF) held the event "Gas Integration in MERCOSUR + Chile: Towards a Regional Market" in São Paulo, bringing together representatives from governments, energy companies, regulatory authorities, and international organizations across the region.

During the opening session, Guido Maiulini, Head of Strategic Advisory at OLACDE, stated: "In an international environment that is increasingly volatile and uncertain for energy markets, South America has a historic opportunity to advance toward deeper integration, based not only on infrastructure but also on regional coordination, regulatory convergence, and mechanisms that expand cross-border gas trade. We are talking about regional gas exchanges worth up to USD 5 billion annually and an investment portfolio exceeding USD 25 billion. This will not only strengthen energy security but also provide more competitive, accessible, and sustainable energy for our industries and households."

Marcello Gomes Weydt, Director of the Natural Gas Department at Brazil's Ministry of Mines and Energy (MME), emphasized: "Gas integration is strategic for countries seeking not only to monetize their energy resources but also to achieve competitive natural gas prices for consumers. In doing so, we can effectively drive regional economic development by increasing the competitiveness of energy-intensive industries, and this is the path Brazil is pursuing."

Juan Carlos Elorza, Director of Technical and Sector Analysis at CAF, noted: "The challenge today is no longer to think about national projects in isolation, but to move toward a regional architecture capable of building a true gas market. This cannot be achieved by a development bank alone; it requires information, institutions, and dialogue among those who produce, transport, and consume energy, while creating the conditions necessary to attract long-term investment. That is why CAF supports studies and dialogue platforms that help transform this vision into concrete action."

Sylvie D'Apote, Executive Director of Natural Gas at the Brazilian Institute of Oil, Gas and Biofuels (IBP), added: "Access to multiple sources of supply and stronger regional interconnections enhances the resilience of energy systems against international, climatic, or supply shocks. In addition, natural gas plays a strategic role in supporting the expansion of renewable energy and facilitating the region's energy transition."

The projections highlight the complementarity between the expansion of Argentina's Vaca Muerta formation and Brazil's Pre-Salt development, alongside growing gas demand in São Paulo, Brazil's Center-West region, and the country's southern states. Simulations indicate that, with adequate infrastructure, regional export flows could reach between 35 and 40 MMm^3/day under current demand conditions and exceed 60 MMm^3/day under regional growth scenarios. Greater integration would also reduce supply costs, increase regional exports, optimize existing infrastructure, and decrease dependence on LNG, diesel, and electricity imports. The project further identifies opportunities to support gas-intensive industries such as nitrogen fertilizer production, steelmaking, and baseload power generation, particularly along the Bioceanic Corridor linked to Paraguay's Chaco region, where initial demand is projected at 4 MMm^3/day with significant growth potential.

The findings indicate that the viability of several corridors also depends on long-term firm contracts and regulatory frameworks capable of providing predictability and attracting infrastructure investment. Discussions addressed regional gas transit through Bolivia, transport redistribution, and new tariff structures in Argentina, as well as tariff flexibility mechanisms and the use of already amortized infrastructure. Variations in transport tariffs and regulatory conditions could significantly affect the competitiveness of regional routes and cross-border trade flows.

Finally, different regional integration scenarios were presented, showing that under greater tariff flexibility and increased regional demand, MERCOSUR countries and Chile could achieve regional natural gas trade flows of between 60 and 70 MMm^3/day, representing an estimated market value of approximately USD 5 billion annually. Aggregate regional benefits, including supply cost savings and transit revenues, could range between USD 900 million and USD 2 billion per year, depending on the scenario. The study concludes that deeper regional integration would strengthen Southern Cone energy security, reduce exposure to external shocks in energy markets, and create favorable conditions to support the region's energy transition and industrial development.

The event concluded with four public panels addressing the role of gas integration in the global geopolitical context and regional energy security, the regulatory changes required to advance a regional natural gas market, the structure of the value chain, and risk allocation needed to enable long-term investments, and the role of Brazilian demand in consolidating a more integrated regional market. Government representatives, industry leaders, regulators, and international experts agreed on the need to strengthen technical and regulatory coordination, improve investment predictability, and advance mechanisms that expand regional trade and reinforce Southern Cone energy security amid growing uncertainty in global energy flows.

AGAINST GLOBAL ENERGY VOLATILITY, LAC ADVANCE REGIONAL COORDINATION EFFORTS

At a time when the international geopolitical landscape and global energy markets are experiencing heightened volatility, Latin America and the Caribbean (LAC) are demonstrating unity in confronting uncertainty. Yesterday and today, Belize City hosted the LXV Session of the Council of Experts of the Latin American and Caribbean Energy Organization (OLACDE), marking a historic milestone as the first occasion in which Belize has served as host country for this high-level regional forum under its presidency.

The meeting, which featured the active and committed participation of delegations from Latin American and Caribbean countries, carries major political and technical significance. The forum is responsible for shaping the strategic proposals and decisions that will guide the upcoming Meeting of Ministers, scheduled to take place in October this year in the Dominican Republic.

The opening and coordination of the sessions were led by the Chair of the Council of Experts, Belize's Minister of Energy, Michel Chebat, together with OLACDE's Executive Secretary Andrés Rebolledo. Both emphasized that the central priority shared by member countries is the urgent need to deepen regional energy integration, particularly in light of recent price shocks, supply challenges, and global uncertainty.

Throughout the two-day working agenda, delegations engaged in forward-looking deliberations focused on the future of the region's energy development, prioritizing resilience, energy security, and sustainable socioeconomic growth.

The Future Agenda: Artificial Intelligence, Circular Economy, and Inclusion

The forum addressed critical topics shaping the evolution of the energy sector, closely linked to technological transformation and social inclusion. Key issues included:

- Artificial intelligence and digitalization applied to the energy sector.
- Circular economy strategies within the energy industry.
- Electrification of new energy demands and the energy transition.
- Social inclusion, gender equality, and active youth participation in the sector.

Belize: A Hub for Regional Integration

The selection of Belize City as host venue highlights the strategic importance and distinct agenda of Central American and Caribbean nations, reaffirming OLACDE's commitment to an inclusive and representative integration approach. Belize is currently positioning itself as a dynamic model on the path toward decarbonization, meeting a significant share of its domestic electricity demand through local renewable sources — including hydropower and biomass — complemented by cross-border energy exchanges.

The country is moving decisively toward grid modernization through the design of its National Electricity Energy Mix Master Plan, while promoting public-private investments in large-scale energy storage and solar generation. Its geographic location is key to strengthening bidirectional energy trade and enhancing supply resilience for both Central America and the Caribbean, serving as a strategic connector that advances the organization's shared objectives.

OIL AND GAS: OLACDE LAUNCHES NEW MONTHLY REPORT

The Latin American and Caribbean Energy Organization (OLACDE) has launched its new monthly Oil and Gas Report, a publication designed to track developments in production and foreign trade across the sector in Latin America and the Caribbean.

According to the analysis for January 2026, oil production reached 361 million barrels, representing an 11% increase compared to the same month of the previous year. Brazil, Mexico, and Venezuela accounted for 70% of total regional crude production, while natural gas production rose by 27%, reaching 28 billion cubic meters.

Regarding natural gas, Argentina positioned itself as the regional leader with a 21% share, mainly driven by the development of Vaca Muerta. It was followed by Trinidad and Tobago with 20%, consolidating its role as one of the region's leading producers and exporters of natural gas and LNG, and Brazil with 13%. This scenario has been characterized by the expansion of shale gas and offshore operations.
A second group includes Peru with an 11% share, Venezuela with 10%, and Bolivia with 9%, countries that continue to play a significant role in the regional natural gas supply. Colombia contributed 5% of regional production, while Ecuador accounted for approximately 1% of the total.

The report also highlights growing regional energy interconnection. During January, 56% of oil imports and 59% of natural gas acquisitions originated from intraregional markets, reflecting increasing interdependence and a significant strengthening of trade flows within the region.
In this context, OLACDE, in collaboration with CAF, is advancing the Mercosur + Chile Regional Gas Integration Project, an initiative aimed at accelerating regulatory harmonization, maximizing the use of existing infrastructure, and strengthening energy security through an integrated regional natural gas market.

The project includes technical, regulatory, financial, and infrastructure studies aimed at expanding regional interconnection, facilitating new supply corridors, and reinforcing South America's energy resilience against volatility in international markets.

With this new monthly publication, OLACDE will strengthen the technical and statistical monitoring of the regional hydrocarbon sector, providing strategic information for governments, companies, multilateral organizations, and stakeholders across the energy market.

MULTILATERAL ORGANIZATIONS FORGE STRATEGIC ALLIANCE FOR REGIONAL INTEGRATION IN LATIN AMERICA AND THE CARIBBEAN

The International Forum "Regional Integration in Latin America and the Caribbean: From Vision to Action," organized by CAF, marked a decisive milestone for the region. A total of 15 multilateral institutions, including the Latin American and Caribbean Energy Organization (OLACDE) — represented by its Executive Secretary, Andrés Rebolledo — signed a joint declaration that represents a turning point in regional coordination efforts. The agreement seeks to align strategies and consolidate a unified response to global challenges.

The signed document establishes a roadmap aimed at promoting active convergence among the region's existing integration mechanisms. The purpose of the agreement is to articulate capacities, priorities, and lessons learned in order to avoid duplication, strengthen synergies, and align the strategic agendas of the participating blocs.

Among the agreement's main achievements is the creation of the Annual Meeting for Convergence and Integration in Latin America and the Caribbean, which will serve as the official platform for interinstitutional dialogue, coordination, and follow-up on the commitments adopted.

The agreement was signed in Cartagena de Indias, Colombia, within the framework of the international forum "Regional Integration in Latin America and the Caribbean: From Vision to Action," organized by the Development Bank of Latin America and the Caribbean (CAF).

OLACDE's participation in this initiative reinforces its position as a leading technical and political organization for regional energy cooperation. This step is considered particularly relevant at a time when Latin America and the Caribbean are seeking to establish common positions to address the challenges associated with the energy transition, decarbonization, and energy security.

In addition to OLACDE and CAF, the high-level meeting brought together representatives and signatories from multilateral organizations such as the Amazon Cooperation Treaty Organization (ACTO), the Organization of Ibero-American States for Education, Science and Culture (OEI), the Caribbean Community (CARICOM), the Latin American Integration Association (ALADI), and the Latin American Center for Development Administration (CLAD).

Also joining the declaration were the Central American Bank for Economic Integration (CABEI), the Latin American Faculty of Social Sciences (FLACSO), the Latin American and Caribbean Economic System (SELA), the Ibero-American General Secretariat (SEGIB), the Permanent Commission for the South Pacific (CPPS), the Regional Integration Training Centre (CEFIR), the Economic Commission for Latin America and the Caribbean (ECLAC), and the Andean Community (CAN).

OLACDE AND THE EMBASSY OF URUGUAY PROMOTE TECHNOLOGICAL ACCESS FOR ECUADORIAN STUDENTS

With the aim of promoting equitable, high-quality education through technology, the Latin American and Caribbean Energy Organization (OLACDE) and the Embassy of Uruguay in Ecuador joined efforts to provide computer equipment to the República del Uruguay Public School in Quito.

This interinstitutional contribution seeks to strengthen the school's digital infrastructure, enabling modern learning methodologies for students while supporting teachers in the classroom.
The donation took place on May 18, coinciding with Uruguay's commemoration of the Battle of Las Piedras. This historic occasion highlighted how technical and diplomatic cooperation can translate into tangible benefits for the social development of member countries.

The event was led by Andrés Rebolledo, Executive Secretary of OLACDE; Fernando Sandín Tusso, Ambassador of Uruguay; and Patricia Bonilla, Principal of the educational institution. During their remarks, the authorities emphasized that access to technology is a fundamental pillar for ensuring equal opportunities for future generations.

The event concluded with a cultural program organized by the students, who celebrated Latin American integration and identity through music and dance.
Through initiatives such as this, OLACDE complements its technical and energy agenda with a strong commitment to human development and community well-being across the region.

OUTLOOK 2025: LATIN AMERICA AND THE CARIBBEAN ACCOUNTED FOR APPROXIMATELY 11% OF GLOBAL OIL SUPPLY

The Latin American and Caribbean Energy Organization (OLACDE) presented the report Outlook 2025: Production and Foreign Trade of Oil and Natural Gas in Latin America and the Caribbean (LAC), highlighting the strong dynamism of the regional hydrocarbons sector, driven primarily by Guyana's growth and the sustained leadership of Brazil and Mexico.

According to the report, Latin America and the Caribbean (LAC) accounted for approximately 11% of global oil supply and nearly 6% of natural gas supply during 2025. Regional oil production increased by 20% compared to the previous year. Furthermore, future projections indicate that LAC is expected to continue expanding its production at a faster pace outside OPEC member countries. Regarding natural gas, the report states that production registered a 10% increase.

The report also indicates that 46% of regional oil production was allocated to exports, with China consolidating its position as the leading destination for external sales, accounting for 31% of LAC's oil trade, followed by the United States and the European Union.

In terms of natural gas, OLACDE highlights that 59% of regional imports originate from the United States, reflecting the high level of North American energy integration, while Argentina and Trinidad and Tobago continue to play a strategic role as the region's main liquefied natural gas (LNG) exporters.

Additionally, the analysis projects that, despite the accelerated expansion of renewable energy and electrification, oil and natural gas will continue to maintain a significant share in the regional energy matrix over the coming decades, each representing close to 26% of Latin America and the Caribbean's primary energy mix.