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NEWSLETTER OLACDE

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THE NEXT FRONTIER OF THE ENERGY TRANSITION. INTEGRATING CIRCULARITY INTO THE REGION'S ENERGY FUTURE



Latin America and the Caribbean (LAC) is making decisive progress toward a more sustainable electricity mix. The strategic challenge we now face is to transform millions of tonnes of solar panels, batteries, and wind turbines reaching the end of their useful lives into a driver of regional integration, reindustrialization, and energy security.

For years, progress in the energy transition has been measured primarily in terms of installed renewable capacity, emissions mitigation, and the displacement of fossil fuels. The region's achievements are undeniable: by 2025, an estimated 67.4% of regional electricity generation came from renewable sources.

However, this leadership raises a critical question: what will happen to these components once they reach the end of their operational life? The response to this challenge will not only determine the sustainability of the model, but also open an unprecedented frontier for socioeconomic development and productive integration.

According to OLACDE projections, by 2050 more than 81 million tonnes of critical materials will be embedded in the region's renewable energy infrastructure. Far from representing an environmental liability, these materials constitute a strategic industrial asset. Through regional recovery, reuse, and recycling frameworks, their recoverable economic value is estimated to reach US\$209 billion by 2050.

The energy transition, therefore, cannot be viewed solely through the lens of clean energy generation. It is essential to make coordinated decisions on who will recover these materials, what technological and industrial capabilities the region will develop to process them, and how the value generated by this emerging production chain will be distributed across the region.

From Waste to Strategic Inputs for Regional Integration

The scale of this potential is significant. By mid-century, energy transition infrastructure will have absorbed approximately 36 million tonnes of steel, 10 million tonnes of aluminum, and 4 million tonnes of copper. The systematic recovery of these resources will help ease pressure on extractive activities, reduce the carbon footprint associated with mining, and strengthen the resilience of supply chains across our countries.

An Opportunity for Reindustrialization and Regional Autonomy

For LAC, adopting a circular approach goes far beyond the scope of conventional environmental policy; it represents a genuine strategy for regional integration and energy-related industrialization. Efficient management of critical materials will help reduce dependence on imports from outside the region, consolidate regional value chains, create specialized technical employment, and strengthen collective energy sovereignty.

The Next Step: Closing the Loop on Energy Integration

Moving beyond our role as mere recipients of technology or suppliers of raw materials is the natural next step toward our shared future. By taking a leading role in global value chains, Latin America and the Caribbean will not only drive technological innovation, but also consolidate a regional ecosystem in which industrial value can flourish—and remain within the region.

MIDEAST TENSIONS BOOST LAC'S ROLE AS KEY ENERGY SUPPLIER



Latin America and the Caribbean (LAC) increased both oil and natural gas production in March this year, at a time when tensions in the Middle East are heightening uncertainty over global hydrocarbon supplies and contributing to volatility in international markets.

According to the monthly report issued by the Latin American and Caribbean Energy Organization (OLACDE), the region's production capacity and intraregional trade are becoming increasingly important factors in safeguarding energy security amid a volatile international environment.

Oil: 9% Growth Driven by Brazil and Mexico

Regional oil production reached 324 million barrels (Mbbbl), representing a 9% increase compared with March 2025 and a 1.3% rise from February 2026.

Brazil, Mexico, and Venezuela together accounted for 69% of total regional production:

- Brazil: 41% (leading producer)
- Mexico: 17%
- Venezuela: 11%
- Other key contributors: Guyana (9%), Argentina (8%), Colombia (7%), and Ecuador (5%)

In terms of trade, 53% of LAC's total oil imports came from intraregional trade. By contrast, only 12% of the total value of oil exports was destined for other Latin American and Caribbean countries, with the majority shipped to markets outside the region.

Natural Gas: Growth Amid Global Uncertainty

Regional natural gas production reached 22 billion m³ in March, representing 5% year-on-year growth and a similar increase compared with February. This growth is particularly significant amid attacks on energy infrastructure and geopolitical tensions affecting strategic areas such as the Strait of Hormuz.

Natural gas production was distributed as follows:

- Argentina: 23% (leading growth, supported by Vaca Muerta's unconventional resources)
- Trinidad and Tobago: 21%
- Brazil: 15%
- Bolivia and Mexico: 10% each
- Other producers: Venezuela (9%), Peru (7%), Colombia (5%), and Ecuador (1%)

Interdependence is even more pronounced in the natural gas sector: 49% of the total value of gas imports came directly from producers within Latin America and the Caribbean, reducing external dependencies and strengthening regional security of supply.

The Integration Challenge

The results demonstrate that the region's challenge goes beyond increasing production. It also requires improving infrastructure, fostering trade, and advancing effective regional integration to connect available energy resources with the markets where these supplies are most needed.

OLACDE STRENGTHENS LATIN AMERICA AND THE CARIBBEAN'S HUMAN CAPITAL TO ADDRESS EMERGING ENERGY CHALLENGES



Energy has evolved beyond being merely a technical issue; today, it is intrinsically linked to geopolitics, security, competitiveness, and the relationships between nations.

Against this backdrop, the Latin American and Caribbean Energy Organization (OLACDE), in partnership with the Institute of International Studies of the University of Chile, has launched the third cohort of the 2026 Diploma in Regional Integration and Energy Diplomacy.

The program brings together 57 professionals, primarily from Ministries of Foreign Affairs, Ministries of Energy, and other public institutions across 22 countries in the region.

Andrés Rebolledo, Executive Secretary of OLACDE, emphasized that recent global developments have heightened the importance of energy diplomacy and underscored the need to approach energy from a broader perspective. “Energy governance is multifaceted,” Rebolledo stated, noting that it encompasses technical, environmental, and technological aspects, as well as productive transformation, public policy, and geopolitical dynamics.

He also highlighted that the diploma aims not only to provide specialized knowledge but also to foster regional networks, encourage the exchange of experiences, and deepen participants’ understanding of the diverse energy realities across Latin America and the Caribbean.

Bringing Countries Together Beyond Power Grids

During his opening remarks, Rodrigo Rodríguez, Panama’s Secretary of Energy, stressed that energy has become essential for competitiveness, security, social development, and international cooperation. “Energy diplomacy serves as a strategic tool to strengthen regional relationships, facilitate dialogue, and build joint solutions,” he said.

Rodríguez pointed to the future Panama–Colombia electricity interconnection project as a clear example. The initiative, spanning approximately 500 kilometers with an estimated exchange capacity of 400 MW, has the potential to become a strategic link between the Central and South American electricity markets. However, he cautioned that infrastructure alone does not guarantee true integration. Harmonizing regulations, establishing appropriate agreements, and addressing environmental and social dimensions are equally necessary to ensure that local communities benefit from these initiatives.

Gloria Alvarenga, OLACDE’s Director of Energy Integration, Access and Energy Security, emphasized that the program seeks to cultivate a comprehensive perspective that enables participants to return to their respective countries equipped with stronger tools to advance their national energy agendas.

Ricardo Gamboa, Deputy Director of the Institute of International Studies at the University of Chile, highlighted the unique value of bringing together professionals from different institutions across 22 countries, enabling participants to complement their academic learning with a rich exchange of regional experiences.

A particularly noteworthy feature of this third cohort is its gender-balanced composition: half of the enrolled professionals are women. This reflects OLACDE’s commitment to promoting gender equality, strengthening inclusion, and creating greater opportunities for women to contribute to public policymaking, regional integration, and the strategic decision-making that will shape the future of the region’s energy sector.

Through this third edition of the diploma, OLACDE and the University of Chile continue to strengthen a regional training platform designed to prepare professionals to understand and manage an increasingly evident reality: in today’s global context, energy is also shaped through diplomacy.

LATIN AMERICA AND THE CARIBBEAN STRENGTHEN THEIR POSITION IN THE GLOBAL ENERGY TRANSFORMATION



Latin America and the Caribbean are at a strategic crossroads as the region seeks to consolidate its role in the emerging global energy landscape, shaped by geopolitical tensions, technological advances, and growing demand for energy security and decarbonization.

During his participation in the 47th International Conference of the International Association for Energy Economics (IAEE), held in Santiago, Rebolledo moderated a plenary session entitled “Energy Economics and Geopolitics: Latin America and the Caribbean in a Changing World,” co-organized with OLACDE. The session brought together regional energy leaders to discuss the key challenges and opportunities arising from ongoing transformations in international energy markets. The Executive Secretary highlighted that geopolitics is playing an increasingly significant role in energy decision-making at a time when the sector is undergoing an unprecedented transformation. In this context, he stressed that energy has become critical not only to economic development, but also to enhancing competitiveness and achieving climate goals.

Rebolledo also noted that the transition toward sustainable energy sources extends far beyond electricity generation, encompassing sectors such as transportation, industry, and households. This transformation is reshaping both energy production and consumption patterns while rapidly accelerating the adoption of new technologies.

Against this backdrop, he highlighted the competitive advantages of Latin America and the Caribbean, driven by the region’s high share of renewable energy and its abundance of strategic energy resources. These conditions could further strengthen the region’s role in the global energy transition.

Rebolledo also underscored the importance of advancing regional energy integration. OLACDE brings together 27 countries with the aim of promoting cooperation, producing relevant technical information, and supporting public policy decision-making, with regional integration at the core of its mission.

The panel featured senior government officials, including Ricardo Bienvenido Guerrero Encarnación, Vice Minister of Energy of the Dominican Republic; Mauricio Bejarano, Vice Minister of Mines and Energy and Director of Alternative Energy of Paraguay; and Diana Lizzette Solís Paz, Undersecretary for Renewable Energy and Electricity of Honduras.

During the conference, OLACDE also hosted an information booth where participants learned more about the Organization’s work and its role in the regional energy landscape, further strengthening cooperation, integration, and capacity building among its 27 Member Countries.

OLACDE AND CARICOM CALL FOR CLOSING GENDER GAP IN LAC ENERGY TRANSITION



The energy transition is creating new opportunities in areas such as renewable energy, power grids, energy efficiency, storage, and emerging technologies. The challenge facing Latin America and the Caribbean is to ensure that existing inequalities are not carried over into this new energy economy. This was one of the key messages conveyed by OLACDE during the webinar “Gender Mainstreaming in Energy: Closing the Gender Gap,” held on July 22 in collaboration with CARICOM.

Gloria Alvarenga, OLACDE’s Director of Energy Integration, Access and Security, emphasized that the design of public policies will determine who gains access to new jobs, who participates in strategic decision-making, and which groups benefit from investment. Gender gaps in the region are concentrated primarily in four areas: access to modern energy, specialized technical employment, leadership positions, and the availability of gender-disaggregated data—an essential tool for directing budgets and investments toward actual needs across different territories.

The assessment presented during the webinar showed that women remain underrepresented in key areas such as engineering, construction, operations, maintenance, digital technologies, and decision-making positions on corporate boards and within regulatory bodies. Alvarenga highlighted a regional paradox: even in the renewable energy sector, where employment opportunities are expanding, women’s participation remains largely concentrated in administrative roles, logistical support, communications, and social management.

This situation is strongly influenced by structural barriers, including unequal access to STEM education and training, limited mentoring opportunities, workplace bias, and the unequal distribution of unpaid care responsibilities.

From Diagnosis to Action

OLACDE has outlined a roadmap structured around five priorities for government action: developing accurate assessments and data; integrating equality objectives, budgets, and accountability mechanisms into energy policies; expanding technical training and encouraging women’s participation in STEM fields; strengthening women’s institutional leadership; and implementing rigorous mechanisms to monitor and evaluate public investment.

The objective is to ensure that gender equality becomes a cross-cutting principle throughout the entire energy policy cycle, from design to evaluation. At the operational level, the Organization is already implementing concrete initiatives, including a programme designed to encourage girls and young women to engage with STEM disciplines. Previously implemented in Chile and Ecuador, the initiative is intended to gradually expand to Central America and countries across the Caribbean Community.

OLACDE also produces annual technical notes on gender, promotes women’s networks across the energy sector, and supports rural electrification and clean cooking projects, demonstrating how access to modern energy can reduce the time devoted to unpaid domestic work and help unlock greater socioeconomic opportunities.

The joint work of OLACDE and CARICOM strengthens a regional agenda aimed at connecting equitable employment, innovation, and multilateral cooperation. Building on the region’s abundant renewable energy resources and strong technical capabilities, both institutions reaffirmed their commitment to working with governments, businesses, and civil society to ensure that the decarbonization process effectively contributes to narrowing gender gaps across Latin America and the Caribbean.

LAC ELECTRICITY GENERATION GREW 4.5% IN APRIL 2026, WITH RENEWABLES SUPPLYING 67% OF THE GRID



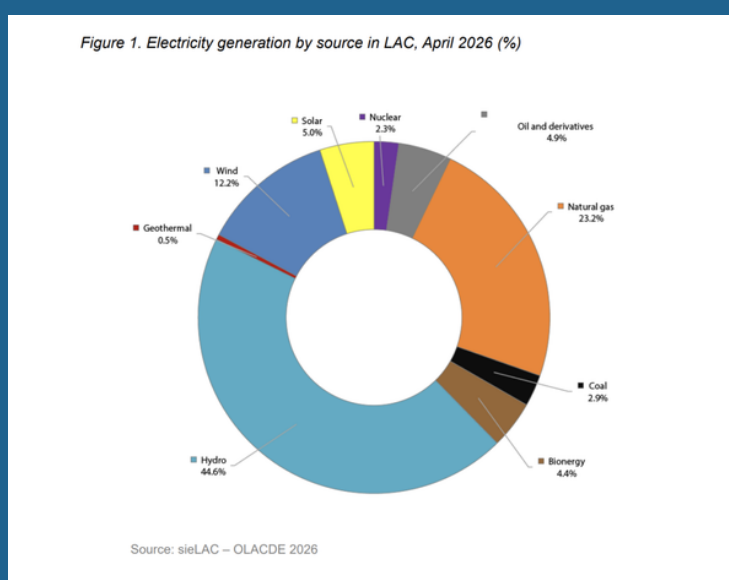
Latin America and the Caribbean (LAC) continues to strengthen one of the cleanest electricity systems in the world. In April 2026, the region generated 164 TWh of electricity, 67% of which came from renewable energy sources. This figure underscores the structural dominance of clean energy despite climate-related fluctuations that affected hydropower generation. Overall, regional electricity generation increased by 4.5% year-on-year.

The latest electricity generation report from the Latin American and Caribbean Energy Organization (OLADE) shows that hydropower remained the region's primary source of electricity, accounting for 44.6% of total generation, followed by natural gas (23.2%) and wind energy (12.2%). Together, these three sources represented nearly 80% of all electricity generated across LAC during the month under review.

Although hydropower output declined by 9.4 TWh compared with April 2025, the reduction was offset by increases in wind generation (+5.1 TWh), natural gas (+4.6 TWh), and bioenergy (+3.3 TWh). This highlights the region's growing ability to adapt to changing climate conditions through a more diversified electricity mix.

The renewability index further confirms the region's energy leadership. Nine of OLADE's 27 Member Countries exceeded the regional average of 67% renewable electricity generation: Paraguay (100%), Uruguay (97%), Costa Rica (92%), Ecuador (92%), Brazil (88%), Colombia (87%), Venezuela (86%), Belize (76%), and Peru (68%).

According to OLADE, these indicators demonstrate that the sustained integration of renewable energy technologies, together with complementary sources such as natural gas, is strengthening electricity supply security while enhancing the region's resilience to climate variability—one of the most significant challenges facing power systems across Latin America and the Caribbean.



LAC COULD RECOVER US\$84 BILLION BY 2035 THROUGH RECYCLING ITS CLEAN POWER INFRASTRUCTURE



Latin America and the Caribbean's continued shift toward renewable energy—which accounted for 67.4% of the region's electricity generation in 2025—is bringing a new challenge to the forefront: managing waste from its own clean energy infrastructure. Although the expansion of solar and wind technologies began only about a decade ago and most equipment currently in operation has not yet reached the end of its useful life, premature failures and technological upgrades are accelerating the disposal of solar panels, wind turbines, and batteries.

This scenario has prompted several countries to develop plans, programs, and regulations for recycling recoverable components. The objective is to mitigate environmental impacts throughout the entire life cycle of these technologies, preventing heavy metals, plastics, and corrosive or toxic substances from contaminating soil, air, and water.

A Technical Note published by the Latin American and Caribbean Energy Organization (OLACDE) explains that this growing waste stream represents a circular economy opportunity, with potentially recoverable economic value reaching US\$209 billion by 2050 through recycling, reuse, and material recovery strategies. This perspective broadens the sectoral discussion by highlighting the need to assess the economic potential of secondary resources rather than focusing solely on the physical volume of waste. The region currently has approximately 150 million solar panels and 16,000 wind turbines in operation. Combined with the rapid growth of battery storage, solar, and wind energy, these figures provide an indication of the scale of materials that could accumulate by mid-century:

- 81 million tonnes of total materials will be embedded in energy transition technologies.
- 36 million tonnes will be steel, equivalent to 63% of the region's current annual steel production.
- 4 million tonnes will be copper, a volume equivalent to nearly 40% of the region's annual production.
- 10 million tonnes will be aluminum, almost three times the current annual production of Latin America and the Caribbean.

The study indicates that recovering these components could reduce demand for new extractive activities, lower mining-related emissions, and strengthen security of supply for resources considered critical worldwide.

Artificial Intelligence in the Circular Economy

The Technical Note identifies artificial intelligence as a key enabler in the management of these assets. Digital tools and predictive systems enable continuous equipment monitoring, facilitating more efficient maintenance scheduling, extending equipment lifespans, and automating the classification of components for refurbishment or recycling.

In the specific case of lithium-ion batteries used in electric mobility, algorithms can analyze operational histories to determine when a battery module can be repurposed for a second life in stationary energy storage applications. This approach extends the device's overall life cycle and delays the need for final end-of-life management.

An Industrial Opportunity for the Region

OLACDE argues that the circular economy presents an opportunity for industrial development across the region. Recovering critical materials could reduce dependence on virgin raw materials, lower strategic imports, create new regional value chains, generate specialized employment, and strengthen supply security for the energy sector of the future.

However, the document warns that developing this industry will require stronger and more specific regulatory frameworks, extended producer responsibility schemes, traceability systems, and reverse logistics, as these capabilities remain at an early stage in most countries across the region.

The sustainability of the energy sector does not end with the installation of wind farms, solar photovoltaic facilities, or battery systems. It will also depend on the region's ability to efficiently transform technological waste into new productive resources.

LAC: ENERGY INFLATION TRIPLED BY MAY AS FUEL PRICES CONTINUED TO RISE



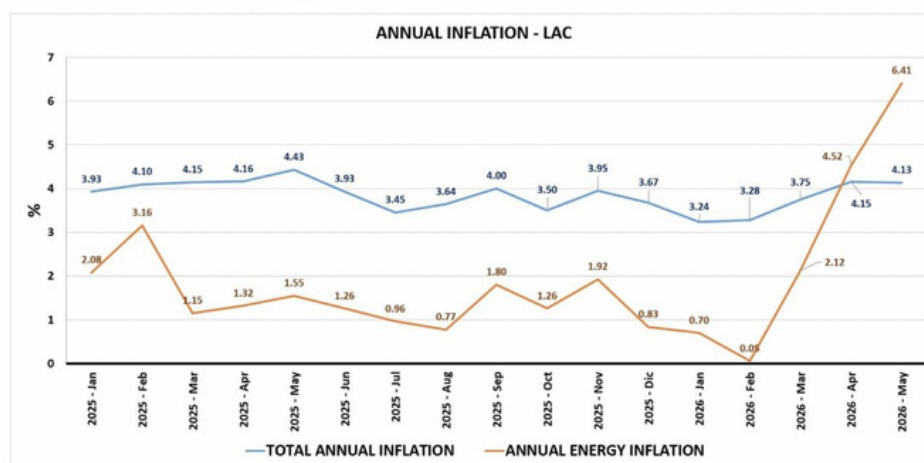
The period of inflationary relief experienced by the energy sector in Latin America and the Caribbean (LAC) has come to an end. After reaching its lowest level of the period under analysis—close to zero—in February 2026, regional energy inflation began to accelerate steadily from March onward, driven by escalating geopolitical tensions in the Middle East and the Strait of Hormuz.

According to our report, the region's year-on-year energy inflation jumped to 2.12% in March, increased to 4.52% in April, and climbed further to 6.41% in May 2026. The May figure is more than three times the level reported just two months earlier.

In contrast, the overall consumer price index (CPI) in LAC remained comparatively stable, posting moderate increases over recent months and closing at 4.13% in May. This divergence reflects the fact that the broader inflation index is better able to absorb external shocks through its diversified basket of goods and services, whereas the energy sector is directly exposed to global price disruptions.

Fuel Prices

Figure 1. Annual Inflation Trends in LAC



Source: Own elaboration based on the information of the Institutes of Statistics and Central Banks of OLACDE Member Countries.

The international price surge continues to put pressure on import, refining, transportation, and distribution costs across the region. As a result, retail fuel prices remain above the levels recorded before the Middle East conflict:

- Gasoline: The average price remains 16% above its reference level, demonstrating greater downward price rigidity.
- Diesel: Prices are still 13% higher than the reference level, despite a slight partial correction observed in recent weeks.

OLACDE notes that upward pressure on domestic fuel prices persists even as global crude oil markets begin to ease. The transmission of this international shock to retail fuel prices has been neither immediate nor uniform, owing to factors such as inventories purchased at previous price levels, taxation schemes, fuel subsidies, and national price stabilization mechanisms.

AFTER REACHING 97.6% ELECTRIFICATION, LAC FACES A NEW CHALLENGE: TURNING ENERGY ACCESS INTO DEVELOPMENT



Providing electricity to a community is no longer enough. The new challenge facing Latin America and the Caribbean is to transform energy access into employment, productivity and local economic development. With this objective, the Latin American and Caribbean Energy Organization (OLACDE) participated in the Knowledge Exchange on Productive Uses of Energy in Latin America, an event organized by the International Renewable Energy Agency (IRENA) with the support of Practical Action and the Global Energy Alliance for People and Planet (GEA).

During the event, Gloria Alvarenga, OLACDE's Director of Integration, Energy Access and Energy Security, outlined how stronger regional cooperation can transform rural electrification into a driver of productive development, social inclusion and economic resilience.

The forum brought together government representatives, international organizations and energy experts from Brazil, Bolivia, Colombia, Ecuador and Peru to discuss public policies, financing models, community governance frameworks and technological solutions aimed at promoting the productive use of renewable energy in rural and remote communities.

Beyond electrification

The discussion was grounded in a clear regional reality. Although Latin America and the Caribbean has achieved an electricity access rate of more than 97.6%, millions of people living in the Amazon, the Andes and other rural areas still lack reliable and sufficient electricity services capable of supporting sustainable economic activities. Participants agreed that the concept of Productive Uses of Energy (PUE) represents the next stage of the energy transition: using electricity not only for basic household consumption, but also to generate income, add value to agricultural production, strengthen rural small businesses and stimulate local economies.

Gloria Alvarenga noted that between 16 and 17 million people across the region still lack access to electricity, with the greatest deficits concentrated in rural and Indigenous communities. Since 2015, progress toward universal electrification has slowed significantly. In remote regions such as the Amazon, connecting a single household through conventional grid infrastructure can cost up to USD 20,000, underscoring the need for innovative technological solutions.

She also highlighted that the region requires annual investments of USD 6–8 billion through 2030 to modernize electricity transmission infrastructure. However, only USD 3.3 billion was invested in 2022, revealing a substantial financing gap.

For OLACDE, the knowledge exchange reinforces a strategic regional priority: ensuring that the energy transition goes beyond expanding electricity access to create new opportunities for sustainable economic development, reduce territorial inequalities and strengthen the resilience of rural communities to social and climate-related challenges.

The meeting will conclude with a set of policy recommendations designed to strengthen regional cooperation and inform future strategies for advancing the productive use of energy across Latin America and the Caribbean.

GLOBAL VALUE CHAINS IN THE ENERGY TRANSITION AND THE NEW GEOPOLITICS



The energy transition is transforming the global economy at a pace comparable to previous industrial revolutions. For Latin America and the Caribbean, however, the key challenge is no longer simply supplying critical minerals or clean energy to global markets. The defining question is what role the region will play in the emerging global value chains: whether it will remain primarily a supplier of raw materials or become a strategic player in the new industrial economy.

This is the central conclusion of the new working paper, “Global Value Chains in the Energy Transition and the New Geopolitics,” jointly developed by the Latin American and Caribbean Energy Organization (OLACDE) and the Georgetown Americas Institute (GAI). The study argues that the energy transition is far more than a decarbonization process—it represents a structural transformation of economic, technological, and geopolitical power on a global scale.

According to the report, technologies such as solar and wind power, battery manufacturing, electric mobility, smart grids, and clean hydrogen are fundamentally reshaping global production networks. As these industries evolve, an increasing share of economic value is being captured through knowledge, innovation, advanced manufacturing, and technology development.

Strategic resources, uncertain development

Latin America and the Caribbean hold a privileged position within this emerging energy landscape. The region possesses significant reserves of lithium, copper, and other critical minerals, while also boasting some of the world’s greatest renewable energy potential. Nevertheless, the report cautions that these comparative advantages do not automatically translate into higher levels of economic development.

The study highlights a longstanding paradox: countries rich in natural resources often capture only a limited share of the economic value generated because they remain concentrated in the early stages of production. By contrast, the highest-value activities are typically found in research and development, technological innovation, and advanced manufacturing.

Geopolitics is reshaping global supply chains

The report argues that international competitiveness is no longer determined solely by production costs. Economic security, supply chain resilience, strategic autonomy, and diversification have become decisive factors influencing global investment and manufacturing decisions.

Emerging trends such as nearshoring and friend-shoring illustrate how production networks are increasingly being reorganized according to geopolitical and institutional considerations, rather than purely economic ones.

For OLACDE, this evolving landscape presents a significant opportunity for Latin America and the Caribbean—provided the region develops the industrial and technological capabilities needed to move into higher value-added segments of global supply chains.

A Public Policy Agenda to Capture Greater Value

To seize this opportunity, the report proposes a comprehensive strategy aimed at strengthening regional competitiveness through long-term public policies. Its key recommendations include:

- Developing national strategies for effective integration into global value chains.
- Aligning industrial, trade, and energy policies.
- Expanding investment in logistics, energy, and digital infrastructure.
- Strengthening specialized human capital and STEM education.
- Promoting innovation ecosystems focused on applied research.
- Advancing regional integration to increase production scale and competitiveness.
- Establishing stable regulatory frameworks that attract long-term investment.
- Moving beyond raw mineral extraction toward processing, manufacturing, and industrialization of critical minerals.

The report concludes that the energy transition represents the most significant economic opportunity for Latin America and the Caribbean in decades, while also posing one of the region’s most complex strategic development challenges. According to the study, the region must act now to transform its natural resource endowment into robust industrial capabilities capable of supporting a new model of sustainable economic growth.

The decisions made today will determine whether Latin America and the Caribbean emerge as strategic players in the global energy economy—or remain primarily exporters of raw materials.

SOUTH AMERICA HAS NATURAL GAS, THE CHALLENGE NOW IS TO INTEGRATE IT



South America has reached a pivotal moment in its energy transition. After years of concern over natural gas availability, the regional landscape has changed significantly. Today, the central challenge is to build an integrated regional gas market that maximizes existing resources, strengthens energy security, and transforms energy into a driver of competitiveness and sustainable development across Latin America and the Caribbean.

This was the key message delivered by Guido Maiulini, Head of Strategic Advisory at the Latin American and Caribbean Energy Organization (OLACDE), during the webinar Towards a Regional Natural Gas Market, organized by the Electronic Gas Market (MEGSA). During his presentation, Maiulini outlined the main findings of OLACDE's regional gas integration study, developed in partnership with CAF – Development Bank of Latin America and the Caribbean, which redefines the opportunities for energy cooperation among the MERCOSUR countries and Chile.

"The real challenge is no longer the availability of natural gas—it is building a regional market," Maiulini stated, summarizing the new energy reality facing South America.

According to the study, the region is now in an unprecedented position to advance deeper energy integration. Argentina's Vaca Muerta formation alone could meet regional demand well beyond 2050, while Brazil's natural gas production is projected to triple by 2040, driven by continued development of its offshore Pre-salt reserves. At the same time, Bolivia's gradual production decline is reshaping regional supply flows, creating an opportunity to redesign the regional gas market around a new framework of cooperation.

A Regional Economic Opportunity

OLACDE's projections indicate that greater integration could significantly expand regional energy trade. A fully integrated South American natural gas market could facilitate between 60 and 70 million cubic meters of gas per day, generate USD 4–5 billion annually in regional energy trade, and replace approximately USD 2.4 billion per year in imported fuels, reducing external dependence while strengthening regional energy resilience.

For OLACDE, these findings demonstrate that energy integration is no longer merely a technical objective—it has become a strategic policy tool to stimulate economic growth, enhance industrial competitiveness, and improve long-term energy security.

Integration for a More Resilient Future

OLACDE stresses that stronger regional energy integration is essential to reducing countries' vulnerability to global crises, supply disruptions, and volatility in international energy markets.

As part of this effort, the Organization is working alongside MERCOSUR Working Subgroup No. 9 to advance a regulatory convergence agenda aimed at harmonizing technical standards, contractual frameworks, tariff structures, crisis management mechanisms, and energy information exchange among member countries.

Concluding his remarks, Maiulini emphasized that the value of energy integration extends well beyond natural gas trade.

"Energy has the potential to become one of the fundamental pillars for addressing Latin America's long-standing development challenges," he said, noting that a more integrated regional market will improve productivity, attract new investment, expand economic opportunities, and ultimately enhance the quality of life for millions of people across Latin America and the Caribbean. Through this initiative, OLACDE reaffirms its commitment to advancing regional energy integration based on cooperation, energy security, and more efficient markets capable of transforming South America's abundant energy resources into drivers of sustainable development and shared prosperity.

INVESTMENT, ENERGY STORAGE, AND ENERGY SECURITY REDEFINE THE REGIONAL ENERGY AGENDA



Latin America and the Caribbean are reshaping the core of their energy transition. What was once primarily focused on expanding the share of renewable energy has evolved into a broader strategic agenda centered on strengthening energy security, enhancing system resilience, and developing regulatory frameworks capable of keeping pace with rapid technological change.

This was the central message of the FES Government and Investment Virtual Summit, a preparatory forum for the XI Energy Week organized by the Latin American and Caribbean Energy Organization (OLACDE), which will take place from 6 to 9 October in Santo Domingo, Dominican Republic. The event will bring together ministers, regulators, investors, technology companies and energy leaders from OLACDE's 27 Member States.

Andrés Rebolledo, Executive Secretary of OLACDE, emphasized that "today's energy sector is shaped by geopolitics, technological innovation and strategic security." He noted that the region currently accounts for 10% of global oil production and 6% of natural gas production, positioning Latin America and the Caribbean as the non-OPEC region with the greatest potential to expand hydrocarbon production in the coming years, particularly driven by Argentina, Brazil, Guyana, and Trinidad and Tobago. The most profound transformation, however, is taking place within the electricity sector. In just a decade, the share of solar and wind power in the regional electricity mix has increased from 5% to 20%. Countries such as Chile have already experienced weeks during which wind generation accounted for up to 43% of total electricity production, underscoring a structural shift that demands a comprehensive modernization of energy infrastructure across the region.

The Dominican Republic emerges as a regional benchmark

The Dominican Republic recently awarded 325.69 MW through its latest competitive procurement process and is preparing additional tenders totaling 500 MW, focused on renewable energy generation and Battery Energy Storage Systems (BESS). This initiative is already regarded as one of the Caribbean's most ambitious regulatory efforts.

Ricardo Guerrero, Vice Minister of Electric Energy of the Dominican Republic, stated: "the process concluded without objections and attracted bids that exceeded expectations."

The assessment shared during the summit by government officials and private-sector representatives points to a clear conclusion: the energy transition in Latin America and the Caribbean has evolved beyond its original climate objective into a broader race for competitiveness, grid stability, energy storage, digitalization, and energy sovereignty.

With more than 53 technical proposals already submitted to the FES Government and Investment Summit, and an official agenda in Santo Domingo covering topics such as energy storage, electricity regulation, grid resilience, and regional gas integration, OLACDE's XI Energy Week is set to become the region's leading platform for shaping the strategic direction of the energy sector in the years ahead.

Against a backdrop of geopolitical uncertainty, increasing climate pressures, and rapidly growing electricity demand, Latin America and the Caribbean arrive at this pivotal moment with a significant competitive advantage: one of the cleanest energy matrices in the world. Yet the region's greatest challenge is no longer simply producing more clean energy—it is ensuring the resilience, reliability, and security of the energy systems that make that production possible.

OLACDE BRINGS A NEW GENERATION INTO LATIN AMERICA AND THE CARIBBEAN'S ENERGY LEADERSHIP



The energy transition in Latin America and the Caribbean is no longer solely about technology or emissions reduction. It has become a strategic competition for economic leadership, energy security, and control over critical value chains. Within this context, the Latin American and Caribbean Energy Organization (OLACDE) is placing young people at the center of the regional energy agenda as a new and essential political stakeholder.

During the regional event “Youth and Influence in Latin America and the Caribbean,” organized by Youth4Energy and Reacción Climática, Andrés Rebolledo, Executive Secretary of OLACDE, presented a clear assessment of the region’s competitive advantages in the global energy transition.

Today, nearly 70% of the electricity generated in Latin America and the Caribbean comes from renewable sources, making it home to one of the cleanest electricity matrices in the world. Just a decade ago, solar and wind energy accounted for only 2% to 3% of regional electricity generation; today, they represent more than 20%, reflecting one of the fastest growth rates globally. In addition, the region holds more than 25% of the world’s critical minerals, including lithium, copper, and cobalt, all of which are essential for electrification, battery storage, and clean energy technologies.

However, the regional narrative extends beyond renewable energy. Rebolledo noted that energy security has re-emerged as a central priority on the international agenda amid geopolitical tensions and shifting global markets. Latin America and the Caribbean currently produce approximately 10% of the world’s oil and 6% of its natural gas, with significant production growth expected in Argentina, Brazil, Guyana, Trinidad and Tobago, and Venezuela.

Against this backdrop, young people are emerging as key drivers of the transition. Studies suggest that the regional energy sector alone could generate up to 15 million new jobs over the next five years, creating unprecedented employment opportunities for a new generation of professionals.

From symbolic participation to meaningful influence

Valentina Licanqueo, OLACDE consultant, emphasized that inviting young people to dialogue is no longer sufficient. The challenge now is to transform participation into effective, institutionalized influence over energy policymaking.

Licanqueo highlighted that OLACDE works alongside its 27 Member States to strengthen youth leadership, technical capacities, and public engagement while incorporating gender equality, diversity, and interculturality as fundamental pillars of a just energy transition.

She also recalled that during the X Energy Week, held in Chile in 2025, the First Latin America and the Caribbean Youth Energy Meeting culminated in the presentation of the first-ever formal youth declaration before the region’s Ministers of Energy.

The next step: institutionalizing youth voices

As part of this long-term strategy, OLACDE is advancing the creation of the Youth Council for Energy, which is expected to be officially launched during the XI Energy Week, to be held in the Dominican Republic in October 2026.

The Council will establish a permanent institutional channel connecting young leaders with the region’s Ministers of Energy at a time when Latin America and the Caribbean are redefining their role in strategic industries such as green hydrogen, critical minerals, electric mobility, and climate-resilient energy storage.

With one of the cleanest electricity systems in the world, abundant strategic natural resources, and a young population poised to shape tomorrow’s workforce, the region is uniquely positioned to lead the global energy transition. Yet that leadership will only be sustainable if a new model of energy governance actively includes the generations that will inherit—and ultimately shape—its future.