



2nd IEA-OLADE-IDB Ministerial Roundtable

Building on Latin America's strengths for a
global net zero emissions future

1 July 2021

15:00 – 17:00 CEST (Paris time)

Virtual High-Level Dialogue

International
Energy Agency



Draft agenda

<p>15:00 – 15:20</p>	<p>Opening Remarks</p> <ul style="list-style-type: none"> • Dr. Fatih Birol, Executive Director, International Energy Agency • Mr. Alfonso Blanco, Executive Secretary, Latin American Energy Organization • Mr. Mauricio J. Claver-Carone, President, Inter-American Development Bank
<p>15:20 – 16:05</p>	<p>Session 1: Renewables as a pillar of energy transitions</p> <p><i>Moderator:</i> Dr. Fatih Birol, Executive Director, International Energy Agency</p> <p>Presentation on Financing renewables, Mr. Ariel Yépez, Energy Division Chief, Inter-American Development Bank</p> <p>Lead interventions (5 min. each)</p> <ul style="list-style-type: none"> • H.E. Bento Albuquerque, Minister of Mines and Energy, Brazil (video) • Mr. Miguel Lotero Robledo, Viceminister of Energy, Colombia • H.E. Andrea Meza Murillo, Minister of Environment and Energy, Costa Rica • Mr. Gabriel Arguello, Viceministro de Electricidad y Energía Renovable, Ecuador <p>Interventions by other high-level participants (3 min. each)</p> <ul style="list-style-type: none"> • Italy, Japan, United States (Department of State)
<p>16:05 – 16:50</p>	<p>Session 2: Hydrogen as Latin America’s new energy frontier</p> <p><i>Moderator:</i> Alfonso Blanco, Executive Secretary, Latin American Energy Organization</p> <p>Presentation: Key insights from IEA analysis on hydrogen in Latin America</p> <p>Dr. Timur Gül, Head of Energy Technology Policy Division, International Energy Agency</p> <p>Lead interventions (5 min. each)</p> <ul style="list-style-type: none"> • Dr. Javier Papa, Undersecretary of Planning, Secretariat of Energy, Argentina • Mr. Francisco Javier López Díaz, Undersecretary of Energy, Chile • H.E. Mr. Omar Paganini, Minister of Industry, Energy and Mining, Uruguay (video) • H.E. Mr. Jorge Rivera, Secretary of Energy, Panama <p>Interventions by other high-level participants (3 min. each)</p> <ul style="list-style-type: none"> • European Commission, Spain, United States (Department of Energy)
<p>16:50 – 17:00</p>	<p>Closing remarks and conclusions</p> <ul style="list-style-type: none"> • Ms. Mary Warlick, Deputy Executive Director, International Energy Agency • Mr. Alfonso Blanco, Executive Secretary, Latin American Energy Organization • Ms. Jessica Bedoya, Chief of Staff, Inter-American Development Bank



Background

Towards a global net zero pathway

The number of countries announcing net-zero emissions targets for the coming decades continues to grow. Even though pledges by governments to date still fall well short of what is required to bring global energy-related carbon dioxide emissions to net zero by 2050, ambition on emission reductions is building rapidly worldwide. The recently published [IEA roadmap “Net Zero by 2050”](#) (‘IEA NZ2050 pathway’) explores what a net zero energy sector in 2050 would look like and which milestones would be required to reach this goal.

On the path to global net zero, each country will need to design its own strategy, taking into account its current baseline and specific circumstances. Many countries in Latin America start from a privileged position, with some of the highest shares of renewables in power generation and transport, as well as abundant, high-quality renewable resources. This Ministerial Roundtable will explore how the region can build on its strengths and seize new opportunities emerging both at the regional and global level, with particular focus on renewable energy (Session 1) and hydrogen (Session 2).

Session 1: Renewables as a pillar of clean energy transitions

Renewable sources of electricity such as wind and solar grew globally at their fastest rate in two decades in 2020 and are set to expand in coming years at a much faster pace than prior to the pandemic. And indeed, under the IEA NZ2050 pathway, the share of renewables in the global power mix rises from 29% in 2020 to 88% in 2050, calling for global annual additions of solar PV to reach 630 gigawatts by 2030, and those of wind power to reach 390 gigawatts. For solar PV, this is equivalent to installing the world’s current largest solar park roughly every day.

At the same time, dispatchable renewables such as hydropower – a mainstay of Latin America’s power mix – are critical to maintain electricity security, together with other low-carbon generation, energy storage and robust electricity networks. In transport, renewables are playing an important indirect role in reducing emissions by generating the electricity to power electric vehicles. They also contribute to direct emissions reductions through the use of liquid biofuels and biomethane. In industry, bioenergy will be an important direct renewable energy source for low- and medium-temperature needs.

In Latin America, the incorporation of variable renewables into existing, often hydropower-dominated systems creates specific system operation challenges, but can also bring benefits of diversification in light of risks associated with potential climate-induced changes availability of hydropower. The decarbonisation of transport and industry will require further policy and regulatory action. This session will focus on the following key questions:

- How will Latin America finance the next phases of renewable energy deployment?
- How can the region ensure security of electricity supply in a context of growing shares of variable renewables and climate-related changes to hydropower availability?
- What should be done to foster sustainable mobility and the decarbonisation of industry?



Session 2: Hydrogen as Latin America's New Energy Frontier

Low-carbon hydrogen is quickly rising to the top of Latin America's energy agenda, and its relevance for the region was highlighted by many high-level participants at the 1st IEA-OLADE-IDB Ministerial Roundtable in October 2020. As countries prepare their long-term strategies for hydrogen, Latin America could benefit from a regional approach to address common challenges and capture synergies that build on the national policies.

In the future, and as emerging technologies become commercially available, low-carbon hydrogen could become one of the region's key tools to decarbonize end-uses where electrification may not be the best option. Several locations in the region have been identified as potential production hotspots with some of the lowest low-carbon hydrogen production costs globally, positioning Latin America as a potential exporter in the medium to long term.

Latin America today produces around four million tonnes of hydrogen for use in oil refining and industry. Virtually all of this production is based on unabated fossil fuels, leading to at least 25 million tonnes of CO₂ emissions every year. IEA analysis suggests that the existing uses (mainly in oil refining and the chemicals industry) and new uses in the industry, transport, mining and power sectors could drive demand for low-carbon hydrogen to 2030, preparing the basis for broader deployment in the longer term.

This session will focus on the following questions:

- What are the immediate opportunities for low-carbon hydrogen in Latin America and what needs to be done to tap this potential?
- In which sectors could hydrogen have a bigger long-term impact on emissions? How can governments support R&D and pilot projects focusing on strategic uses of hydrogen?
- How can countries best work together in order to create value chains and use synergies to promote low-carbon hydrogen development across the region?