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**Overview of Energy Efficiency Policy &
Measures in LACS**

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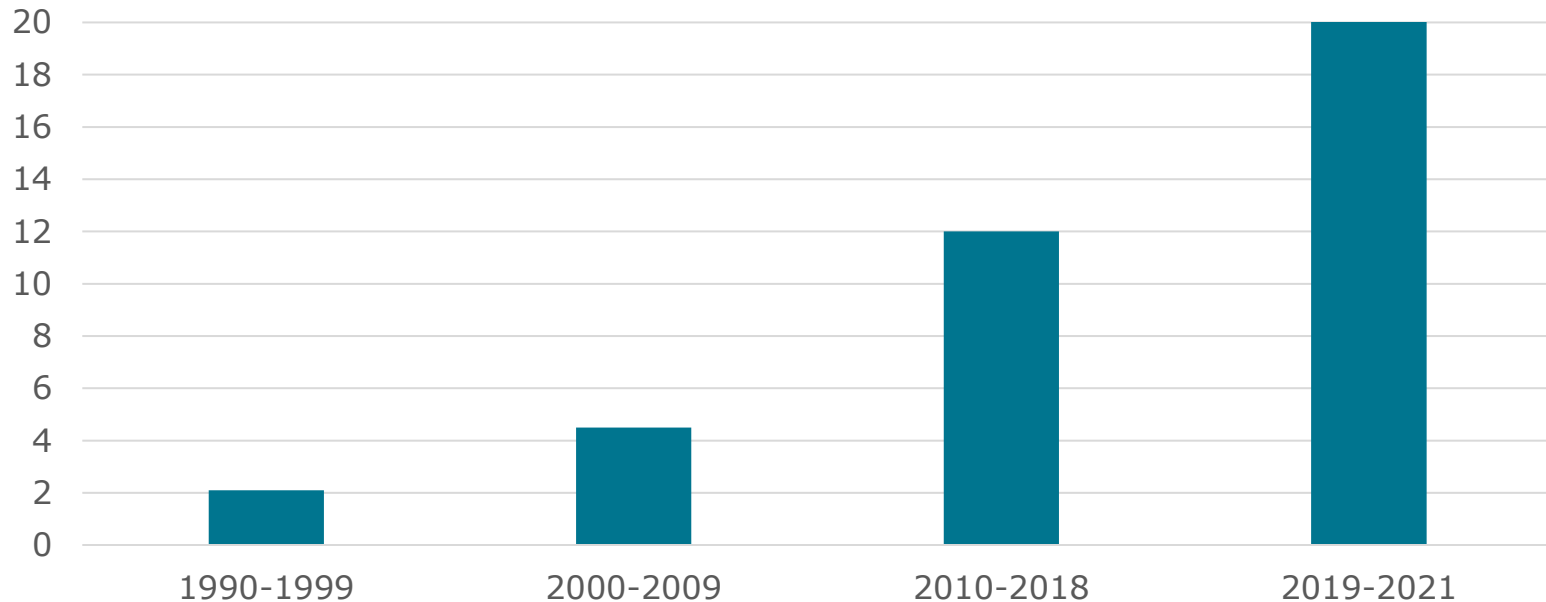
Objective of this overview of Policy & Measures in LACs

- This presentation provides an assessment of the **deployment of policy & measures** in 16 Latin American countries (LACs) related to **energy efficiency, energy access and end-use renewables***.
- It is based on the **BIEE policy data base**, as of December 2022.
- A more detailed synthesis was prepared in a report and is being published by Cepal. The report relied on the state of the data base as of August 2022.
- The recent updating has added around **40 new measures** implemented in 2021 or 2022 and updated some of the existing measures: in total **100 measures** have been added or modified.
- In countries that carry out a regular evaluation of the measures, the latest evaluation of energy savings and/or GHG savings linked to the measures has been introduced (e.g. Argentina, Mexico and Uruguay).

Overview of policy measures by sector (1/3)

- Around **250 active measures** have been identified in the 16 countries (~300 including proposed measures).
- There is clearly an **intensification** of the implementation of energy efficiency measures since 2010, as shown by the dynamics of new measures: 12 new measures per year over 2010-2018 and 24 per year since 2019, compared to 4 per year over 2000-2009.
- Around 70% of the measures have been introduced since 2010 and 30% since 2019.

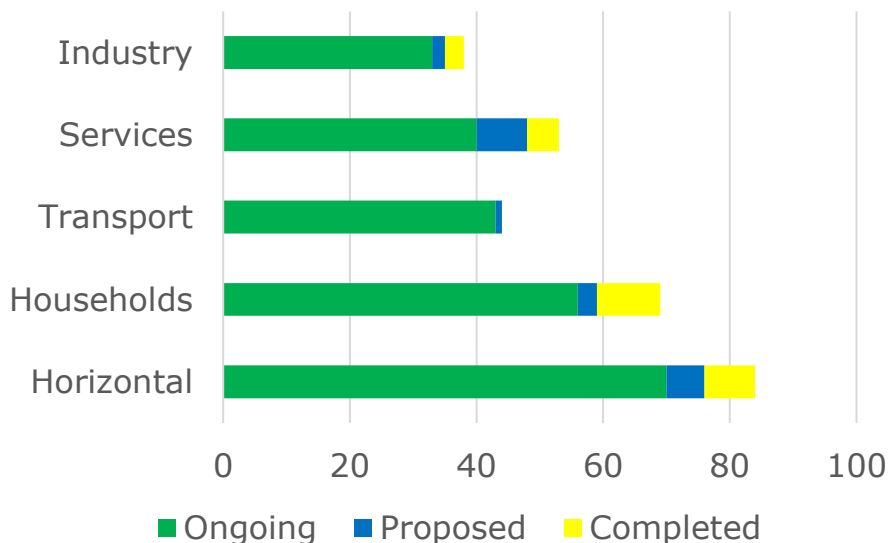
Number of new measures per year by period



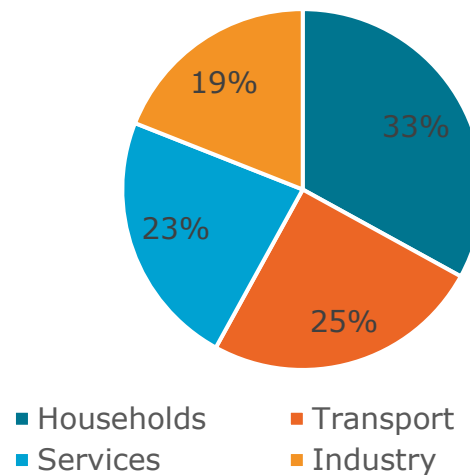
Overview of policy measures by sector (2/3)

- Around **30%** of measures are **horizontal** (i.e. not sector specific), which is logical, as it is the necessary backbone of sectoral measures (of which 1/3 programmes, 1/3 laws).
- **Households** is the dominant **sector** (i.e. excluding horizontal measures): it concentrates 33% of all sectoral measures, followed by **transport** (25%), services (23%) and industry (19%). Since 2021, the share of industry has increased by 3 pp while the share of households has decreased by 3 pp, as households were often the first sector to be targeted .
- Measures on **renewables** and **energy access** are limited (~15% and 5%)

Number of measures by sector



Distribution of sectoral measures*

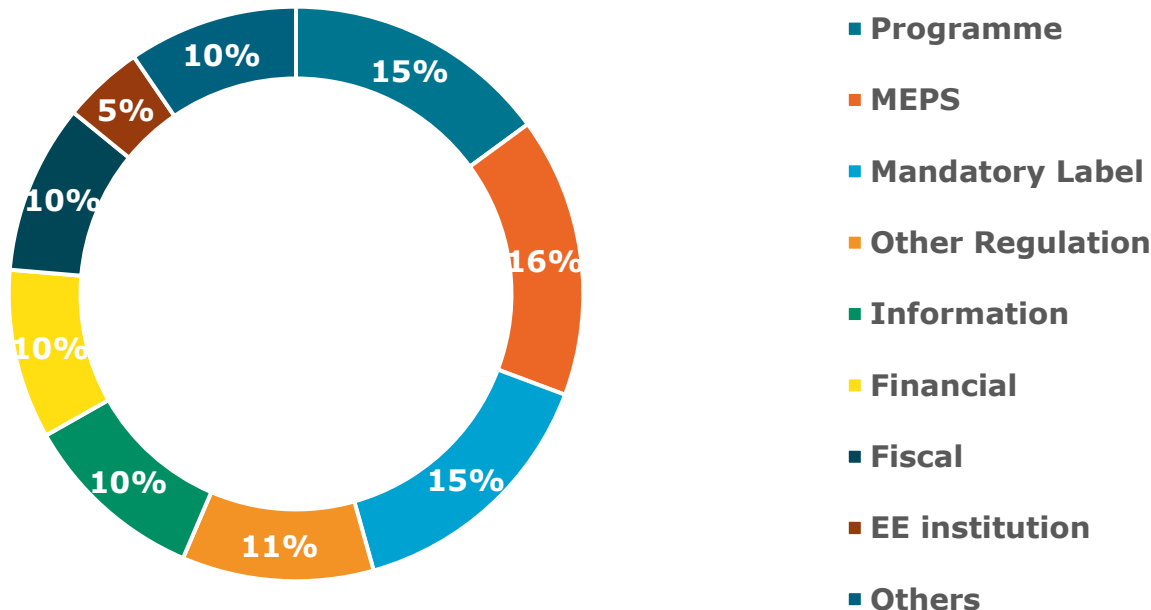


*Ongoing measures; horizontal measures excluded

Overview of measures by type (3/3)

- Around 30% of measures are **regulations on appliances**, combining **mandatory information** on energy efficiency performances (i.e. **energy efficiency labels**) (15% of measures) and **MEPS** (Minimum Energy Performance Standards) (16%).
- Around 15% of measures correspond to **programmes** (i.e. action plans, combining different measures).
- **Financial** or **fiscal** incentives represent 10% of measures, as well as **other regulations** (mainly energy efficiency **laws**) (11%).

Number of measures by type



MEPS: MINIMUM Energy Performance Standards

Overview of EE Pams in LACs

Horizontal measures

Horizontal measures (Institutional)

- **Horizontal** measures apply to all measures that cover several sectors at the same time.
- Most LACs have an energy efficiency **law (10 out of 16)** and a national energy efficiency **plan** (or programme) (but only 7 with quantitative targets) .
- Only two countries have a national **energy efficiency agency** (Mexico and Chile) and 5 a Ministry department, coordination body or other institution dedicated to energy efficiency.

Energy efficiency laws



Energy efficiency institutions



Source: BIEE policy mapper <https://biee-cepal.enerdata.net/en/policymapper>

Other horizontal measures

- **Other horizontal** measures are less common and more diversified among countries and include:
 - A **fund** or **budget** to support investment or audits (2 countries)
 - Energy awards (3 countries)
 - Energy efficiency certificates :**case of Uruguay** → good practice for subsidizing energy efficiency investments
 - Other EE institutions: research or study centres on energy efficiency (2)
 - Energy saving obligation for utilities to invest part of their revenues in energy efficiency support to households (**Brazil**)
 - etc...
- No country has **taxes** linked to energy efficiency (energy tax, CO2 tax) that have been introduced in some OECD countries, which are generally unpopular if not well dimensioned (i.e. without redistribution effect) .

Mesaures by sector

Measures for households

- **Around 70%** of the countries have **labels** for households appliances (generally mandatory **(M)** and most of them also have **MEPS**.
- Early implementers of MEPS have **tightened several times their** MEPS by 15-20% each time, for refrigerators (3 times in Brazil and Mexico) and AC (4 times in Brazil and 3 in Mexico).
- Around 75% of LACs have implemented a phase-out of incandescent lights.
- **Few subsidies:** 3 for **efficient lamps**, 3 for **solar** heaters and 2 for fuel **switching for cooking**

	Nber of appliances with labels/MEPS	Labels/MEPS refrigerators	Labels/MEPS for AC	Labels/MEPS for lamps
Argentina	9/9	M/MEPS	M/MEPS	M/MEPS
Bolivia	0			
Brazil	9/9	V/MEPS	V/MEPS	V/MEPS
Chile	4/4	M/MEPS	M/MEPS	M/MEPS
Columbia	6/0	M	M	M
Costa Rica	5/5	M/MEPS	M/MEPS	M/MEPS
Ecuador	9/9	M/MEPS	M/MEPS	M/MEPS
El Salvador	0/2	MEPS	MEPS	
Guyana	0			
Honduras	0	P	P	P
Mexico	9/9	M/MEPS	M/MEPS	M/MEPS
Nicaragua	3/3	M/MEPS	M/MEPS	M/MEPS
Panama	3/3	M/MEPS	M/MEPS	M/MEPS
Paraguay	0			
Peru	9/9	M	M	M/MEPS
Uruguay	4/0	M	M	M

Measures for transport

- Around **60%** of measures support the **electrification of transport modes in 8** countries (of which 2 new countries 7 new measures added in 2021/22).
- **4** countries have a national **electrification plan** for transport
- **Car labelling** exist in **5** countries (Argentina, Brazil, Chile, Ecuador, Uruguay) and **MEPS** for cars and light vehicles in **2** countries (Mexico, Chile)

Car labelling in LACs



Overview of measures in industry

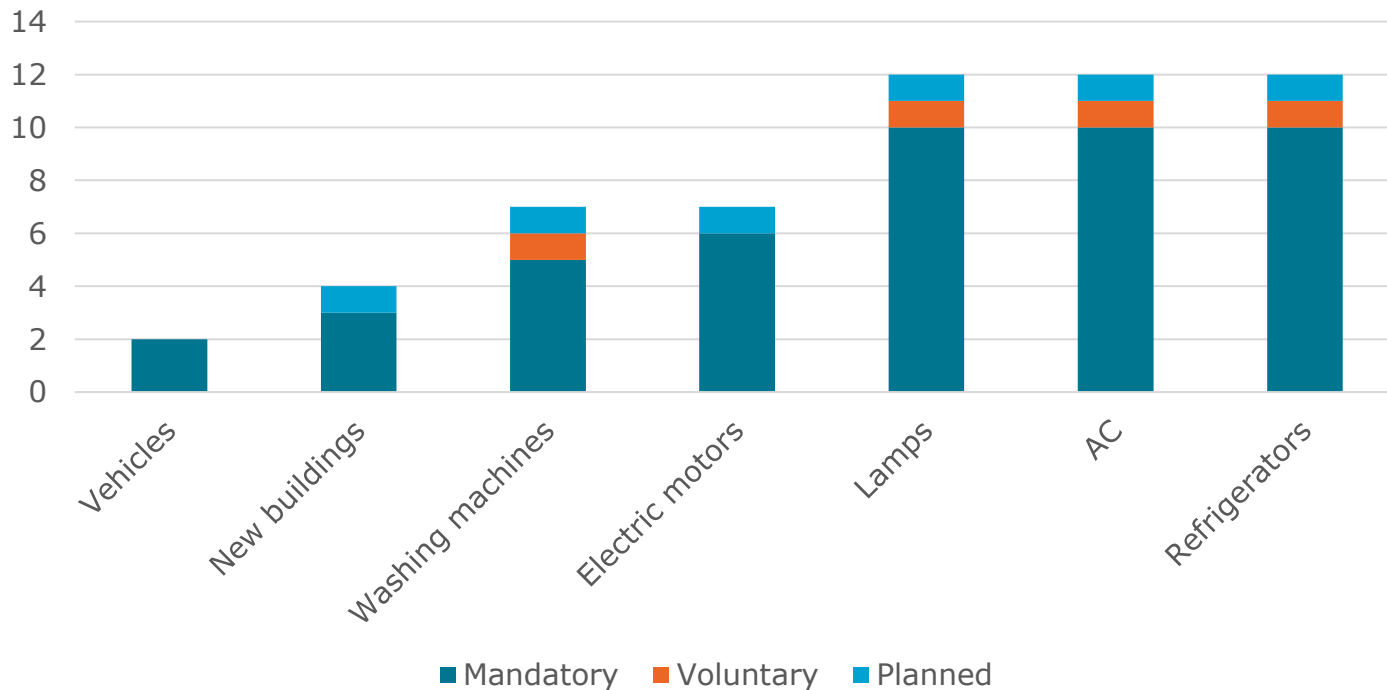
- The most frequent measures is standards **for electric motors** (6 countries), followed by energy efficiency labels for electric motors (4 countries) .
- Three countries have mandatory requirement for large consumers (energy consumption reporting in Mexico, energy saving plans in Costa Rica and for energy management in Chile since 2022).
- Financial and fiscal measures exist in 2 countries and have ended in 3 others.

	Labels for motors	MEPS motors	for	Mandatory requirements for large consumers	Financial/fiscal measures
Argentina					
Bolivia					
Brazil					
Chile					
Colombia					
Costa Rica		V			
Ecuador					
El Salvador					
Guyana					
Honduras		P			
Mexico					
Nicaragua					
Panama					
Peru					
Uruguay					

Overview of MEPS in LACs

- A majority of countries (11) have implemented MEPS on refrigerators, AC and lamps.
- Electric motors and washing machines have MEPS in 40% of the countries.
- Efficiency standards on new buildings are implemented in 4 countries (planned in one).
- MEPS for light vehicles exist in 2 countries
- MEPS are often based on energy efficiency labels in combination with MEPS: the lowest efficiency class is used to set the level of the MEPS.

Number of countries with efficiency standards in LACs by type of equipment (2021)

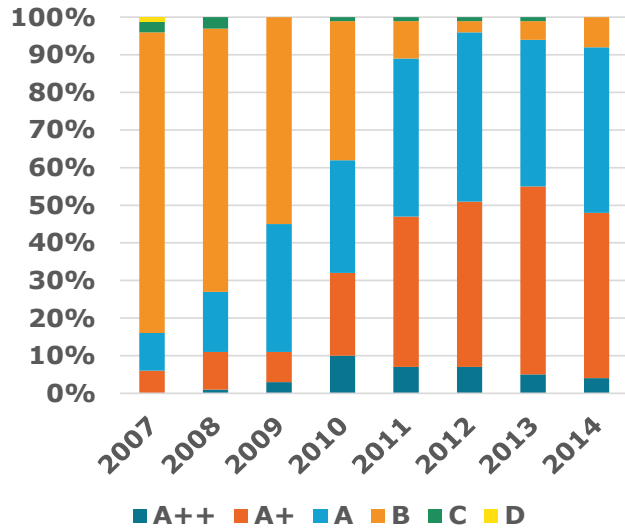


Main conclusions

- **The implementation of energy efficiency measures in LACs has intensified since 2010, with almost $\frac{3}{4}$ of all measures implemented since then.**
- **Around 40% of all sectoral measures address the residential sector.**
- **Most countries have an energy efficiency law and an energy efficiency programme, with however quantitative targets in only half of them.**
- **Around three quarters of LACs have energy efficiency labels and MEPS for households' appliances with up to 10 equipment concerned in 5 countries.**
- **Other good practices include labels for cars and light vehicles (5 countries), and electric motors (6); a national energy efficiency agency (2) or a package of measures on electrification of transport (8).**
- **An increasing number of countries are closely monitoring the impact of the measures implemented, with indicators of market diffusion or evaluation of energy savings, ir with energy efficiency indicators .**

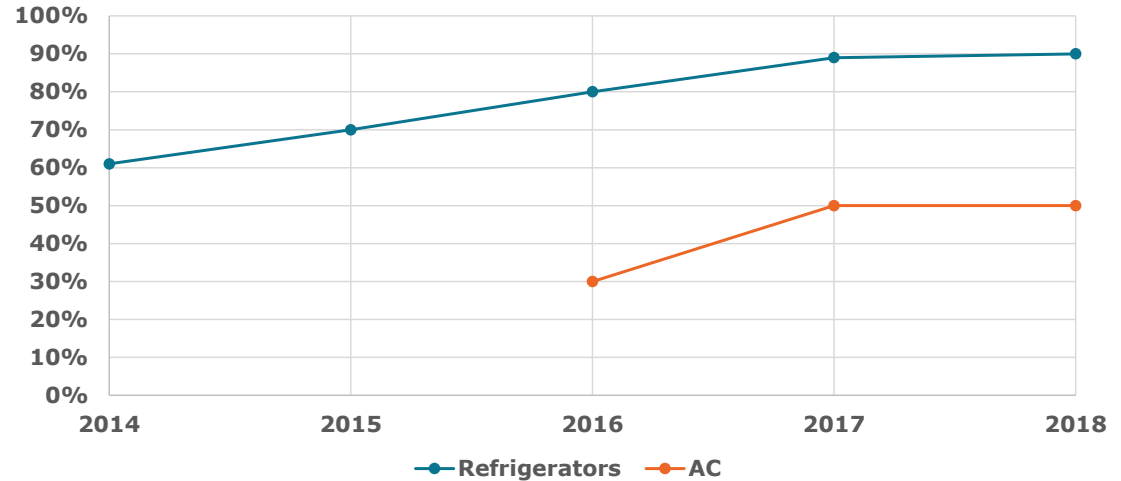
Example of evaluation of measures

Sales of new refrigerators by label (Chile)



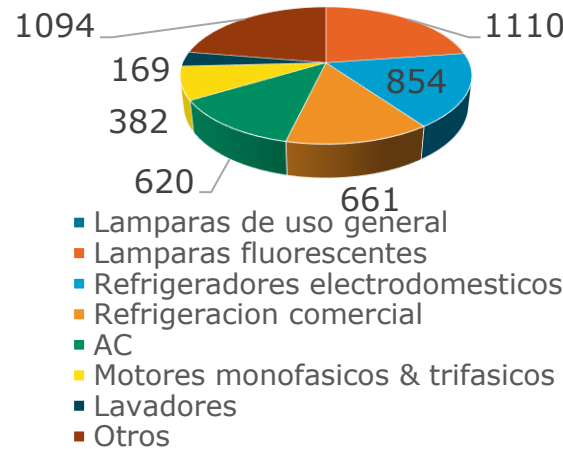
Source: Ministerio de Energia, Chile, 2021

Sales of new refrigerators & AC by label (Uruguay)



Source: Ministerio de Industria, Energía y Minería, Uruguay, 2020

Energy savings from efficiency standards in 2021 (NOMs) (TWh) (Mexico)



Source: CONUEE, Balance NOM al 2021 , 2022

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