

## PANAMA ECLAC'S COMMUNIQUÉ IN SUPPORT OF THE REGIONAL ENERGY TRANSITION, INTEGRATION AND ADAPTATION IN LATIN AMERICA AND THE CARIBBEAN

Ministers, Vice-ministers, and Heads of Delegation to the ECLAC High-Level Meeting on Renewable Energies in support of the Regional Integration and Adaptation within the framework of the Fifth Meeting of the Energy and Climate Partnership of the Americas representing Argentina, Antigua and Barbuda, Bahamas, Barbados, Belize, Brazil, Chile, Colombia, Costa Rica, the Dominican Republic, Ecuador, El Salvador, Guatemala, Grenada, Guyana, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, Saint Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Suriname, Trinidad and Tobago, and Uruguay, met in Panama City, Panama, on 10 February 2022, to confirm their commitment to accelerate the adoption of renewable energy technologies to support the energy transition for sustainable development. Furthermore, during the meeting, common challenges were identified to develop the Region's Roadmap toward a Sustainable and Just Transition future, valuing the assessment the potential benefits and challenges related to a potential Regional Energy Integration initiative. Finally, during the meeting, the key priority topics for future technical assistance opportunities between ECLAC, partners and the region were identified.

The country representatives concluded that after the impact of COVID-19, the region's energy demand is quickly growing, driven by economic recovery, and the relaxation of restrictions on the transport of passengers, goods and services between LAC countries and regions of the world.

The representatives of the region also emphasized the urgency of including in cooperation and technical assistance strategies the geographic differences among the countries of the region, particularly the challenges faced by the island countries located in the Caribbean.

The High-Level representatives recognized that Latin America and the Caribbean holds vast renewable energy resources (i.e., bioenergy, geothermal, hydropower, solar and wind), which have the potential to meet the region's energy demand for a Just Energy Transition. In addition, the potential role of hydrogen has the ability to become a bridge to transform the region's hydrocarbon industry into a producer of hydrogen-based fuels such as ammonia and methanol. In addition, variable renewable energy storage is one of the main challenges facing the sector in the coming years, and hydrogen can serve as a "big battery" for energy storage, and as a base for other fuels.

The representatives also stressed the importance of efficient and sustainable energy planning and infrastructure management in the region's large cities and megacities. One of the fundamental services provided by these infrastructures is urban connectivity, encompassing the mobility of millions of people, goods, and services. Therefore, the future electrification of the transport sector should consider social inclusion and minimizing environmental impacts. In this sense, achieving a "Big Push for Sustainability" (BPS), understood as a change in the patterns of production, consumption and demand, tending to ensure balance in all ecosystems linked to cities, becomes crucial to attract investments, create new jobs, develop a new industrial opportunity for the region, taking advantage of all renewable energy technology options that are not fully utilized, such as biofuels, solar, wind, geothermal, among others as an option to decarbonize the transport sector.

Given the above, the High-Level representatives acknowledged that a sustainable energy planning and a more renewable and sustainable energy matrix should result in a more sustainable and clean transport sector that helps achieve better standards of mobility and urban development but also in decrease inequality and provide better access to the city for all people. They emphasized the key role of renewable energy deployment to leverage regional perspectives for an inclusive and resilient recovery guided by the 2030 Agenda. The latter, including energy security, efficiency, competitiveness, improvement of trade balances, job creation, mitigate and adapt to climate change impacts.

Recognizing the hard work and effort made by the countries of the region to make their energy systems cleaner and more sustainable, the participants acknowledged that there is still a long way to go. Therefore, in line with each country's own policies and regulations, and mindful of their sovereignty and national priorities, the High-Level representatives identified the following areas in which ECLAC, and partners can provide further support in the form of technical assistance, south-south cooperation, and other alternatives to support a *Just Energy Transition* for the region:

## Regional level

- Promote synergies and cooperation through regional platforms to support building capacity among energy system planners from countries in the region. Foster peer-to-peer exchange and learning, supported by strategic analysis and research.
- Promote cooperation, training, and trade in the area of bioenergy.
- Provide technical assistance through ECLAC's Regional Technical Forum of Energy Planners in the preparation and dissemination of baseline studies, best practices, and guidelines on strategic thematic areas, e.g., of:
  - A regional study that accurately projects the technology costs and benefits of advancing renewable energy at the country level in the region. This tool is vital for adequate planning of the electricity system and the penetration of these technologies in the region.
  - Role of distributed generation in achieving SDG7, such as advancing technical and regulatory guidelines and other issues related to distributed generation.
  - Modeling regional energy integration and interconnection scenarios by assessing the regional energy complementarity in the region (i.e., interconnections, role of renewables, energy complementarity, flexibility, etc.).
  - Technical assistance to strengthen the national electricity systems of the island countries in the region, to accelerate the adoption of renewables, and enhance the flexibility and resilience of their systems.
- Regional dialogue and virtual and in-person seminars to disseminate regional studies and promote south-south cooperation.
- Understand the challenges, infrastructure needs, and policies and regulation needed to promote a sustainable and clean Hydrogen industry in the region.
- The role and potential of circular economy in the renewable energy sector.
- Promote energy integration among the countries of the region.

## National level

- Support countries to improve their national energy planning process and methodologies, addressing aspects of governance and institutional steering, as well as exposure to state-of-the-art modelling tools, methodologies, and scenario development.
- Support countries in the production, training, and use of bioenergy.
- Determine the impacts of electromobility on the power system, including demand projections and technical integration aspects.
- Developing variable renewable energy integration assessments and roadmaps detailing recommendations for measures to update planning and operating procedures of the power system. Providing targeted technical support measures advancing the integration of variable renewable energy into electricity networks and its storage.
- Support national training in planning methodologies, tools on distributed generation, long-term planning methodologies, tailored to the needs of each country and responding to countries' requests.

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