



FUNDACIÓN
BARILOCHE

DESDE 1963

SUSTAINABLE ENERGY FOR ALL (SE4ALL)

Copenhagen Workshop

**Energy efficiency in LA&C:
brief outlook of recent actions and pending challenges**

Daniel Hugo Bouille

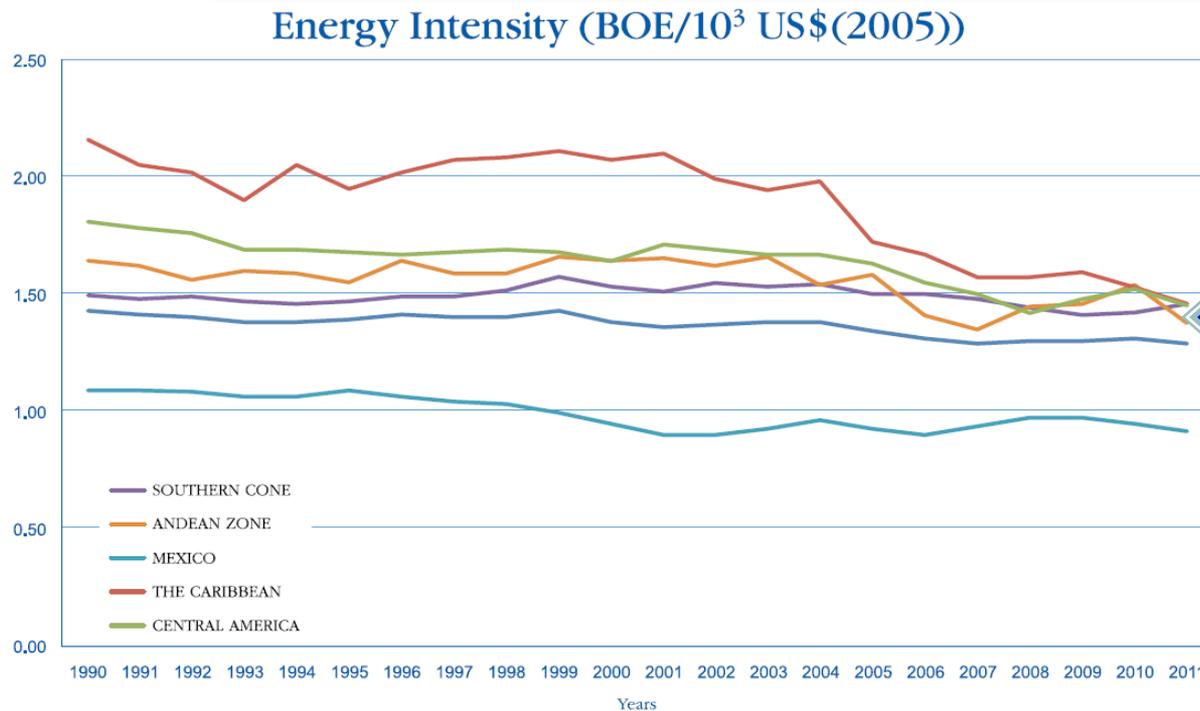
Copenhagen, June 2014

1. Recent advances in policy, regulatory and institutional frameworks;
2. Key actors in energy efficiency and their effective roles;
3. Resources and funding mechanisms for energy efficiency programs;
4. Results of energy efficiency programs to date;
5. Remaining barriers
6. Lessons learned and some ideas

Presentation based on recent studies from
ECLAC, OLADE and FB (27 countries)

1. It is difficult to establish “common denominators” in the region, in policy, regulatory and institutional frameworks.
2. There have been clear improvements in the focus on and diligence about energy efficiency in most countries.
3. Two countries are making great efforts and having important results (Mexico and Brazil).
4. Being well endowed energy resources or based on regional cooperation, LA&C countries began later on energy efficiency and it could be unrealistic to compare the results in LA&C with those successfully executed in OECD countries.
5. Efficiency means substitution of energy by capital,

Evolution of energy Intensity



Source: Energy Economic Information System (SIEE) of OLADE.

Not a sufficient
Indicator

We need Sector
and
Energy services
indicators

According to SE4ALL objectives , it is important to remark that:

- On access the LA&C priority is oriented to caloric energy services
- Renewable represent now 25% of LA&C energy matrix
- Energy Efficiency is the “Hidden Energy”, where LA&C has big opportunities

- New legislation in several countries (**Uruguay, Venezuela, Panama, Peru**, Guatemala, El Salvador, Nicaragua, The Dominican Republic , Grenada). Existing in: Costa Rica, Brazil, Colombia.
- The consolidation or creation of institutions involved in energy efficiency (Bolivia, Chile, Cuba, Colombia, Venezuela).
- Tendency in most countries to establish national energy efficiency programs (or to strengthen programs already in existence), backed by the legal and regulatory support.

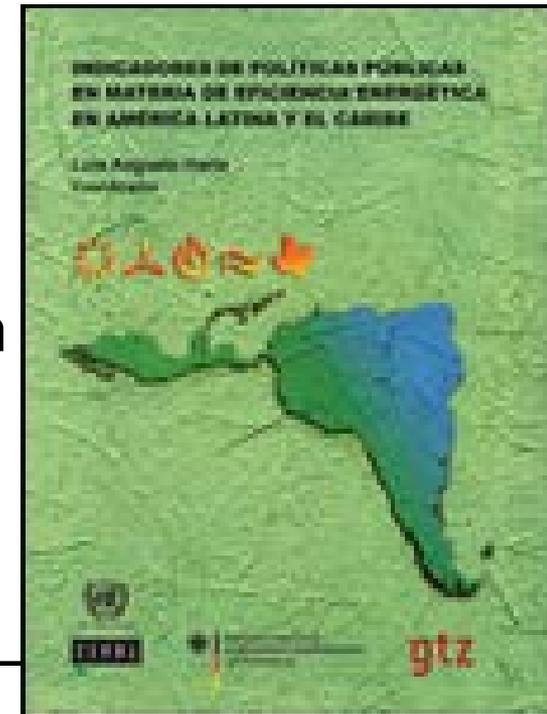
Key energy efficiency actors

- Still dominated by the public domain. Bringing on board business and civil society is still hard.
- Low role of Energy Regulators.
- No 'Energy Efficiency –type Agencies' created recently, except in Chile.
- Still very few cases in which the energy distribution utilities encourage energy efficiency (with the exception of efficient lighting).
- If it is the case, the efficient involvement of public and private actors is the result of: *the political support of Governments; continuity of the policy and institutions; ability to access financing; capacity to report on "what can be done" in each sector*

- Generally, the funds come from national budgets or international cooperation.
- Multilateral organizations providing support in the form of loans and/or technical cooperation is not always positive.
- Substantial increase in the number of ways of boosting the funding due to environmental objectives.
- Positive trend in Public and private finance sector.

Results of energy efficiency programs

- Difficulties to evaluate results according to information available.
- The quality of the statistics and performance indicators continues to be unsatisfactory.
- Rebound effect is, generally, not considered.
- Regional Program on Base Indicators for Energy Efficiency in Latin America and the Caribbean. (participation of 11 countries).



The well known Barriers

- “stop and go” policies
- Low institutional influence
- Global Environmental approach does not help
- Insufficient knowledge on opportunities
- Small market and high costs of appliances
- Inadequate or insufficient regulations
- Energy Price Subsidies
- Up front costs as key reference
- Still a supply approach
- Low energy efficient appliances available
- Importing dependence
- Effect of International cooperation
- Still lack of oriented financing
- No ESEs or ESCOs and mistrust in the technical assistance
- Lack of indicators
- ISO50001 (Energy Management) not been widespread

- *Energy-saving potential is still high (15/20%)*
- *Responsible Powerful Institutions are needed*
- *Policy signals implementation (regulation, prices, incentives,...)*
- *Institutional capacity improving is necessary*
- *Funding harmonization*
- *Training and information efforts*
- *Cogeneration is a key area.*
- *Programs based on international support should be revised.*
- *Lack of energy service companies*
- *Power companies behavior*
- *Supply Technology advances*
- *Energy efficiency laws are necessary but not sufficient.*

1. Coherence and convergence in efficiency and energy policies.
2. Regional agreement to unify criteria on labelling and standard.
3. Short, medium and long term target quantification is needed.
4. Implementation of energy audit recommendations.
5. Identify and implement indicators to monitoring results.
6. Regional integration could overcome the barrier of market size.
7. Training and capacity building is a priority.
8. Supply side efficiency. Power transmission losses are still high.
9. Recognition of a cross-cutting issue and the need of institutional coordination.
10. Long term guarantee of funds is an enabling condition.
11. To justify the actions for environmental reasons could be a wrong message.
12. International cooperation definition should be needs oriented.

Many thanks for your attention!

dbouille@fundacionbariloche.org.ar