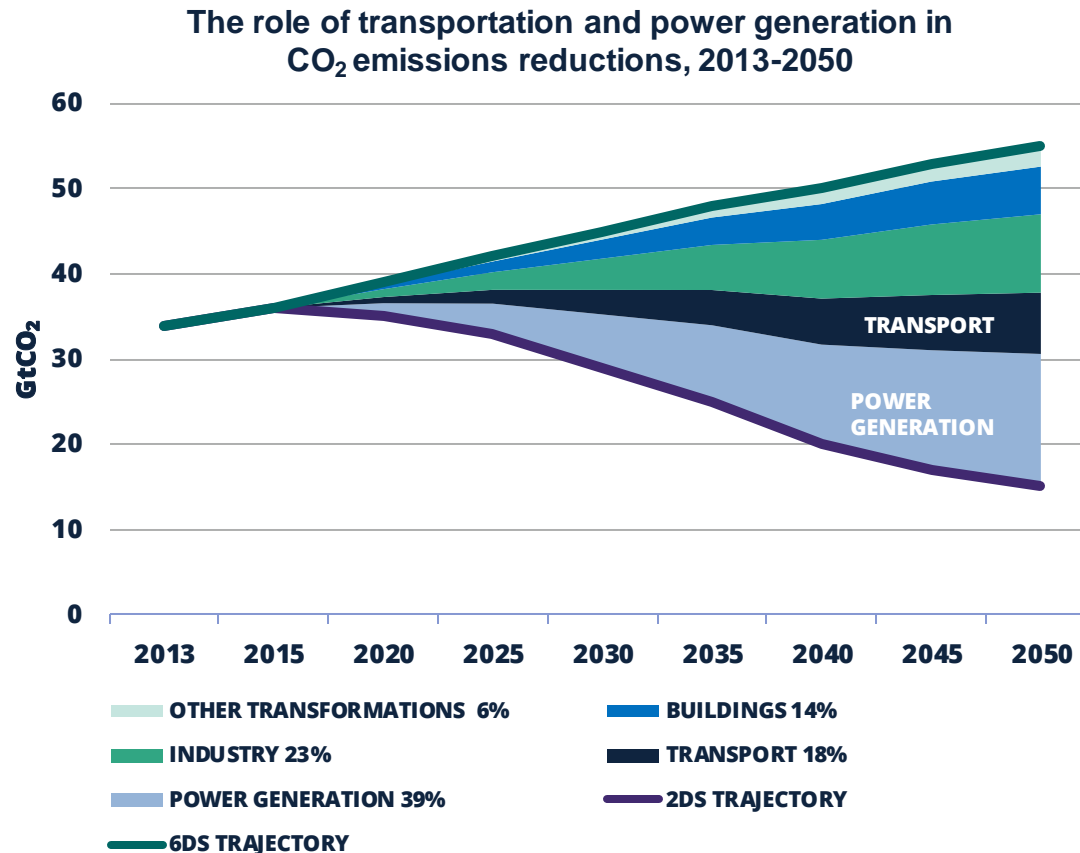


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Can Latin America Transition to Low Carbon Energy?



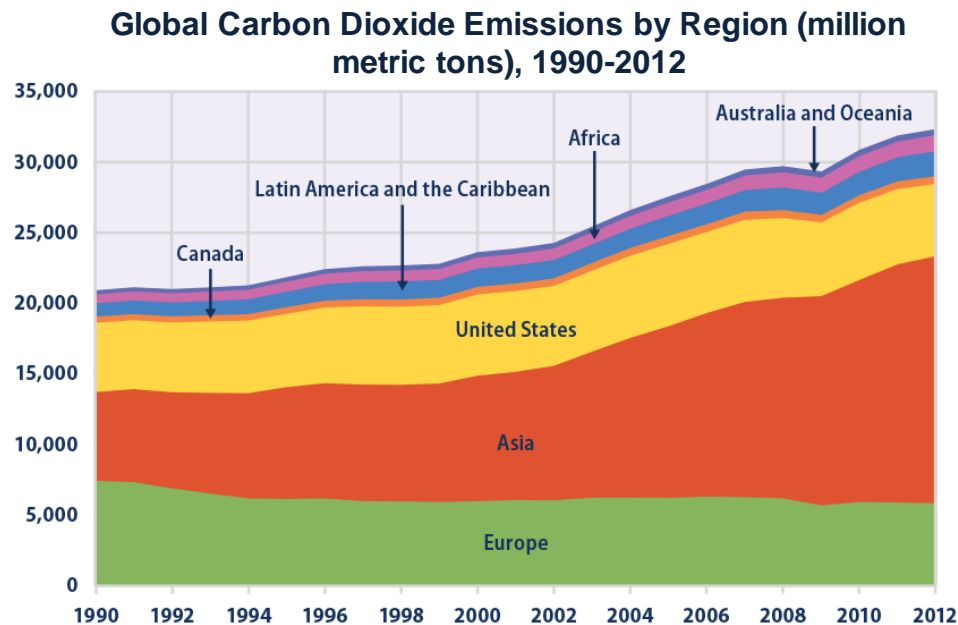
Scenarios to reach 2C globally



*NOTE: Sector percentages represent cumulative contributions to emissions reductions until 2050 on a 2 degrees warming trajectory vs a 6 degrees warming trajectory.

Latin America's contribution to climate change mitigation

- In 2013, Latin America and the Caribbean produced 5.25% of world emissions and accounted for 8.29% of world GDP.
- The region produced 3.039 metric tons per capita of CO2 emissions, compared to a global average of 4.996 metric tons per capita.



Latin America's commitments in Paris

Evaluation of INDCs/NDCs, according to the Climate Action Tracker:

Inadequate: If all governments put forward inadequate positions warming likely to exceed 3–4°C.

Sufficient: Fully consistent with below 2°C limit.

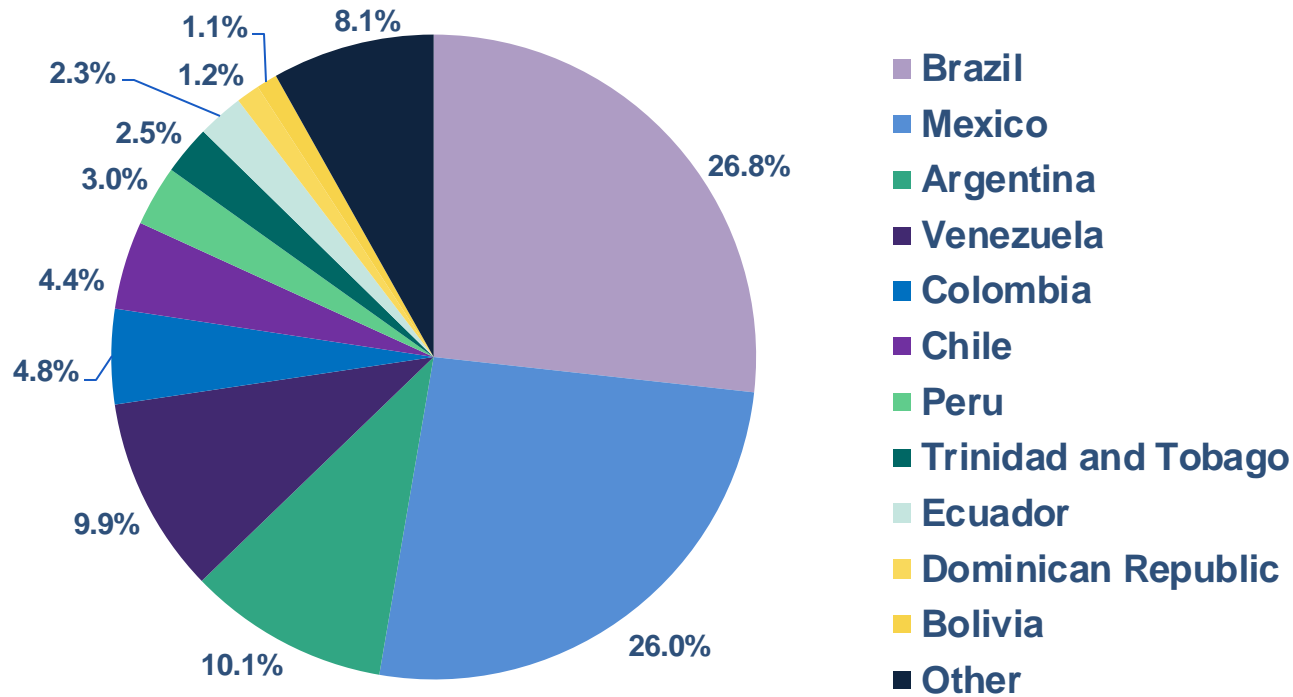


Medium: Not consistent with limiting warming below 2°C as it would require many other countries to make a comparably greater effort and much deeper reductions.

Role Model: More than consistent with below 2°C limit. Currently no countries in the world in this category.

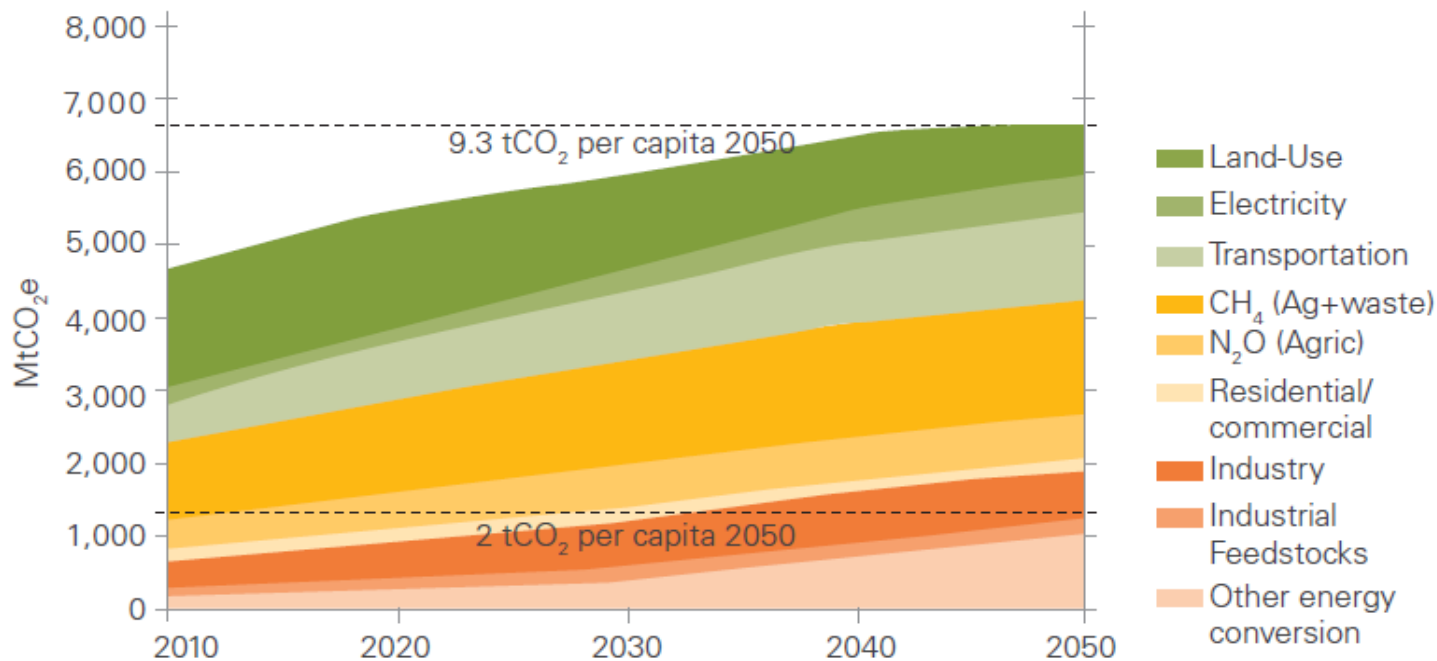
Latin America's CO2 emissions per country

Country Contributions to Total LAC Emissions, 2013



Latin America's CO₂ emissions per sector/source

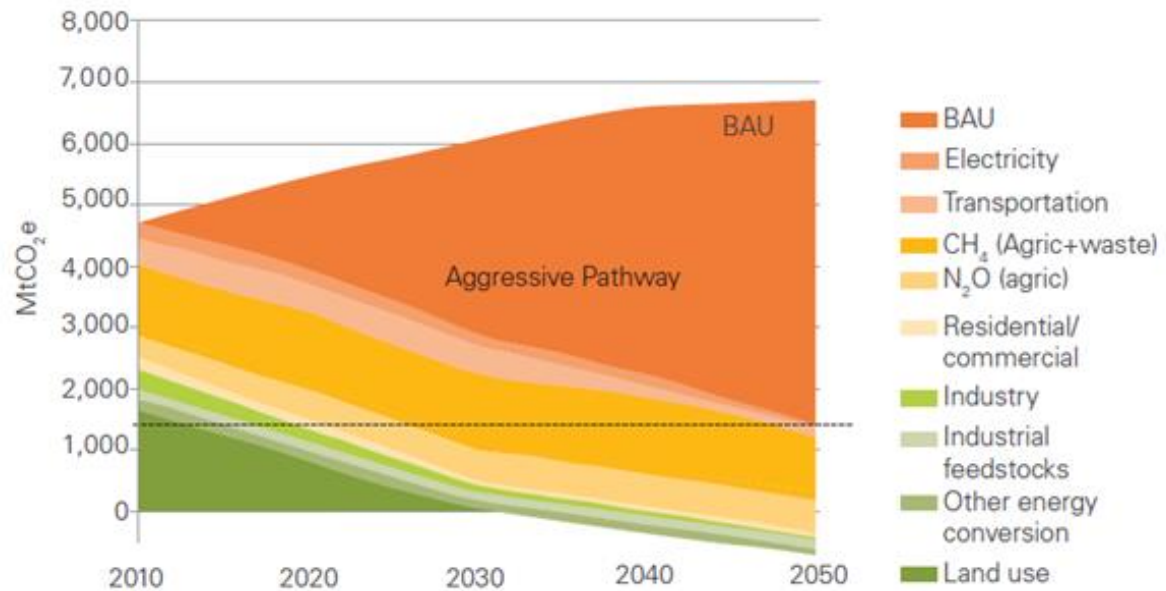
Regional BAU Emissions Trajectory by Sector, 2010-2050



Emissions reduction scenario for LatAm

- Stop net deforestation by 2020, no net emissions from land-use change by 2030, net accumulation of carbon sinks to 2050
- 50% cut in ag emissions
- Abate final energy demand by 40% through bulk improvements in energy efficiency
- Reverse carbonization of power matrix to achieve 90% zero-carbon installed capacity
- Widespread electrification of transport sector.

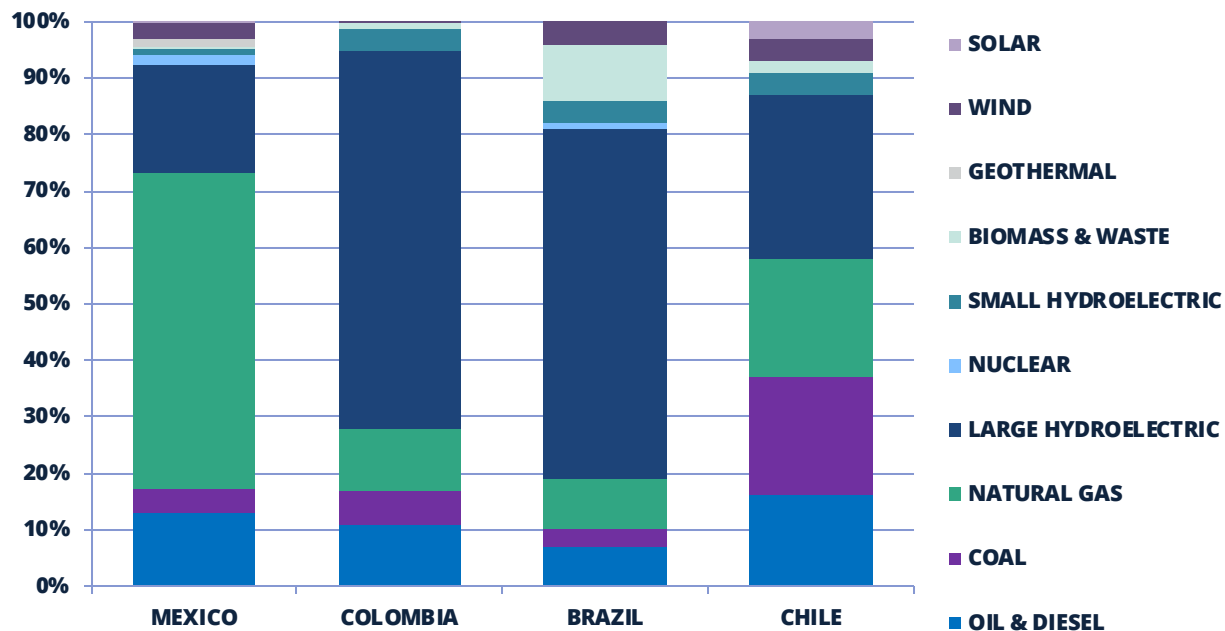
Aggressive I+ Pathway, 2010-2050



Electricity in Latin America

- Latin America's per capita emissions are low compared to other regions because of heavy reliance on hydropower.

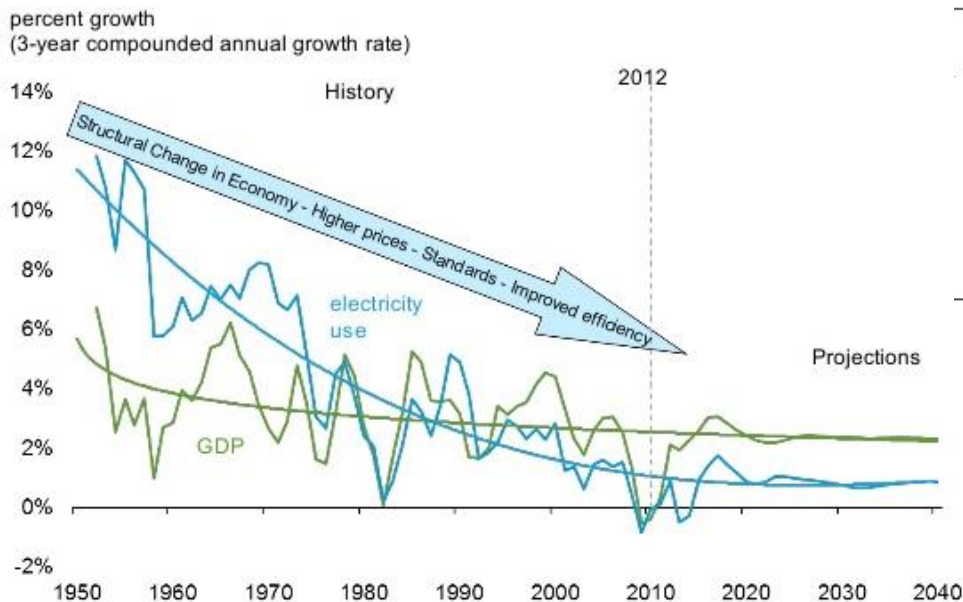
Installed Capacity by Generation Source, 2015



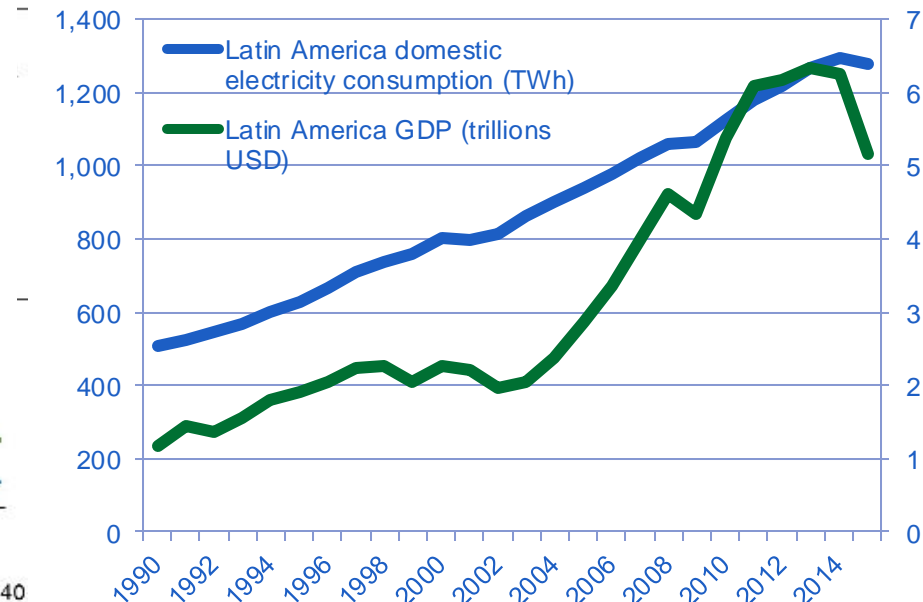
Electricity demand growth

Unlike in developed countries, where electricity demand growth is decoupled from economic growth, in LatAm, electricity demand growth matches or surpasses GDP growth, due to expanding electrification, inadequate EE measures and demand from energy-intensive industries.

US electricity use, GDP, 1950-2040



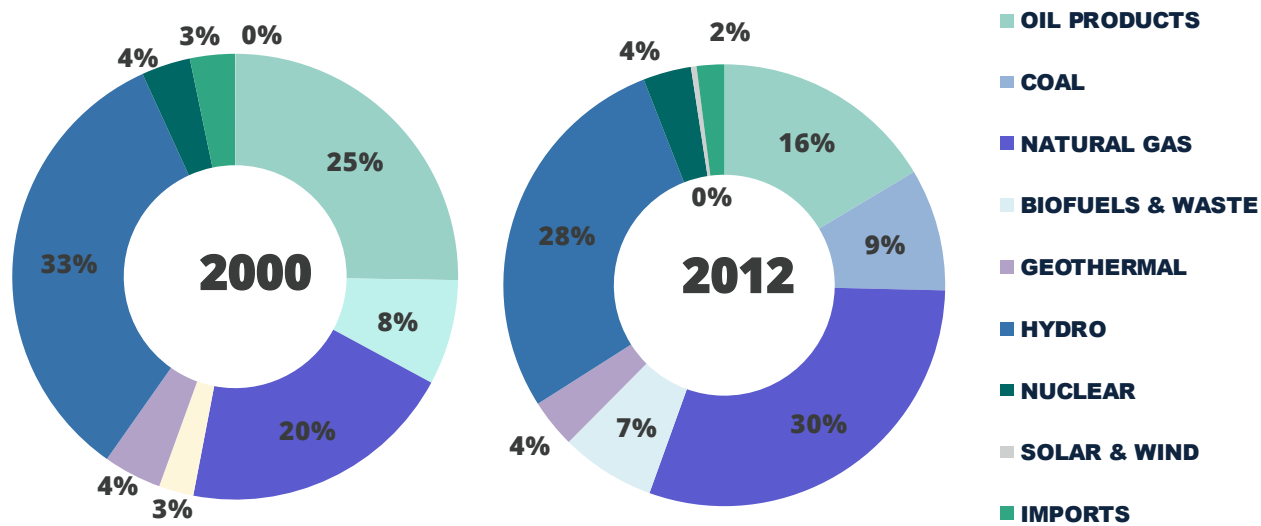
LatAm electricity consumption, GDP, 1990-2015



Growth in emissions from electricity

- Hydropower has become less reliable in Latin America.
- Several countries are expanding natural gas-fired power to meet demand growth.
- This would lock in long-term fossil fuels. Though it can reduce short term emissions, it becomes more difficult to reach long-term goals.

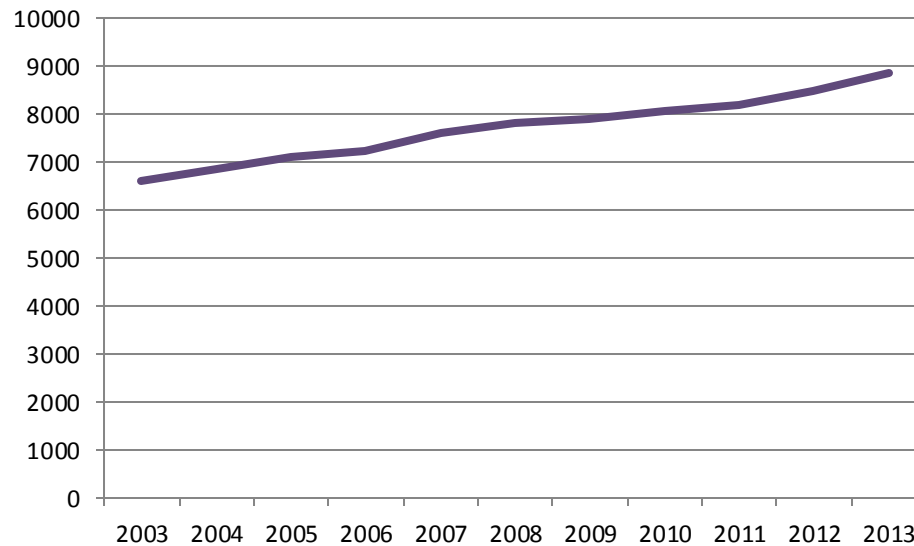
Electricity Matrix in Latin America, 2000, 2012



Transport in Latin America

Similarly, in the transport sector, many governments are prioritizing NGVs and fuel efficiency over EVs. This will reduce short-term emissions, but lock in fossil-fuel transport for decades. To meet long term climate goals, countries need to move to zero emissions and build new infrastructure systems.

**Oil Consumption in Latin America and the Caribbean
(thousand b/d), 2003-2013**



Recommendations to Promote EVs

- Expand pilot programs for high-use electric vehicles, which have significant environmental benefits while demonstrating the effectiveness of EV technology to build public confidence.
- Introduce stronger financial incentives, such as tax reductions for EVs and home charging infrastructure purchases, to reduce high up-front costs and make EVs more competitive with conventional vehicles.
- Increase non-financial incentives, such as access to preferential parking and driving lanes, and strengthen fuel economy standards to give car manufacturers incentives to invest in EV technology.
- Include EVs in broader long-term plans for the energy and transport sectors and introduce EV targets in climate change mitigation goals.

Thank you.

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