Roadmap from Latin America and the Caribbean for a **Just Energy Transition**

Climate civil society organizations in Latin America and the Caribbean

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Contents[1]

[1] Note: The English translation of the original Spanish version was done by AI

Introduction

The Roadmap for a Just Energy Transition in Latin America and the Caribbean aims to contribute to the international dialogue on the Just Energy Transition and the phased and orderly phase-out of fossil fuels, which over the past three years has been led by the region, through the actions of states and governments at COP 16 on Biodiversity in Cali (2024), COP 30 on Climate in Belém (2025), and the First Conference Beyond Fossil Fuels in Santa Marta (2026). However, this conversation has also been driven by various sectors of civil society, including Indigenous peoples, think tanks, social organizations, non-governmental organizations, labor unions, academia, environmental organizations, peasant organizations, and others, who today are moving forward with this proposed Roadmap. It includes a plan focused on concrete and feasible actions to achieve the 1.5°C target of the Paris Agreement, but also to move toward less unequal, fairer, and more diverse societies.

The document reflects the outcome of a process led by civil society organizations, regional networks, and experts from Latin America, combining technical analysis, structured inputs developed through discussion and consensus, and participatory spaces aimed at identifying practical options, sequencing strategies, barriers, and enabling conditions to advance a progressive and orderly phase-out of fossil fuels in the region. In this way, it is hoped to contribute to the goal of identifying barriers, enabling factors, and differentiated options that can be adopted by countries, subnational entities, and economic sectors according to their circumstances.

This roadmap from Latin America and the Caribbean is presented at Climate Week in Bonn as a living document, as it has been developed in working groups that will continue to refine the proposal leading up to COP 31 in Turkey and for each of the national and subnational governments. Some chapters are more developed than others, reflecting the pace and timing of each group's discussions, but overall we view this as a preview of the fruitful dialogue that has taken place among and with civil society organizations.

The roadmap is therefore conceived as an implementation and advocacy tool to support and strengthen implementation processes from now until 2050. Consequently, the document aims to define goals and measures that can be adopted through differentiated, actionable pathways consistent with climate justice, resilience, and development, integrating national governments, subnational governments, civil society, local communities and indigenous peoples, trade unions, development banks, and other actors.

We wish to highlight the process led by the COP30 Presidency to translate into concrete implementation options for the region the commitment to "transition away from fossil fuels in energy systems in a just, orderly, and equitable manner," contained in paragraph 28.d of the first Global Stocktake (Decision 1/CMA.5, UNFCCC, 2023). As well as the three pillars of

the Santa Marta Conference: reducing economic dependence on fossil fuels, transforming the supply and demand of fossil fuels, and strengthening international cooperation and climate diplomacy. These elements have been central to the structuring of our joint work in recent months.

We believe that the transition will only be viable if it is built on the foundation of a just energy transition, one that acknowledges the varying degrees of dependence on fossil fuels, the different realities of each country, and the need to protect rights, ensure participation, and strengthen institutional capacities for the transition. For this reason, the document is organized into five chapters. The first provides an assessment of the transition away from fossil fuels in Latin America and explains how to interpret this roadmap. The second chapter sets out the principles that, from the perspective of the regional climate civil society, should guide the energy transition in Latin America. The third chapter outlines the goals, milestones, and indicators for phasing out fossil fuels and adopting comprehensive solutions to replace them, addressing phase-out pathways from both the supply and demand sides, as well as the conditions necessary to accelerate comprehensive solutions. The fourth chapter addresses moving beyond the primary export-oriented economic model, identifying measures to reduce fiscal, productive, and territorial dependencies associated with fossil fuels and to strengthen the economic structure from a perspective of justice and economic diversification. Finally, the fifth chapter presents the legal and governance dimensions of the regulatory, institutional, and participatory transformations necessary to sustain the transition over time.

How to Read the Roadmap

Each chapter presents a set of goals that countries in the region must meet to advance the Just Energy Transition, organized around five elements:

- Goals
- Barriers
- Immediate Actions by 2030
- Mid-term actions between 2030 and 2040
- Long-term consolidation between 2040 and 2050

This framework aims to distinguish between the expected end point, the obstacles that must be overcome, and the concrete measures that can be progressively adopted by states, subnational governments, regional institutions, development banks, public enterprises, civil society, and other relevant actors. The proposed timeline serves as a tool for prioritizing actions and facilitating the adaptation of measures to different national and territorial contexts.

In Chapters 3 and 4, the measures are organized by country groups. This classification acknowledges that the transition does not start from the same point across the region and that measures must address differences in production, consumption, energy trade, infrastructure, fiscal dependence, institutional capacity, and productive structure. The country groups used are as follows:

- Hydrocarbon-producing and exporting countries: This group includes Argentina, Brazil, Guyana, Trinidad and Tobago, and Venezuela—countries whose energy landscape is characterized by oil and natural gas production, the existence of reserves, the development of associated infrastructure, and participation in international energy markets through the export of crude oil or, as the case may be, refined products.

  In accordance with sectoral policy and planning instruments, including national energy plans, decarbonization plans, and strategic plans, these countries seek to sustain or expand oil and gas extraction in the coming decades through the granting of new exploration areas, infrastructure expansion, investment incentives, and increased export capacity. In several cases, natural gas continues to be worryingly presented as a transition fuel and a central component of energy security.

- Countries with booming production: This group includes Argentina, Brazil, Guyana, Trinidad and Tobago, and Venezuela—countries characterized by high dependence on oil and natural gas production and exports, and by large-scale extraction and refining infrastructure. Brazil and Argentina combine conventional production with *offshore* and unconventional exploitation, while Guyana represents one of the region's most rapid cases of oil expansion. Trinidad and Tobago maintains a strategic position as a producer and exporter of natural gas and derivatives.

  Venezuela is a special case within the group. Although it possesses the world's largest proven oil reserves, it faces constraints linked to deteriorating infrastructure, low operational capacity, and financial and regulatory restrictions that hinder the establishment of a clear path to expansion.

- Countries with mature production: This group includes Colombia, Bolivia, Ecuador, Mexico, and Peru—countries with a long history of oil and natural gas production and well-established energy infrastructure, but which face growing pressures associated with the gradual depletion of reserves and the maturation of fields. Although they

maintain significant hydrocarbon production in the region, they show signs of a production slowdown and a growing dependence on enhanced recovery techniques or new exploration activities to sustain their current production levels.

Mexico accounts for the highest levels of production and refining capacity in the group, while Colombia and Ecuador remain highly dependent on crude oil exports. Peru has a more moderate share, and Bolivia stands out for its gas-focused profile and its role as a regional exporter of natural gas.

- Oil-importing countries with refining capacity: This group includes Chile, Cuba, Ecuador, Peru, and the Dominican Republic—countries characterized by a high dependence on imports of oil and petroleum products to meet their domestic demand, despite having varying levels of refining infrastructure. Unlike producing countries, they are more vulnerable to volatility in international markets and rely on external supply chains to ensure their energy security.

  Chile and the Dominican Republic stand out for their high dependence on imported fuels, Cuba for the limitations of its energy infrastructure, and Peru and Ecuador for combining refining capacities and some domestic hydrocarbon production with the need to import to meet domestic demand.

For Chapter 5, the measures are organized by lines of institutional and regulatory transformation. These lines seek to identify the legal, regulatory, and governance changes necessary to sustain the transition over time and convert political commitments into obligations, competencies, procedures, and accountability mechanisms. The areas addressed are: adaptation and resilience criteria in the transition; transparency and accountability; participatory and territorial governance based on rights; nature as a subject of rights; halting the expansion of the fossil fuel industry; and governance of critical minerals.

1. Diagnosis

Latin America and the Caribbean occupy a strategic position to inform global efforts to transition away from fossil fuels. The region faces significant economic and energy dependence on fossil fuels: approximately two-thirds of the regional energy mix continues to rely on fossil fuels, with oil accounting for a share higher than the global average (IEA, 2023). Added to this is economic dependence on fossil fuel production: on average, 3.9% of regional GDP depends on oil and gas (OECD, 2025), with countries such as Colombia reaching figures as high as 10% (IEA, 2025). This contrasts with the region's potential for renewable and bioenergy generation and the presence of ecosystems critical to climate stability, such as the Amazon rainforest. At the same time, the region has one of the cleanest electricity mixes in the world: renewables account for nearly 60% of regional electricity generation, with countries such as Costa Rica, Paraguay, and Uruguay where more than 90% of electricity comes from these sources (IEA, 2023; ECLAC, 2025). Furthermore, and in line with global trends, the share of renewables in the energy mix has been growing steadily over the past decade.

This dependence on fossil fuels is clearly reflected in the energy flows of the region's major countries. As shown in Figure 1, Brazil and Mexico account for the largest share of regional crude oil production, with approximately 7.6 and 4.3 million TJ, respectively, while also being significant net exporters; Colombia, Venezuela, and Ecuador also have considerable production levels with positive export balances. This demonstrates that crude oil production and export remain a structural pillar of the region's major economies.

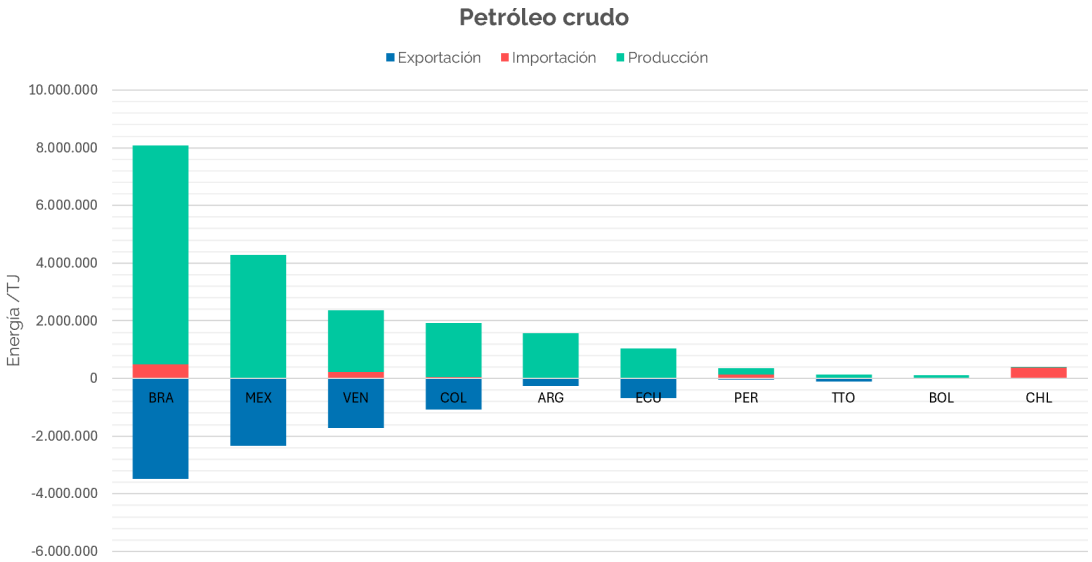

Figure 1: Major Latin American countries by crude oil production, imports, and exports.

Figure 2 presents the natural gas landscape, where Argentina leads regional production with approximately 3 million TJ, followed by Trinidad and Tobago, Brazil, Mexico, and Venezuela. The case of Mexico is particularly relevant, as despite its production volume, it relies on imports of comparable scale, creating a situation of external dependence that exposes the country to supply risks. This suggests that even major regional producers face structural imbalances in their energy balances.

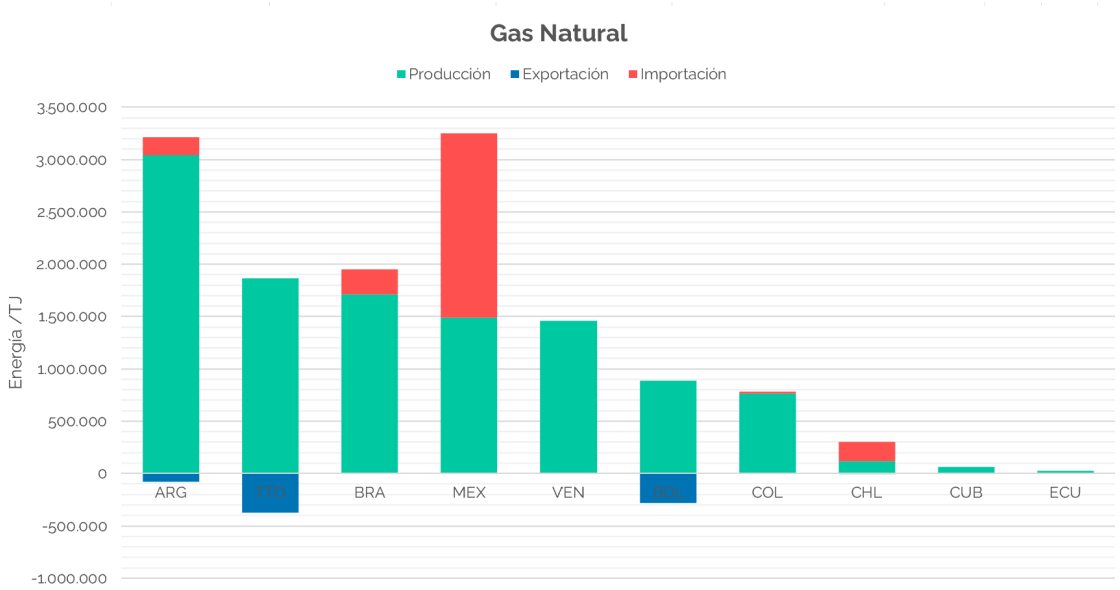

Figure 2: Leading Latin American countries by natural gas production, imports, and exports.

Figure 3 reveals that, in petroleum products, Brazil and Mexico lead in the production of refined products and are also the region's main exporters. In contrast, most other countries rely significantly on imports to meet their domestic consumption. This asymmetry between countries with established refining capacity and those with a structural deficit constitutes one of the most distinctive features of the region's energy vulnerability

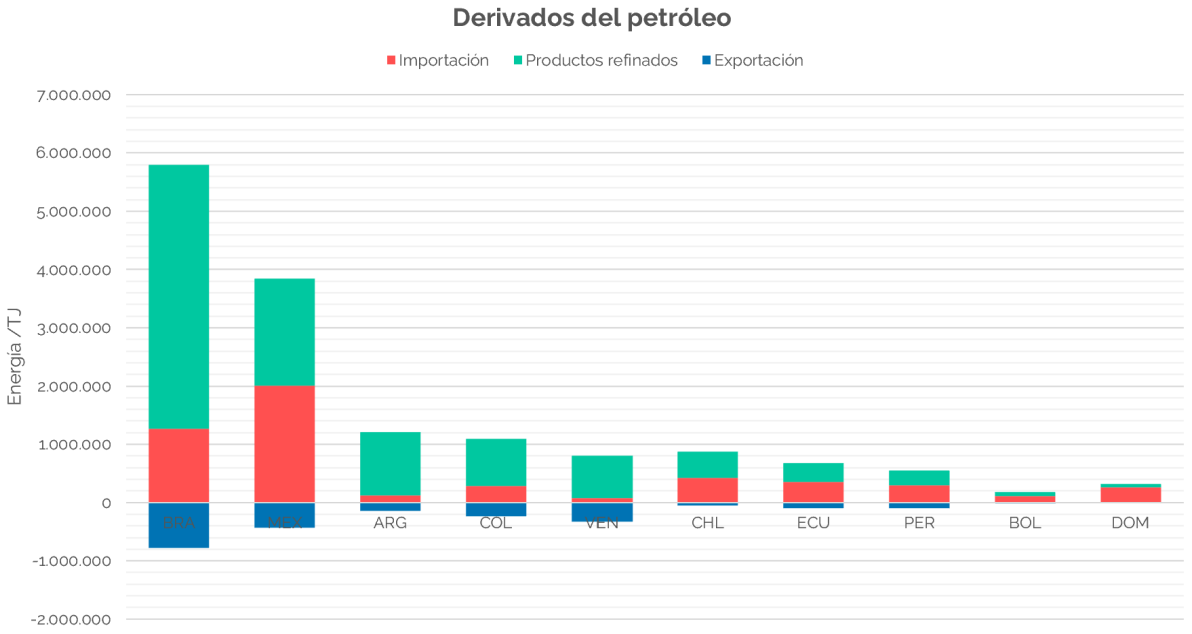

Figure 3: Leading Latin American countries in terms of production, import, and export of petroleum-derived fuels.

i. The Phase-Out of Fossil Fuels and the Rise of Comprehensive Solutions

Available evidence shows a regional convergence toward the energy transition, marked by a sustained expansion of renewable energy and a progressive reduction in the use of fossil fuels. However, this convergence does not translate into homogeneous trajectories or alignment between climate scenarios, announced commitments, and policy decisions. The revised scenarios show significant differences in the pace, scope, and depth of fossil fuel reduction, as well as in the relative weight they assign to electrification, energy efficiency, and renewable expansion. Consistent with the IPCC's approach, 1.5°C-compatible pathways require distinguishing between early-action and delayed-action trajectories: the former enable more pronounced reductions in this decade, reduce future reliance on carbon removal technologies, and lower systemic cost risks, while the latter increase exposure to stranded assets and raise transition costs in capital-intensive sectors. For Latin America and the Caribbean, this implies that the discussion on timelines requires clear political, regulatory, and economic signals starting this decade, tailored to the conditions of each country and sector.

In scenarios where announced commitments are met, fossil fuel consumption peaks in the mid-2020s and declines progressively toward 2050; in more ambitious decarbonization scenarios, the reduction in fossil fuel consumption stands at around 30% by 2040 and exceeds 70% by 2050, compared to current levels (IEA, 2023). However, these trajectories are defined primarily from the demand side (based on measures such as electrification and energy efficiency), while gaps persist in the definition of explicit supply-side targets, particularly regarding the phasing out of oil, gas, and coal exploration, production, and refining. This is one of the main gaps in benchmark analysis: the transition is modeled more clearly as a reduction in fossil fuel consumption than as a planned phase-out of fossil fuel

production and infrastructure. In practice, this asymmetry allows fossil fuel expansion and the energy transition to coexist, creating risks of lock-in, stranded assets, and misalignment with 1.5°C-compatible trajectories.

On the supply side, the main challenge lies in driving concrete decisions regarding exploration, production, and infrastructure. Coal shows the most clearly defined reduction trajectory, with accelerated declines toward 2040. In contrast, oil maintains a significant share until the middle of the century, particularly due to its role in transportation, though with a downward trend. Fossil gas poses a particular challenge: in several scenarios and national policies, it continues to be treated as a transition fuel, but its expansion may discourage the integration of renewables into long-term plans (Polen, 2025) and create stranded asset risks (SEI, 2023).

Therefore, phase-out timelines must also establish safeguards to prevent trajectories incompatible with decarbonization. This implies restricting the use of fossil gas to exceptional, temporary applications justified by specific operational needs; avoiding new fossil fuel infrastructure; **aligning regulatory and economic signals with climate, diversification, and social equity goals**; and prioritizing solutions that provide flexibility, resilience, and climate justice. The transition on the supply side must also incorporate criteria differentiated by country: emerging producers, mature producers, and importing countries (with refining capacity or high dependence and vulnerability) require different measures and paces.

On the demand side, the transition presents different scenarios depending on the sector. In transportation, announced commitment scenarios show that oil consumption peaks in the mid-2020s and declines progressively, with its share falling from levels close to 86% today to approximately 40% by 2050 (IEA, 2023). Progress in the process depends on the pace of vehicle fleet electrification, the strengthening of multimodal public transportation, improvements in logistics models, the share of biofuels, and, to a more limited extent, the integration of hydrogen in sectors where substitution is difficult.

In industry, the reduction in fossil fuel use is more gradual: the share of fossil fuels could drop from the current level of around 50% to about 30% by 2050 in scenarios where commitments are met (IEA, 2023), supported by efficiency, electrification, the use of biofuels (IEMA, 2025), and sector-specific solutions for energy-intensive sectors. In the residential sector, substitution can proceed more rapidly through the electrification of end uses, especially for cooking and heating. This suggests that electricity generation and residential uses can advance faster in decarbonization than transportation and industry.

Electrification emerges as a central element for the transformation of the energy system, but its viability depends on the prior and sustained decarbonization of the electricity system. In Latin America and the Caribbean, the challenge lies in increasing renewable generation capacity while integrating it efficiently and resiliently. Under current policy scenarios, the share of renewables in the energy mix increases from 28% in 2022 to 33% in 2030; under announced commitment scenarios, renewables would surpass fossil fuels before 2040 (IEA,

2023). However, evidence from the analyzed benchmarks shows a significant difference between the decarbonization of the electricity sector and the decarbonization of the energy system as a whole: while renewables could reach a share of over 90% in electricity generation by 2040–2050 in the most ambitious scenarios (IRENA, 2025), the penetration of renewables in final consumption is slower.

Furthermore, the integration of comprehensive solutions requires different measures depending on the nature of the transitional power systems: in systems with high penetration of variable renewables, new sources must help manage variability and reduce the need for thermal backup, which demands greater operational flexibility, storage, and demand reduction. In systems dependent on hydropower, diversification must reduce exposure to droughts and other extreme hydrological events. In systems with transmission constraints, the introduction of new sources must consider environmental variables, location, scale, generation profile, distributed schemes, overcoming energy poverty, and mandatory participation, so that the expansion of renewables is not limited by congestion or dependence on fossil fuel backup, nor by social conflict.

From this perspective, grid integration appears to be a prerequisite for increasing system flexibility and reducing the need for new fossil fuel capacity. In Central America, for example, IRENA's DES scenario shows that greater regional interconnection would make it possible to avoid the installation of 900 MW of natural gas plants (IRENA, 2022). Therefore, grids, storage, and regional integration must be understood as enabling conditions for phase-out timelines, and not merely as complementary infrastructure for renewable expansion.

ii. Economic Diversification and Financing

Latin America is approaching the energy transition from a historical position marked by its subordinate role in the international division of labor, linked to the massive export of minimally processed goods with low value added. This structure remains evident in the productive composition: between 1995 and 2023, the average share of agriculture, forestry, and fishing in the GDP of Latin America and the Caribbean was 5.88%, compared to 3.82% globally and 1.53% in high-income countries (World Bank, 2026). In this context, the energy transition can open up opportunities for productive transformation, but it can also reinforce the region's historical role as a supplier of raw materials if it is not deliberately oriented toward economic diversification, value addition, industrialization, and innovation.

In the current international geopolitical context, energy security appears increasingly militarized: wars, genocides, blockades, sanctions, and control of transport routes reinforce dependence on hydrocarbons in some countries, delay the phase-out of fossil fuels, and hinder the financing of renewable energy projects by prioritizing security of supply over decarbonization. The region also holds approximately 22.01% of the world's oil reserves and 3.53% of its gas reserves (OPEC, 2025). However, the volatility of oil prices and disruptions to global supply chains may create more room to accelerate the transition in the medium and long term, especially in importing countries exposed to external shocks. At the same time, the struggle for control over oil and gas is beginning to give way to the dominance of critical

minerals for renewable energy industrial chains and power grids, placing the region at a crossroads: to become a supplier of minerals and clean energy to other regions, or to use the transition as a lever to strengthen its own productive, technological, and institutional capacities.

The region's dependence on fossil fuels takes various forms. Latin America and the Caribbean includes oil and gas exporters with booming production, such as Argentina, Brazil, Guyana, Venezuela, and Trinidad and Tobago; others with stable or declining production, such as Colombia, Mexico, and Ecuador; and net importers, including several countries in Central America and the Caribbean. This creates distinct tensions between countries that depend on fossil fuel revenues and those whose energy security and balance of payments are exposed to fuel imports. Likewise, there are fiscal pressures generated by fossil fuel dependence: explicit subsidies for fossil fuels between 2015 and 2025 averaged 0.7% of regional GDP, while total subsidies (including both explicit and implicit) averaged 4.6% of GDP (Black et al., 2025). This fiscal structure reduces the scope for financing transition policies and maintains economic signals favoring the use of fossil fuels.

Furthermore, in producing countries, the continued expansion of hydrocarbons through new reserves, *offshore* projects, or *fracking* increases the risk of stranded assets, vulnerability to price reversals, and prolonged fiscal dependence. Currently, 3.92% of public revenues in Latin America and the Caribbean come from hydrocarbon extraction, with significantly higher figures in countries such as Ecuador and Trinidad and Tobago, where they reach 7.63% and 11.68%, respectively (ECLAC, 2025).

The costs of the transition also necessitate considering diversification from a fiscal and financial perspective. ECLAC studies estimate that meeting climate action commitments requires an annual investment equivalent to between 3.7% and 4.9% of regional GDP through 2030—that is, between USD 215 billion and 284 billion per year—while in 2020 climate finance reached only 0.5% of GDP; Closing this gap would require increasing the mobilization of national and international resources by a factor of 8 to 10 (Andrade, 2026). In the electricity sector, OLACDE estimates that Latin America would require USD 1.9 trillion to triple its generation capacity, primarily through wind and solar energy, in order to meet net-zero emissions targets by 2050. In turn, ECLAC estimates that the expansion of transmission, digitalization, and storage would require an effort equivalent to approximately 1%–1.3% of annual regional GDP (ECLAC, 2025). These figures show that the transition requires significant private-sector participation, because the transition cannot be a source of new debt.

Inaction can also have macroeconomic costs. If mitigation measures are not adopted, some scenarios estimate that a temperature increase of more than 3°C could reduce GDP by 9.5% in North America and 17% in South America over the next 30 years (Haegeli, 2021). The economies of Latin America and the Caribbean exhibit structural vulnerabilities linked to their specialization as exporters of raw materials, which exposes them to external shocks in international prices and energy supply chains. In South America, natural resources account for around 50% of total exports (ECLAC, 2023). This dependence affects macroeconomic

stability, the balance of payments, and the capacity to adapt to changes in the global energy mix.

From this perspective, economic diversification must be understood as productive transformation aimed at overcoming inequality. From the perspective of Latin American structuralism, diversification is a process of structural change oriented toward activities with higher productivity, technological content, and value added (ECLAC, 2012). This involves building productive, technological, and institutional capacities; moving up value chains; strengthening forward and backward linkages; and generating learning processes that increase the economic complexity of productive structures. The region has concrete opportunities to move in this direction, but also faces significant risks.

At the same time, from the perspective of ecological economics and the diversity of expressions of the social economy in the region, economic diversification means sustaining and reviving local and subnational productive sectors, which, in addition to reducing energy demand, have the potential to generate jobs and reduce gaps in inequality, access to rights, and access to development policies.

Diversification therefore requires a regional strategy to strengthen value chains in existing strategic industrial sectors and to increase value addition in other production chains, which can translate the region's energy advantage into greater productive density and employment. Additionally, the regionalization of energy production and consumption. But it also implies the development of national and regional market integration policies, promotion policies for primary sectors, and the strengthening of new linkages between nature-based economies and grassroots, community, and local economies.

Likewise, discussing economic diversification within the framework of a Just Transition implies a strong focus on workforce retraining, which not only guarantees social security, occupational health, vocational training, and guarantees of job placement in new value chains or production processes, but also the promotion of new productive cultures and vocations that serve as the territorial engine of public policies in regions that are already beginning to suffer the impacts of unplanned closures of fossil fuel activities. Workers in sectors that have been strategic until now have developed important initiatives, from which we highlight the importance of public management and accountability and the need for energy integration that benefits the region.

Among the ongoing initiatives to strengthen the regional energy market are projects such as the Andean Electrical Interconnection System (SINEA), aimed at connecting the electrical systems of Colombia, Ecuador, Peru, Bolivia, and Chile. Similarly, SIEPAC and the Regional Electricity Market in Central America represent a more advanced example of integration. According to ECLAC estimates, a renewable transition scenario with regional integration could reduce capacity needs by 56 GW by 2050 and generate savings of up to 0.54% of regional GDP (ECLAC, 2026). This demonstrates that energy integration is a fundamental component of the transition process and contributes to resilience and productive diversification.

On the other hand, it is necessary to discuss financing. Currently, there are multiple avenues for climate finance: multilateral funds such as the Green Climate Fund, the Adaptation Fund, or the Global Environment Facility; multilateral and regional banks such as the IDB, CAF, BNDES, IDB-Caribbean, EIB, and the World Bank; but their operations remain insufficient to drive a just transition. Between 2013 and 2022, financing for energy projects in the region was predominantly fossil-fuel-based, accounting for 41% of the total, while renewable projects reached 26%; furthermore, up to 80% of climate finance is provided in the form of loans (Cobeña, 2026). This structure perpetuates debt and limits countries' ability to finance their transition. Compounding this is the heavy debt burden faced by countries in the region, 12 of which devote more than 10% of their GDP to debt service (Bejarano, 2025), keeping them dependent on revenue streams generated by the export of fossil fuels and other raw materials.

Therefore, a comprehensive framework for sustainable and fair financing must be based on reforms in four areas: first, energy taxation measures: carbon pricing, comprehensive reform ranging from tariff justice to fossil fuel subsidies (FARN, OPSUR), targeting of support, and alignment of public budgets with climate objectives and distributive equity, with a focus on human and territorial rights. Second, tax justice measures: those who emit the most and benefit the most from extractive activities must contribute proportionally more, through taxes on carbon, windfall profits, dividends, or fixed assets in high-emission sectors, directing resources toward social compensation and the transition. Third, North-South and South-South cooperation and regional financing schemes, including CAF, national development banks, and regional funds, with less onerous conditions tailored to regional priorities. Fourth, a comprehensive environmental audit of debt and reform of regional development banks, incorporating environmental and social clauses, binding climate mandates, fossil fuel exclusions, grievance mechanisms, and greater participation by communities and local governments.

iii. Legal and Governance Transformations

The transition away from fossil fuels also requires concrete transformations in national and regional legal systems that govern energy planning, citizen participation, environmental permitting, the operations of state-owned oil companies, private investment, climate finance, land use planning, and the protection of strategic ecosystems, among other aspects. Over the past forty years, the sustainability paradigm has been constrained by an economistic conception that prioritizes capital accumulation—especially in the countries of the Global North, which bear primary historical responsibility for the crisis—and by the absence of an international regulatory framework that mandates the balanced integration of economic, social, and environmental dimensions into regional and national legal systems.

However, in recent years, significant legal precedents have been established to support this transformation. The commitments undertaken under the Paris Agreement and its rule system require comprehensive strategies that integrate mitigation, adaptation, loss and damage, means of implementation, and an enabling environment. In turn, Advisory Opinions 23/17 (Inter-American Court of Human Rights, 2017) and 32/25 (Inter-American Court of

Human Rights, 2025) of the Inter-American Court of Human Rights and the International Court of Justice's ruling on climate change lay the groundwork for recognizing that climate action must be approached as a cross-cutting, long-term state policy integrated into all productive and social sectors. In particular, the ICJ's Opinion, by affirming that States have an obligation to protect the climate system "for the benefit of present and future generations," reinforces a jurisdictional interpretation that transcends national borders and strengthens the legal basis for adopting measures to transition away from fossil fuels.

These precedents also allow for progress toward a transformation of the law that ceases to view nature as an exploitable asset at the service of the market and instead recognizes it as the sustainer of life and the foundation of social and economic organization. For Latin America and the Caribbean, this is particularly relevant due to the presence of strategic ecosystems, indigenous peoples, Afro-descendant communities, peasant communities, and other territorial actors who have played a central role in the conservation of the commons but have frequently been excluded from decisions regarding energy, mining, infrastructure, land use, and productive development. Therefore, a just energy transition requires incorporating robust mechanisms for transparency, accountability, and democratic participation as central pillars of its governance (IISD, 2026).

The legal framework of the transition must also address the region's social and territorial inequalities: the wealthiest 0.1% of the population emits 250 times more than the poorest 50% (Oxfam, 2025), the wealthiest 10% of the population is responsible for 40% of emissions, nearly 17 million people still lack access to electricity, and approximately 74 million lack clean cooking options (IEA, 2023). These gaps are particularly pronounced in isolated rural communities, especially in Central America and the Caribbean (ECLAC, 2025). Consequently, the legal frameworks for the transition must integrate energy justice, the protection of rights, territorial participation, and the equitable distribution of benefits, ensuring that the phase-out of fossil fuels or the expansion of new energy solutions do not perpetuate exclusion, energy poverty, or create new sacrifice zones.

In institutional terms, implementing a just transition requires differentiated and clearly defined responsibilities among productive sectors, institutions, and levels of government. This involves creating coordination mechanisms between international commitments, sectoral policies, fiscal policies, national development plans, NDCs, the Enhanced Transparency Framework, the Global Stocktake, the Global Adaptation Goal, local land-use plans, and existing community agreements on the matter.

Legal reforms must also set clear limits on the expansion of the fossil fuel industry. This includes moratoriums on activities such as fracking or deep-water offshore drilling; exclusion zones to protect strategic ecosystems such as the Amazon, coral reefs, glaciers and periglacial environments, moors, and wetlands; and restrictions on new fossil fuel exploration, production, transportation, or processing projects that are incompatible with 1.5°C pathways. By highlighting the incompatibility of new fossil fuel projects with the 1.5°C goal, the ICJ provides legal backing for decisions of this kind and helps strengthen national and regional measures aimed at halting the expansion of the fossil fuel industry.

Finally, the transition requires transforming the relationship between states, state-owned oil companies, private investors, and corporate actors. In the case of state-owned companies, this entails revising legal mandates focused on exploration, production, reserves, and tax revenues to incorporate obligations regarding a just energy transition, the phased reduction of fossil fuel production, closure and post-closure, environmental remediation, transparency, and the transition to renewable energy. In the case of private actors, it is necessary to protect states' regulatory autonomy from corporate capture and from the use of investor-state arbitration mechanisms to block climate policies. This implies excluding climate disputes from mechanisms such as the International Centre for Settlement of Investment Disputes and prioritizing national jurisdiction or mechanisms compatible with human rights, climate stability, and the commons.

2. Principles of Latin America's Energy Transition

Latin America's just energy transition entails a social, economic, and cultural transformation, in addition to the energy transition itself; therefore, its implementation requires deliberative and participatory reflection with diverse sectors of society, centered on an ecocentric perspective in which nature is a subject of law. To this end, we set forth below the principles that should guide this roadmap:

Climate Justice

Latin America's energy transition must be carried out with respect for human rights and with citizen participation at all levels, ensuring the protection and preservation of ecosystems and other forms of life. Likewise, it entails addressing and providing redress for damages resulting from fossil fuel industry operations, as well as creating opportunities for the diversification of livelihoods and productive activities for workers and communities affected by extractive operations and infrastructure, including Indigenous and traditional communities. Care must also be taken to avoid creating new inequalities as a result of the transition itself.

Caution, Prevention, and Urgency

Latin America's just energy transition must occur within the framework of the principle of international law to "anticipate, prevent, or minimize the causes of climate change and mitigate its adverse effects"[2] , ensuring the protection of the rights of nature[3] and limiting the global temperature increase to 1.5°C, which will cause serious and irreversible damage to planetary systems,

[2] In accordance with Principle 15 of the Rio Declaration and the United Nations Framework Convention on Climate Change.
[3] In accordance with Advisory Opinion 32/25 of the Inter-American Court of Human Rights.

thereby leading to the decision to halt the expansion of the fossil fuel industry and prevent the proliferation of technologies that generate similar problems, such as nuclear energy, CCUS/CDR, and blue hydrogen, which are built on neo-extractivist and neo-colonial approaches.

Equity

Latin America's just energy transition must be differentiated and equitable. On the one hand, this implies that countries in the Global North, which bear greater historical responsibility for the climate crisis, must begin phasing out fossil fuels from their energy mix both within their territories and extraterritorially. Likewise, it is also essential to distinguish the timing of the transition for countries in our region, based on their dependence on fossil fuels and the availability of non-conventional renewable energy sources. Similarly, it is important to work on the corresponding transitions within each country in a way that supports labor retraining and protects labor, human, and environmental rights, as well as reducing inequality in consumption and access through a differentiated approach.

Participation, Interculturality, Intersectionality[4] , and Inclusion

Latin America's just energy transition must be established in accordance with the standards of access, participation, and justice set forth in the Escazú Agreement, ensuring the implementation of effective, appropriate, and binding processes to include the perspectives and knowledge of women and other gender identities, youth, children, people with disabilities and those in vulnerable situations, as well as indigenous, traditional, and Afro-descendant communities and peoples. It is essential that transition activities be subject to the free, prior, and informed consent of local stakeholders.

Positive Peace

Latin America's just energy transition must adhere to positive peace, so that decarbonization becomes an imperative of global security and ecological justice, halting the instrumentalization of fossil fuels as weapons of war and mechanisms of geopolitical manipulation that compromise economic stability, the sovereignty of nations and peoples, and the balance of ecosystems, with a view to transforming a system of structural violence into an environment of lasting peace where energy security and the integrity of nature are inalienable.

[4] In accordance with the Universal Declaration on the Rights of Indigenous Peoples and ILO Convention No. 169.

Protection and Governance of the Commons

Latin America's just energy transition must recognize and protect the commons (i.e., water, land, atmosphere, ecosystems) and Nature as the foundation of the community of life. This implies ensuring their responsible use, avoiding their overexploitation, and preventing processes of appropriation and concentration that limit communities' access to these goods. It also requires that decisions regarding these goods prioritize the public interest and the rights of communities, preventing the transition from reproducing dynamics of privatization, hoarding, and dispossession, in dialogue with traditional and plurinational knowledge systems that coexist with alternatives to development.

Sovereignty, Decarbonization, and Energy Deceleration

A just energy transition must promote Latin America's energy independence and sovereignty, so that the fossil fuel industry and the use of raw materials associated with fossil fuel production are dismantled, while the share of alternative energies is maximized. Similarly, this transition must seek to decouple economic growth and the satisfaction of the population's needs from that of greenhouse gas emissions and total energy use, avoiding the irretrievable loss of energy[5] . This is achieved by controlling the growth of energy demand, promoting energy efficiency, and internalizing the planetary boundaries tied to current consumption trends—particularly those of economic elites and the Global North—which constrain the protection and governance of the commons. It is essential that this transition go beyond the substitution and addition of energy sources to move toward a transformation of the productive matrix that is more community-based, localized, and efficient.

Orderly Planning

Latin America's just energy transition requires the development of verifiable, orderly, differentiated, and funded plans by fuel type, sector, and use (e.g., socioeconomic strata and target groups), backed by credible and actionable social agreements.

Transparency and accountability

The energy transition in Latin America must guarantee the rights to timely, comprehensive, participatory, and understandable access to information regarding policies, projects, contracts, and associated decisions made by the State and private-sector entities, with a view to enabling social oversight and accountability, thereby reducing risks of corruption, capture by special interests, and the improper allocation of benefits arising from this transition.

[5] Entropy

Likewise, it must be ensured that the social, environmental, and territorial impacts of the transition are visible and monitorable, thereby strengthening the trust in and legitimacy of institutions.

International cooperation

A just energy transition in Latin America requires developed countries to provide international cooperation through financial, technological, and capacity-building support, in accordance with their obligations under the United Nations Framework Convention on Climate Change and the Paris Agreement. Likewise, it is essential that the provision and mobilization of climate finance from the Global North, multilateral and regional financial institutions, and South-South cooperation prioritize public and high-quality resources that minimize the deepening of debt crises in our region and promote economic justice, under the principles of people's sovereignty, solidarity, and mutual benefit. It is also important that bilateral trade relations adhere to these principles to ensure that Latin America's energy transition is just, equitable, orderly, participatory, intercultural, intersectional, and inclusive. Finally, international cooperation must not support energy sources, energy vectors, or technologies incompatible with climate commitments, including those alternatives that perpetuate dependence on fossil fuels, degrade ecosystems, and violate human rights.

National Financing

Latin America's just energy transition also requires a commitment from each country to ensure that national budgets and private investments support this transition, including by sending the right signals for energy and economic diversification and halting investments in the expansion of the fossil fuel industry. Similarly, careful consideration must be given to how to phase out tax exemptions for fossil fuel companies and fossil fuel subsidies, starting by ending consumption subsidies for industries in the highest income brackets and seeking to avoid potential adverse social impacts, such as increased energy poverty, health issues, or hardship among low-income groups. In line with the principle of international cooperation, national financing must also not support energy sources, energy carriers, or technologies incompatible with climate commitments, as defined in subsection j).

Adaptation Approach

Latin America's just energy transition and its prompt implementation are a driving force for collective resilience in the face of climate change impacts and for achieving the Global Adaptation Goal. Energy infrastructure and decarbonization models must also be designed with resilience in mind and

strengthen the adaptive capacity of local communities and the integrity of the commons, ensuring that the transition does not exacerbate existing vulnerabilities or lead to maladaptation. The transition will only be just if it ensures the viability of ecosystems and life in the territories, integrating the vision of a resilient future and prioritizing the sovereignty of peoples in the face of present and future climate impacts and the irreparable losses and damages associated with those impacts.

3. Goals for phasing out fossil fuels and adopting comprehensive solutions for their replacement

i. Transformation of the supply side

The package of short-, medium-, and long-term goals and actions presented in this chapter constitutes a technical framework for the design and implementation of regional measures and national roadmaps for the phased-out of fossil fuel production in Latin America by 2050, in line with pathways compatible with the 1.5 °C scenario. This proposal focuses on setting targets and actions to be implemented in the main fossil fuel and derivative-producing countries, given that, in the case of countries dependent on hydrocarbon imports, the dynamics of dependence are primarily related to consumption. In these cases, the transition requires complementary strategies centered on demand, energy efficiency, and the progressive substitution of fossil fuels.

To define the targets and actions, variables such as oil and natural gas production, refining capacity, foreign trade, energy infrastructure, and integration into international markets were analyzed for the three groups of countries (see presentation): countries with booming production, countries with mature production, and importing countries with refining capacity.

The overall goal is to phase out oil, gas, and coal extraction in Latin America, ensuring a regional decarbonization pathway consistent with the 1.5°C scenarios and the region's specific contexts. Goals 1 through 5 are primarily aimed at countries with booming production and mature production. Additionally, Goal 3 also applies to importing countries with refining capacity.

Goal: Planned phase-out of coal, oil, and gas production

- Planning frameworks aimed at sustaining or increasing fossil fuel production
- High fiscal dependence on extractive revenues.
- Absence of official production reduction pathways.
- Narrative of fossil gas as a "transition fuel," used to justify new fossil fuel investments and infrastructure.

Short term: 2026–2030	Medium term: 2030–2040	Long term: 2040–2050
- Update national production scenarios and pathways aligned with the 1.5 °C target and energy security criteria. - Define minimum production volumes intended exclusively for domestic supply. - Identify fields, wells, and priority infrastructure for closure, technical abandonment, remediation, and conversion. - Restrict measures aimed at extending the useful life of fossil fuel fields and infrastructure.	- Align contracts, incentives, and sectoral instruments with scenarios of progressive production reduction. - Carry out technical closures, safe abandonment, and environmental remediation in prioritized infrastructure and fields. - Implement processes for the conversion of fossil fuel infrastructure and assets.	- Consolidate the permanent closure of wells and infrastructure that no longer serve an energy security function. - Ensure energy security without reliance on fossil fuels. - Complete environmental restoration and the safe reuse of repurposed or dismantled infrastructure.

Goal: Restrictions on new fossil fuel exploration and production projects

- Regulatory and contractual frameworks continue to favor the expansion of reserves and the expansion of extraction frontiers
- Weak coordination between energy planning, land-use planning, environmental permitting, and national conservation and decarbonization goals.

Short term: 2026–2030	Medium term: 2030–2040	Long term: 2040–2050
- Suspend new bidding rounds and restrict awards in strategic ecosystems and environmentally sensitive areas. - Establish moratoriums on unconventional and offshore fossil fuel projects. - Incorporate climate, biodiversity, and human	- Prohibit new exploration and production activities for unconventional and offshore hydrocarbons. - Eliminate mechanisms for awarding new licensing rounds and expanding extraction frontiers.	- Strengthen regulatory and contractual frameworks to prevent fossil fuel expansion. - Establish monitoring and enforcement mechanisms to address new forms of extractive expansion. - Complete the administrative, contractual, and

Goal: Restrictions on new fossil fuel exploration and production projects

rights criteria into licensing and sectoral planning. - Assess the compatibility of fossil fuel projects and contracts with pathways aligned with 1.5 °C. - Reduce subsidies, incentives, and public financing for new fossil fuel exploration and production.	- Reform energy planning instruments to exclude scenarios involving fossil fuel expansion. - Eliminate subsidies and guarantees for new fossil fuel projects.	operational closure of fossil fuel projects incompatible with climate pathways.

Goal: Dismantling or transformation of fossil fuel infrastructure

- Infrastructure planning based on production growth scenarios
- Regulatory incentives to maintain high levels of processing and export
- Weak integration between production reduction targets and fossil fuel infrastructure planning.

Short term: 2026–2030	Medium term: 2030–2040	Long term: 2040–2050
- Suspend new investments and authorizations for fossil fuel infrastructure related to transportation, export, storage, and refining. - Halt the expansion of hydrocarbon refining and export capacity. - Make the operation of existing infrastructure contingent on binding closure or conversion schedules. - Incorporate criteria for compatibility with low-carbon fuels into existing and planned infrastructure.	- Eliminate subsidies and incentives for fossil fuel infrastructure. - Set deadlines for the closure or conversion of oil and gas pipelines, terminals, and refineries. - Implement extended liability mechanisms for the remediation of environmental liabilities. - Convert fossil fuel infrastructure to the production, transportation, and storage of low-carbon fuels.	- Reorient regulatory, institutional, and financial frameworks exclusively toward non-fossil energy infrastructure. - Complete the closure or conversion of fossil fuel infrastructure. - Consolidate environmental remediation and restoration of affected territories.

Goal: Conversion of state-owned hydrocarbon companies

- State-owned hydrocarbon companies maintain business models and operational structures focused on expanding and sustaining production as a source of tax revenue and energy security
- Contractual commitments limit changes in production trajectories
- Lack of mandates, incentives, and institutional and labor restructuring plans aligned with climate goals

Short term: 2026–2030	Medium term: 2030–2040	Long term: 2040–2050
- Establish policy objectives and targets for state-owned hydrocarbon companies at the national level (governments). - Assess transition risks and new business opportunities that indicate the viability of transforming or closing state-owned hydrocarbon companies (governments and state-owned companies). - Define the strategic direction and explore potential new business areas (governments and state-owned enterprises). - Reform mandates, financing instruments, and management systems to align them with energy transition and fossil fuel phase-out goals. - Design mechanisms for dialogue, workforce retraining, and territorial planning to anticipate and manage the impacts of fossil fuel phase-out and the transformation of state-owned enterprises. - Review existing contracts and incorporate clauses on phase-out, non-expansion, and responsible exit. - Suspend new investments in exploration, drilling, and extractive expansion.	- Reform corporate governance structures to incorporate energy transition mandates. - Renegotiate contracts incompatible with 1.5°C pathways and prohibit new agreements aimed at fossil fuel expansion. - Implement plans to retrain technical staff, upgrade infrastructure, and transition the workforce toward renewable energy and energy efficiency. - Create workforce retraining funds for workers in the sector.	- Transform state-owned enterprises into operators of renewable energy, low-carbon fuels, and energy storage. - Complete the termination or renegotiation of fossil fuel contracts not aligned with energy security. - Consolidate the retraining of workers for new economic sectors.

Goal: Elimination of operational emissions			
• Weaknesses in the measurement, monitoring, and control of operational emissions of methane, CO2, venting, and flaring throughout the oil and gas chain.			
Short term: 2026–2030	Medium term: 2030–2040	Long term: 2040–2050	
- Implement mandatory systems for monitoring, reporting, and verifying operational and fugitive emissions throughout the fossil fuel supply chain. - Prohibit routine gas venting and require capture or closure of unviable wells. - Identify infrastructure, operations, and wells with the highest energy losses and emissions. - Establish technical closure and remediation schedules for active venting and flaring wells. - Integrate emissions monitoring and control into the regulation and oversight of the energy sector.	- Implement methane regulations with independent monitoring, field verification, and penalties. - Progressively reduce venting, routine flaring, and fugitive emissions in active operations through penalties and/or strong regulations. - Replace infrastructure and equipment that consume large amounts of energy or result in high methane emissions. - Implement technologies for capturing, controlling, and storing operational emissions as a transitional measure.	- Eliminate fugitive emissions, venting, and routine flaring throughout the fossil fuel chain. - Complete the technical closure and remediation of abandoned wells and operations with uncontrolled emissions.	

ii. Transformation of the electricity sector

By 2050, Latin America must establish itself as an **energy-integrated region**, with **interconnected** electricity systems and organized subregional coordination that allows for leveraging complementarities among resources, strengthening **regional energy security**, and increasing the **resilience of electricity systems**. The region must move toward a **highly decarbonized** electricity system, with renewable energy accounting **for** nearly **100% of electricity generation**. This transformation must be based on a **diversified energy mix**, where technologies such as solar, wind, hydroelectric, storage, bioenergy, and other complementary renewable solutions contribute in a balanced manner to the **system's stability and flexibility.** Diversification should not be limited solely to the technologies used, but also to the scales and models of generation. The system must combine large centralized generation projects with a significant expansion of **distributed and decentralized solutions**, strengthening access, the democratization of energy, and the participation of communities, cities, municipalities, and users in

the energy transition. Renewable expansion must address both the social management of demand associated with the **electrification** of key sectors (such as transportation, industry, and the residential sector) and the need to progressively replace the fossil fuel generation still present in the electricity grid. This electrification must be carried out in a planned and efficient manner, accompanied by robust **energy efficiency** measures**, demand reduction, and changes in consumption patterns** that allow for the control of electricity demand growth and the optimization of energy use. **The overall goal is to achieve a decarbonized, diversified, and interconnected electricity system by 2050.**

Common Structural Barriers

- Rigid electricity systems and limited capacity to integrate emerging resources and demands.
- Insufficient planning and regulatory frameworks for a coordinated transformation.
- Limited and insufficient technical, operational, and institutional capacities for the transition.
- Persistence of fossil fuel generation; reliance on gas as a backup fuel while it continues to play a structural role in reliability; lack of structured planning for the retirement of thermal power plants.

Goal: A net-zero-emission and diversified Latin American electricity system by 2050.

Sub-goal: Diversification and redesign of policies and regulations to enable the modernization of electricity systems and the consolidation of variable renewable sources as the basis for electricity generation in Latin America.

Short term: 2026–2030	Medium term: 2030–2040	Long term: 2040–2050
- Regulate social, community, citizen, and municipal distributed generation through public-community and public-citizen schemes. - Develop prospective studies to identify needs for flexibility, storage, and grid expansion, as well as the main technical and operational bottlenecks. These analyses should guide investment planning in transmission, distribution, storage, and demand-side management resources. - Work on comprehensive land-use planning that includes the designation of energy lands/energy	- Design and implement grid flexibility mechanisms. - Implementation of diversification plans to make non-conventional renewable energy the foundation of electricity generation. - Integrate distributed energy resources and demand management into system operations. - Widespread adoption of smart metering systems to strengthen demand management - Large-scale integration of short- and long-duration storage systems to support	- Ensuring proactive grid expansion in systems with high renewable energy integration. - Structurally reduce congestion and curtailment through the operational integration of flexible resources and storage. - High integrated renewable penetration. - Consolidate smart grids and bidirectional systems capable of integrating distributed generation and mass electrification.

Goal: A net-zero-emission and diversified Latin American electricity system by 2050.

Sub-goal: Diversification and redesign of policies and regulations to enable the modernization of electricity systems and the consolidation of variable renewable sources as the basis for electricity generation in Latin America.

zones while respecting and coexisting harmoniously with other land uses. - Promote diversification strategies to address hydrological and climate risks due to high reliance on hydropower in several countries in the region, based on climate scenarios and hydrological risk assessments incorporated into energy planning. - Align generation expansion planning with grid expansion and modernization needs and demand projections. - Design or strengthen national and subnational plans to reduce technical and non-technical electricity losses. - Redesign electricity markets to operate with a high share of non-conventional renewable energy and to ensure these technologies become the foundation of generation. - Design policies requiring new renewable generation projects to integrate storage systems. - Design or strengthen national and subnational plans to reduce energy poverty	system reliability and adequacy. - Implement national policies and initiatives to reduce technical and non-technical energy losses.	- Ensure a social demand management system

Goal: A net-zero-emission and diversified Latin American electricity system by 2050.

Sub-goal: Gradual and planned phase-out of fossil fuel-fired thermal capacity

Short term: 2026–2030	Medium term: 2030–2040	Long term: 2040–2050
- Assessment:	- Implement the phase-out schedule for	- Conduct long-term post-closure

Goal: A net-zero-emission and diversified Latin American electricity system by 2050.

Sub-goal: Gradual and planned phase-out of fossil fuel-fired thermal capacity

a. Conduct a technical and financial inventory of the fossil fuel-fired power plants: physical condition, remaining useful life, recovered capital, and the term of firm power contracts.
b. Identify the technical electrical conditions that must be resolved prior to each decommissioning and the investments in the grid, storage, and flexibility that enable it.
- Policy plans and instruments:
c. Plan the roadmap for phasing out thermal power plants in each country and incorporate targets into the NDCs and other instruments to ensure that no new coal-fired plants are built (depending on circumstances and taking into account the rate at which replacement sources come online).
d. Develop environmental remediation and site restoration plans as a mandatory component of every closure or conversion plan, with the operator's financial liability enforceable prior to decommissioning.
e. Begin planning the retirement or conversion of power plants that do not serve as a last-resort backup, defining a specific path for closure and conversion for each one.
f. Renegotiate existing long-term power purchase agreements (PPAs) with fossil fuel generators, allowing for early exits and/or technological substitution.
- Institutional
g. Establish national multi-stakeholder commissions or working groups that include, at a minimum, national and subnational governments, operators, unions, workers, and civil society, with a mandate to build consensus on the phase-out timeline.
- Market:
  - Deploy technologies that replace the services currently provided by thermal plants to the system: storage, flexibility, reactive power compensation, and demand response
  - Progressively reduce the share of gas in electricity generation, transitioning from a standard backup fuel to a last-resort resource with a regulated limit on annual operating hours.
  - Carry out environmental remediation of decommissioned and/or converted thermal power plants to prepare the site for future use.
  - Implement just transition plans, including workforce retraining and regional economic diversification
  - Carry out the decommissioning or conversion of the remaining gas-fired power plants in accordance with the plans defined in the previous phase, ensuring the verified replacement of their services to the system prior to each closure.

Goal: A net-zero-emission and diversified Latin American electricity system by 2050.

Sub-goal: Gradual and planned phase-out of fossil fuel-fired thermal capacity

h. Redefine the role of thermal generation in the electricity market. Redesign capacity or reliability payments for fossil fuel power plants to prioritize flexibility attributes.
i. Eliminate cross-subsidies for fossil fuels used in electricity generation at any stage of the supply chain, including the import and/or transport of gas or coal.

Goal: Achieve 100% electricity interconnection in Latin America by 2045 at the latest.

Short term: 2026–2030	Medium term: 2030–2040	Long term: 2040–2050
- Strengthen existing binational interconnection systems. - Advance joint regional energy planning, as well as regulatory and market harmonization to enable cross-border electricity trade. - Create or strengthen regional or subregional operating and regulatory entities, similar to the Regional Operating Entity (EOR) in Central America.	- Develop high-capacity interconnection lines (High-Voltage Transmission Infrastructure) - Creation of a market for the exchange of renewable surpluses	- Automated regional economic dispatch, integrating national algorithms, enabling daily and intraday markets.

Goal: Ensure that by 2050, at least 20% of installed renewable generation capacity in Latin America comes from decentralized sources owned by communities or individuals.

Sub-goal: Shift from a model where consumers are mere consumers to one where they become prosumers, promoting the democratization of energy through energy communities and households as active participants in the TEJ.

Short term: 2026–2030	Medium term: 2030–2040	Long term: 2040–2050
- Develop an assessment of the potential for distributed generation and self-consumption in each country. - Create policies, legal, regulatory, and governance frameworks that enable a population or community to collectively generate, consume, and sell energy by sharing a single generation infrastructure (including the design of community-focused rural electrification plans). - Simplify and standardize rules and processes to incentivize the widespread adoption of distributed generation and enable the integration of distributed energy resources as flexibility elements into electrical systems in urban, rural, and community settings.	- Promote the modernization and digitization of electric grids to improve observability, congestion management, and the efficient integration of distributed energy resources. This requires more dynamic, near-real-time operation and dispatch mechanisms, as well as regulatory frameworks that facilitate the deployment of short- and long-duration storage technologies. - Implement smart grid systems with smart metering. - Consolidate regulatory frameworks to enable the active participation of consumers, prosumers, and aggregators in electricity markets.	- Consolidation of flexible power systems with high participation of distributed generation.

iii. Transforming Demand

The transformation of energy demand is a fundamental component for Latin America to contribute to global climate goals and advance on a trajectory compatible with 1.5 ˚C. The region has the opportunity to redefine how it consumes and manages energy, avoiding the replication of carbon-intensive development models from fossil fuel-based economies. The central effort consists of decarbonizing demand in the industrial, transportation, and residential sectors, and addressing sectors where emissions reductions are particularly challenging. Complementarily, energy efficiency and demand management must be established as strategic resources for the transition, contributing to emissions reduction, the conservation of ecosystems and resources, and the mitigation of environmental impacts. To guide this vision, this section sets out the following three goals: to transform and decarbonize consumption in the main demand sectors, to reduce emissions in activities with the greatest

technological challenges, and to position energy efficiency as a tool to accelerate the transition and strengthen regional energy security. In this regard, **the overall goal is the decarbonization and transformation of Latin America's energy demand by 2050 at the latest.**

	Goal: Decarbonize and transform energy demand, primarily in the industrial, transportation, and residential sectors, by 2050 at the latest.
	Sector: Industrial
	Cross-cutting measures - **Promote initiatives for low-carbon industrial clusters and corridors in existing industrial zones** that integrate renewable energy, sustainable biomass, logistics infrastructure, industrial demand, technological innovation, and financing, promoting powershoring and the strategic relocation of energy-intensive activities to regions with competitive advantages for the energy transition, in order to accelerate industrial decarbonization, generate economies of scale, and strengthen regional value chains with higher value added. - **Electrification in the industrial sector**: Its scaling up depends on specific enabling conditions: a firm and predictable renewable electricity supply, power quality, grid capacity, operational flexibility, and tariff structures compatible with the competitiveness of electricity-intensive sectors. Align industrial electrification and the expansion of renewable supply with the operational realities of industrial loads. - **Promote the strategic use of sustainable fuels in industry, prioritizing their application in processes that are difficult to electrify** (or where more efficient alternatives exist) and ensuring that the majority of their production comes from waste and sustainable sources. This strategy should contribute to the gradual replacement of fossil fuels in critical industrial applications, without compromising food security, natural resources, or the integrity of strategic ecosystems, and by fostering the development of regional value chains based on the bioeconomy and the circular economy.

	Goal: Decarbonize and transform energy demand, primarily in the industrial, transportation, and residential sectors, by 2050 at the latest.
	Sector: Industrial **Subsector**: Industrial subsector (low and medium temperature) Low and medium temperature processes
	• High initial conversion costs • Poor characterization of industrial thermal demand and reluctance to modify processes • Lack of minimum energy efficiency standards and labeling schemes that reduce incentives for technological modernization.

Goal: Decarbonize and transform energy demand, primarily in the industrial, transportation, and residential sectors, by 2050 at the latest.

Sector: Industrial
Subsector: Industrial subsector (low and medium temperature) Low and medium temperature processes

Short term: 2026–2030	Medium term: 2030–2040	Long term: 2040–2050
- Implement energy efficiency programs and standards, technological transformation standards, industrial audits, and energy performance standards. - Characterize thermal demand by subsector and identify priority opportunities for decarbonization. - Deploy heat pumps and establish standards for equipment.	- Implement thermal storage, process digitization, and dynamic rates for industrial demand management. - Require the recovery and reuse of waste heat in industrial plants with high thermal consumption.	- Scale up waste heat recovery. - Integrate circular energy flows in cities and industries.

Goal: Decarbonize and transform energy demand, primarily in the industrial, transportation, and residential sectors, by 2050 at the latest.

Sector: Industrial
Subsector: Industrial sector (high temperature) (see Goal 2: sectors with difficult-to-abate emissions)

- High costs of technologies required to reach temperatures above 1000 °C
- Lack of infrastructure needed to integrate green hydrogen.

Short term: 2026–2030	Medium term: 2030–2040	Long term: 2040–2050
- Develop green hydrogen strategies, industrial pilot projects, and policies for innovation and industrial decarbonization, depending on	- Establish regulatory frameworks for green hydrogen and permits for thermal and	- Deploy high-temperature heat pumps and thermal storage. - Sign long-term green hydrogen purchase

Goal: Decarbonize and transform energy demand, primarily in the industrial, transportation, and residential sectors, by 2050 at the latest.

Sector: Industrial
Subsector: Industrial sector (high temperature) (see Goal 2: sectors with difficult-to-abate emissions)

national circumstances and progress.	industrial infrastructure.	agreements.

Goal: Decarbonize and transform energy demand, primarily in the industrial, transportation, and residential sectors, by 2050 at the latest.

Sector: Transportation
Subsector: Land passenger transport

- High upfront costs and insufficient public and private charging infrastructure
- Lack of minimum energy efficiency standards and labeling.

Short term: 2026–2030	Medium term: 2030–2040	Long term: 2040–2050
- Promotion of multimodal systems and public transportation. - Promotion of non-motorized transportation Comprehensive plans beyond electrification: - Driving a transformation of urban and transportation systems that reduces material and energy dependence on the current model based on the Avoid-Shift-Improve model: - Avoid: Comprehensive land-use planning aimed at reducing travel needs and distances (e.g., by designing transit-oriented development plans). - Change: Promote more efficient and sustainable modes of transportation and prioritize the	- Expand charging networks for urban and interurban mobility. - Electrify 100% of urban public transportation. - Consolidate supply chains for advanced biofuels with binding sustainability standards. - Consolidate transportation-oriented development plans.	- Implement transformed urban systems with comprehensive planning to reduce travel times, travel needs, and private car use. - Integrate bidirectional charging systems using electric vehicles as a flexibility resource for the grid.

	**Goal**: Decarbonize and transform energy demand, primarily in the industrial, transportation, and residential sectors, by 2050 at the latest.
	**Sector:** Transportation **Subsector**: Land passenger transport

allocation of space in road infrastructure for public transportation and active mobility. - Improve: Improve the energy and technological efficiency of passenger transport; improve public transport; optimize distribution routes, especially for the last mile. Transportation electrification: - Prioritize the promotion of transport electrification in countries with a clean electricity grid to avoid emissions from electricity consumption generated by a system based on thermal power plants. - Develop comprehensive plans for electric charging infrastructure corridors and regulate or strengthen regulations for residential charging systems. - Promote the electrification of transportation by prioritizing the electrification of public transportation. - Adopt standards and phased timelines to limit the sale of internal combustion engine vehicles. - Create programs for the manufacture, import, or conversion of electric vehicles or those operating on 100% biofuels (taking into account the same safeguards cited for the use of sustainable fuels in the industrial sector).		

Goal: Decarbonize and transform energy demand, primarily in the industrial, transportation, and residential sectors, by 2050 at the latest.

Sector: Transportation
Subsector: Heavy freight transport and logistics

- Low energy density of batteries.
- Lack of high-power charging on routes.

Short term: 2026–2030	Medium term: 2030–2040	Long term: 2040–2050
- Improve the infrastructure and navigability of river systems and rail infrastructure to reduce the modal imbalance caused by a greater concentration on road freight transport. - Reduce inefficiency in freight transport caused by factors such as transport occupancy. Optimize route allocation. - Develop pilot projects for battery-swapping stations, streamline permitting, and install charging infrastructure at logistics depots.	- Progressively introduce zero-emission trucks, whether electric or powered by a high blend of biofuels, in cases where direct or indirect electrification is difficult. - Develop clean corridors with high-power chargers and establish standards for heavy-duty vehicles.	- Deploy green hydrogen trucks, inductive charging, and zero-emission logistics.

Goal: Decarbonize and transform energy demand, primarily in the industrial, transportation, and residential sectors, by 2050 at the latest.

Sector: Transportation
Subsector: Maritime

- High cost of green hydrogen or ammonia.
- Need to adapt port infrastructure.

Goal: Decarbonize and transform energy demand, primarily in the industrial, transportation, and residential sectors, by 2050 at the latest.

Sector: Transportation
Subsector: Maritime

Short term: 2026–2030	Medium term: 2030–2040	Long term: 2040–2050
- Establish regulatory frameworks for green hydrogen, enable port sandboxes, and develop clean propulsion pilots.	- Sign green hydrogen purchase agreements, establish certification of origin, and develop clean port infrastructure.	- Consolidate green hydrogen port hubs for export and regional supply.

Goal: Decarbonize and transform energy demand, primarily in the industrial, transportation, and residential sectors, by 2050 at the latest.

Sector: Transportation
Subsector: Aviation

- High fossil fuel intensity
- Technical limitations for direct electrification
- High cost of synthetic fuels.

Short term: 2026–2030	Medium term: 2030–2040	Long term: 2040–2050
- Combine energy efficiency measures, fleet renewal, the replacement of fossil fuels with sustainable aviation fuels (SAF), and demand-side management measures to contribute to the aspirational goal of achieving a net-zero-emission international aviation sector by 2050.	- Implementation of the defined plans and goals.	- Integrate regional e-fuel supply chains into renewable energy clusters.

Goal: Decarbonize and transform energy demand, primarily in the industrial, transportation, and residential sectors, by 2050 at the latest.

Sector: Transportation
Subsector: Aviation

- Develop R&D on synthetic fuels, high-quality infrastructure for green hydrogen, and certification standards.
- Develop plans for the electrification of airports and air logistics hubs.

Goal: Decarbonize and transform energy demand, primarily in the industrial, transportation, and residential sectors, by 2050 at the latest.

Sector: Residential
Subsector: Residential sector (heating, cooling, and domestic hot water)

- High initial capital costs for electric technologies compared to gas technologies and a lack of building codes that prioritize electrification infrastructure.

Short term: 2026–2030

- Update and strengthen energy efficiency labeling programs and standards for household appliances.
- Establish building codes with minimum efficiency standards and deploy smart metering.
- Establish progressive restrictions on new fossil gas or LPG connections in urban residential buildings.
- Design and implement a national plan for efficient stoves.

Medium term: 2030–2040

- Adopt low-temperature heat pumps.
- Establish robust infrastructure for electric cooking.

Long term: 2040–2050

- Implement seasonal thermal storage and community-owned energy asset models.
- Integrate district cooling networks.

Goal: Decarbonization of hard-to-abate sectors by 2050 at the latest.

Sector: Cement

Countries with the highest production in the sector: Brazil and Mexico lead production, followed by Colombia, Peru, and Argentina

- Process emissions inherent to clinker production cannot be eliminated through operational efficiency
- High-temperature kilns remain structurally dependent on fossil fuels
- The regional availability of supplementary cementitious materials is limited, and regulatory frameworks restrict their adoption
- Weak integration between waste, construction, and cement production limits opportunities for circularity
- Technologies for residual emissions, including CCUS, are costly and have low economic maturity.

Short term: 2026–2030	Medium term: 2030–2040	Long term: 2040–2050
- Update regulations, expand co-processing with alternative fuels, improve operational efficiency, and incorporate carbon and traceability criteria into public procurement. - Strengthen regional waste management and recovery programs for co-processing.	- Scale up low-clinker cements and alternative materials such as calcined clay and viable regional combinations on an industrial basis. - Consolidate a new material base by integrating industrial planning, geological mapping, and the utilization of waste and co-products. - Integrate the cement agenda into concrete and construction through performance-based specifications and more efficient structural designs. - Expand regional hubs for circularity, climate finance, certification, and commercial differentiation mechanisms.	- Consolidate construction material supply chains guided by carbon performance and life cycle analysis. - Selectively incorporate solutions for residual emissions such as recarbonation and new binders based on criteria of additionality and economic viability; expand metrics for embodied carbon, performance-based specifications, and traceability throughout the construction and infrastructure chain.

Goal: Decarbonization of hard-to-abate sectors by 2050 at the latest.

Sector: Steel

Countries with the largest share **of production in the sector:** Brazil and Mexico account for the majority of regional steel production, followed by Argentina, Peru, Colombia, and Chile

- Structural dependence on fossil fuels for energy and metallurgical purposes in primary sectors
- High technological rigidity of the industrial base
- Limited availability and quality of scrap metal in some markets
- Electrical, logistics, and energy infrastructure constraints for electrification and the integration of green hydrogen
- Low availability of sustainable biomass at an industrial scale
- Regulatory uncertainty and limited demand signals for low-emission steel.

Short term: 2026–2030	Medium term: 2030–2040	Long term: 2040–2050
- Expand the use of scrap - Promote modernization and energy efficiency - Consolidate biomass and scrap metal certification - Create standards for green industrial hubs - Research and development for biogenic fuels	- Expand electric arc furnaces (EAF) and secondary routes - Develop industrial clusters compatible with electrification	- Strengthen low-carbon steel ecosystems that are integrated with mining, energy, logistics, and manufacturing. - Expand regional integration into global low-emission steel supply chains through robust certification, traceability, and greater value addition. - Move toward competitiveness metrics based on carbon intensity, recycled content, energy reliability, and climate performance throughout the entire supply chain.

Goal: Decarbonization of hard-to-abate sectors by 2050 at the latest.

Sector: Aluminum

Countries with the largest share of sector production: Brazil leads the region's most integrated aluminum supply chain; Argentina focuses more on primary aluminum; Jamaica on bauxite and alumina; and Mexico on remelting and manufacturing.

- High dependence on reliable, competitive, and high-quality electricity for primary production.
- Exposure to grid constraints, tariffs, and supply reliability.
- Dependence on fossil fuels for steam and heat in alumina refining and thermal processes.
- Need for retrofitting of tanks, furnaces, boilers, and auxiliary equipment
- Low availability of sustainable biomass on an industrial scale
- Residual emissions associated with carbon anodes.

Short term: 2026–2030	Medium term: 2030–2040	Long term: 2040–2050
- Identify electrical, locational, and power quality constraints in energy-intensive plants. - Modernize tanks, furnaces, and equipment. - Prioritize selective thermal replacement. - Ensure a competitive and stable electricity supply. - Initiate incremental retrofits in alumina refining. - Structure credit lines and feasibility studies by stage of the supply chain.	- Integrate aluminum expansion into power planning. - Develop hybrid solutions with storage. - Expand recycling and remelting.	- Expand regional value capture through the integration of downstream chains and the development of industrial solutions that offer flexibility and low residual emissions.

Goal: Decarbonization of hard-to-abate sectors by 2050 at the latest.

Sector: Fertilizers

Countries with the largest share of sector production: Brazil accounts for the largest regional fertilizer market; Mexico and

Goal: Decarbonization of hard-to-abate sectors by 2050 at the latest.

Argentina lead in nitrogen-based and NPK fertilizers; Trinidad and Tobago in ammonia and urea exports; Peru and Chile in mineral and phosphate fertilizers.

- Structural dependence on fossil gas and energy-intensive petrochemical pathways for ammonia and nitrogen fertilizers
- Strong regional exposure to imports of ammonia, sulfur, sulfuric acid, and phosphate rock
- Limited initial competitiveness of lower-carbon pathways compared to global fossil alternatives
- Low scale of circular solutions and bio-inputs
- Uncertainty regarding the economic viability and widespread adoption of new chemical pathways in the short term.

Short term: 2026–2030

- Adopt national guidelines for the fertilizer transition.
- Improve energy and material efficiency in the fertilizer production chain.
- Partially replace fossil gas with biomethane in regions with competitive supply.
- Develop pilot projects using green hydrogen.
- Expand circular economy solutions and bio-inputs.
- Develop regional planning for hubs that integrate renewable energy, biomass, biomethane, logistics infrastructure, and agricultural demand.

Medium term: 2030–2040

- Expand lower-carbon hybrid ammonia pathways and associated energy and logistics infrastructure.
- Reorganize the molecular base of the regional chemical industry with greater use of green hydrogen, biomass, and circular carbon.

Long term: 2040–2050

- Progressively reorganize the molecular base of the regional chemical industry with greater use of green hydrogen, sustainable biomass, circular carbon, and synthetic molecules derived from renewable electricity.
- Consolidate selective hubs focused on fertilizers, methanol, and lower-carbon chemical intermediates.
- Expand regional integration of chemical supply chains, specialized logistics, and higher-value-added processing.
- Evolve toward chemical systems that are more resilient, circular, and less dependent on imported fossil-based feedstocks.

Goal: Make energy efficiency and demand management one of the main drivers of the energy transition in Latin America, contributing to the global goal of doubling the average annual rate of improvement in energy intensity by 2030 and maintaining sustained long-term improvements. (Energy efficiency as the “first fuel” of energy transition efforts).

- Scarce or non-existent energy efficiency plans.
- Energy efficiency is not incorporated as an objective in the design of most energy-using processes.

Goal: Make energy efficiency and demand management one of the main drivers of the energy transition in Latin America, contributing to the global goal of doubling the average annual rate of improvement in energy intensity by 2030 and maintaining sustained long-term improvements. (Energy efficiency as the "first fuel" of energy transition efforts).

- Lack of regular national data that provides detailed tracking of energy efficiency.
- Market failures linked to incomplete information, public goods, externalities, and market power.
- Market development issues such as incomplete markets, liquidity constraints in accessing capital, and high discount rates.
- Behavioral barriers stemming from consumer preferences and communication.

Short term: 2026–2030	Medium term: 2030–2040	Long term: 2040–2050
- Design or strengthen national energy efficiency plans with coordinated sectoral targets, where applicable, in collaboration with industry associations. - Annually update national and sectoral energy efficiency metrics. - Conduct energy audits and implement energy management systems (e.g., ISO 50001). - Methodological standards to quantify energy consumption in a comparable manner across all energy-consuming processes. - Establish minimum energy efficiency standards for all energy-consuming equipment imported into or manufactured in the region. - Implement incentive and technology replacement programs for production processes in small and medium-sized enterprises, as well as for low-income residential households. - Implement energy efficiency standards in new buildings or energy-consuming facilities.	- Technical assistance programs for technology exchange in the production processes of companies with greater financing capacity. - Implement residential technology upgrade programs, starting with higher-income households. - Require energy efficiency plans for manufacturing companies. - Collect and publish sector-specific energy efficiency data at the national level. - Promote innovation and development programs that foster energy-efficient technologies. - Set binding and decreasing energy intensity caps for industries and labels for imported products.	- Further liberalization of energy markets to enable and incentivize smart metering and real-time pricing. - Appropriate energy prices and taxes/environmental fees that reflect the negative externalities of energy consumption and the positive externalities of greater energy efficiency.

4. Goals for moving beyond the primary export-oriented economic model and economic diversification

i. Transition toward a more diversified region with greater local and regional value added, with a territorial focus and a commitment to closing development gaps

Goal: Transition toward a more diversified region with greater local and regional value added, with a territorial focus and a commitment to closing development gaps.

- High dependence on extractive sectors, the exploitation of raw materials, and international integration characterized by low-tech exports, with only 13% of regional GDP coming from manufacturing in 2021.
- Latin American economies have a regional distribution of productive sectors that generates economic concentration and disparities in terms of income, education, and quality of life.
- High dependence on foreign technology and limited technology transfer to sectors other than fossil fuels.

Short term: 2026–2030

- Develop an industrialization and reindustrialization policy focused on productive diversification consistent with the principles of this roadmap, encompassing sectors linked to the energy transition (manufacturing for the transition) as well as other sectors, notably: nature-based tourism, the bioeconomy, agriculture, agribusiness, and construction. This should be based on the baseline conditions of the region and each country.
- Establish or strengthen public procurement mechanisms that take into account local and regional production, emission reductions, energy consumption, and other environmental impacts.

Medium term: 2030–2040

- Develop manufacturing sectors and others identified as strategic for the transition and diversification process, which will increase production chains and regional and local value added.
- Implement a monitoring tool to evaluate the results and make adjustments to actions related to the region's diversification, industrialization, and reindustrialization processes.

Long term: 2040–2050

- Consolidate regional manufacturing of technologies associated with the transition and other key sectors, increasing regional production of goods for the TEJ and progressively reducing external technological dependence by strengthening regional productive capacities.

Goal: Transition toward a more diversified region with greater local and regional value added, with a territorial focus and a commitment to closing development gaps.

- Improve regional macroeconomic coordination regarding tax incentives and tax exemptions to promote investment in non-extractive sectors.
- Promote the relocation of foreign suppliers of technologies related to the TEJ within the region, following the principles of this roadmap.

Goal: Reduce extractive pressure and dependence on raw materials by establishing regional standards for recycling, recovery, and remanufacturing within the framework of an industrialization and reindustrialization policy.

- Inadequate recycling infrastructure and limited regulation for all processes that reintroduce materials into the production cycle.
- Low public and private investment in technical education, job training, and productive restructuring.
- Legal frameworks that do not require the integration of labor protections or training programs into fossil fuel phase-out plans.
- Low unionization rates or weak formal channels for worker participation.

Short term: 2026–2030

- Establish a circular economy cycle that is appropriate at both the regulatory and practical levels for key stakeholders: the business sector, recyclers, and the government.
- Develop recycling standards for batteries, electronic waste, materials, and minerals, taking into account the TEJ and the region's industrialization and reindustrialization efforts as part of the commitment to reducing pressures on the increased production of energy inputs and materials.

Medium term: 2030–2040

- Promote productive sectors linked to industrial development through material recovery.
- Develop a regional strategy for the remanufacturing of end-of-life products such as solar panels, inverters, and batteries, among others, by fostering collaboration among the various related economic sectors at both the regional and national levels.

Long term: 2040–2050

- Consolidate the integration of the circular economy into industrial chains between the materials recovery sector and the productive sectors.

Goal: Build an integrated regional architecture that links regional value chains, infrastructure, and trade to strengthen LAC's productive sovereignty

- Regulatory and commercial fragmentation that prevents horizontal cooperation and ensures that benefits are not generated in some countries at the expense of others.
- Low levels of regional political coordination, not only within the framework of the TEJ but also in general.
- Deficits in physical and energy infrastructure for trade and logistics at the regional level.
- Limited industrial complementarity among countries, nor a mapping of potential regional supply chains.
- Intraregional trade accounts for only 19.2% according to ECLAC data, which is low compared to the European Union's 59.1%.

Short term: 2026–2030	Medium term: 2030–2040	Long term: 2040–2050
- Develop a regional agenda that strengthens coordination among countries in the region to promote productive diversification within the framework of the TEJ, fostering the exchange of experiences and lessons learned regarding the various paths of productive transformation. - Identify the essential norms and standards to revitalize cooperation with the aim of harmonizing them at the regional level. - Identify and develop regional and subregional value chains in energy transition technologies (batteries, solar panels, turbines, electrical equipment) and sectors with potential for productive diversification and intraregional trade: agribusiness, food, services, and manufacturing. - Review and renegotiate investment treaties, as well as agree on mechanisms for a joint regional exit from the ISDS system and ICSID, and the construction of alternative regional dispute resolution architectures. - Design and implement a regional trade integration strategy: i). Define the steps to be taken regarding regional trade agreements. ii). Define and implement infrastructure actions for freight and passenger transport, prioritizing	- Expand and improve logistics and transport infrastructure at national borders to facilitate trade and regional integration. - Increase trade among countries in the region within the framework of stronger linkages between sectors linked and unlinked to the energy transition. - Progressively reform trade agreements among countries in the region and with external actors so that they align with the objectives of the TEJ, productive diversification, and the principles of this roadmap. - Create interconnected industrial hubs that operate as specialized nodes in a cross-border value chain, where transport infrastructure and trade regulatory frameworks facilitate the flow of goods, avoiding competition between neighboring countries and consolidating a unified production bloc in the global market. - Promote regional negotiations to establish criteria for the entry of foreign investment into the region, in accordance with the principles of this roadmap.	- Consolidate an integrated Latin American productive market, supported by regional value chains, interoperable infrastructure, and harmonized regulatory frameworks, which will strengthen productive sovereignty and reduce dependence on extra-regional markets. - Sustainably increase intraregional trade in technological, energy, and industrial goods, promoting greater production linkages, regional specialization, and economic complementarity among countries. - Progressively reduce external technological dependence by developing regional capacities for innovation, manufacturing, and applied research in strategic sectors.

Goal: Build an integrated regional architecture that links regional value chains, infrastructure, and trade to strengthen LAC's productive sovereignty		
sustainable mobility.		

ii. Labor retraining within the framework of a just transition through social dialogue mechanisms between the government, businesses, and workers

Goal: Create jobs in transition technologies and other sectors that may have regional linkages, and facilitate labor retraining within the framework of a just transition through social dialogue mechanisms between the government, businesses, and workers.		
• High levels of informal employment and reindustrialization processes can help reduce economic vulnerability, especially in regions with high dependence on fossil fuels. • The productive structure shapes technical capabilities; in parallel with reindustrialization policy, strategies are needed to close technical capability gaps. • Low public and private investment in technical education, job training, and productive restructuring. • Legal frameworks that do not require the integration of labor guarantees or training programs into fossil fuel phase-out plans. • Low unionization rates or weak formal channels for worker participation. • Lack of coordination among labor, energy, environment, education, and social protection authorities.		
Short term: 2026–2030	Medium term: 2030–2040	Long term: 2040–2050
- Design a regional employment and workforce retraining strategy for the TEJ that identifies sectors with job creation potential, regions vulnerable to the phase-out of fossil fuels, and opportunities for productive diversification at the Latin American level. - Design job retraining, early retirement, and social protection plans for workers in fossil fuel sectors through social dialogue mechanisms among governments, companies, and worker organizations, establishing explicit goals for	- Create national or regional funds for workforce retraining financed by fossil fuel revenues, climate taxes, or corporate guarantees. - Establish or strengthen a support system for social and solidarity economy initiatives in the reindustrialization and industrialization sectors in areas historically dependent on fossil fuels, with the aim of ensuring income outside of strictly wage-based relationships. - Establish a regional observatory on	- Consolidate permanent systems for a just labor transition, with stable funding and monitoring mechanisms to support the decline of fossil fuel activities and future technological transformations. - Incorporate mandatory clauses on local employment, job training, and skills transfer into strategic projects related to the energy transition.

Goal: Create jobs in transition technologies and other sectors that may have regional linkages, and facilitate labor retraining within the framework of a just transition through social dialogue mechanisms between the government, businesses, and workers.

effective labor market integration.
- Implement large-scale training and workforce transition programs with an emphasis on regions highly dependent on fossil fuel activities, coordinated with national and regional strategies for industrialization, reindustrialization, and productive diversification.

employment and just transition, tasked with monitoring the labor impacts of the energy transition, tracking job retraining plans, identifying emerging sectors, and generating information for decision-making.

iii. Build a regional base of scientific, technological, and industrial capabilities

Goal: Build a regional base of scientific, technological, and industrial capabilities that enables LAC to produce technologies associated with the transition, develop its own innovation, and participate in high-value-added sectors.

- Low investment in R&D, at around 0.6% of regional GDP, limits industrial innovation, patent creation, and indigenous technological development.
- High technological dependence on countries in the Global North; the region imports machinery, software, equipment, and specialized knowledge.
- Regional brain drain: researchers and professionals migrate due to low wages, insufficient funding, and limited scientific infrastructure.

Short term: 2026–2030

- Develop a coordinated education policy involving universities, businesses, workers, communities, and the government to support industrial research and innovation.
- Ensure the transfer of knowledge and technology from foreign companies located in the region within the framework of the energy transition.
- Create tax incentives for innovation related to the transition to encourage investment and ensure

Medium term: 2030–2040

- Build regional innovation networks that enable the integration of Latin American and Caribbean capabilities around sectors defined as strategic for industrialization, reindustrialization, and diversification.

Long term: 2040–2050

- Increase regional technological sovereignty by reducing dependence on machinery, equipment, and software.
- Increase the number of intellectual property titles (R&D&I certifications, patents, among others) linked to technologies associated with the process of industrialization, reindustrialization, and economic diversification.

Goal: Build a regional base of scientific, technological, and industrial capabilities that enables LAC to produce technologies associated with the transition, develop its own innovation, and participate in high-value-added sectors.

that these new technologies can be adopted at the regional level.
- Promote the energy transition agenda within regional innovation ecosystems, which involves building a stable network of research, industry, financing, and training.

iv. Latin America and the Caribbean becomes a magnet for resources and investments for a just energy transition

Goal: Global Financing: Latin America and the Caribbean becomes a magnet for resources and investments for a just energy transition, including compensation mechanisms from the Global North and resources for economic diversification.

- LAC receives less than 15% of global climate finance; furthermore, it has been identified that this so-called climate finance has benefited false solutions. The scarcity of financial resources, particularly public ones, for international cooperation has created a competitive dynamic among regions in the developing world.
- The scarcity of resources has created a dilemma between implementing mitigation measures and adaptation measures (zero-sum logic). This is directly linked to the fact that the slower the just energy transition and the phase-out of fossil fuels, the higher the costs of adaptation, along with losses and damages.

Short term: 2026–2030

- Promote compliance with developed countries' commitments to provide public resources, particularly the New Climate Finance Goal, which implies an increase in cooperation resources for the Just Energy Transition (JET) to Latin America and the Caribbean, supporting the commitment of governments and private entities to this

Medium term: 2030–2040

- Monitor compliance with commitments to provide and mobilize financial resources by the Global North, multilateral and regional financial institutions, and even South-South cooperation for industrialization, reindustrialization, and productive diversification, alongside energy transition actions.

Long term: 2040–2050

- Strategically use international cooperation as a means to strengthen a financial and investment system in strategic sectors at the regional level.
- Strengthen the governance of the Development Bank of Latin America and the Caribbean (CAF) with the participation of representatives from civil society and

Goal: Global Financing: Latin America and the Caribbean becomes a magnet for resources and investments for a just energy transition, including compensation mechanisms from the Global North and resources for economic diversification.

transition.
- Reach a regional consensus on percentages within or in addition to climate finance specifically directed toward the region's industrialization, reindustrialization, and productive diversification.
- Consolidate a flow of financing that does not generate debt, does not perpetuate inequalities, does not fund false solutions, and supports just energy transition initiatives, especially community-based, decentralized, and distributed energy.

- Strengthen the Latin American and Caribbean Energy Transitions Fund (FONTELAC) with contributions from LAC countries to finance the Just Energy Transition and carry out projects of common interest, and include representatives of civil society and communities within the governance structure.

communities; and explore other national and regional alternatives that emerge in line with these goals.
- Strengthen the financing lines of the Development Bank of Latin America and the Caribbean, as well as those of new actors, toward energy transition, industrialization, reindustrialization, and productive diversification.

Goal: Reform national public mechanisms to improve spending and financing conditions for a just energy transition, industrialization, reindustrialization, productive diversification, and labor retraining.

- The energy and productive transformation requires significant volumes of public and private investment, estimated by IRENA at US$2.3 trillion through 2050. However, Latin America and the Caribbean receive less than 15% of global climate finance, despite their strategic importance in terms of biodiversity, renewable resources, and raw materials.
- Companies and governments face high costs in accessing capital due to the high interest rates the region faces, which are linked to country risk and the credit rating methodologies used by international financial institutions.
- Development banks face challenges and difficulties in financing transition projects.

Short term: 2026–2030

- Promote a new institutional framework to create space for public financing with preferential credit lines that enable the implementation of policies related to the TEJ, in terms of infrastructure,

Medium term: 2030–2040

- Expand blended finance schemes that mobilize public resources, multilateral banking, international cooperation, and private capital toward projects considered

Long term: 2040–2050

- Consolidate a financial infrastructure focused on the energy transition that mobilizes resources for strategic sectors related to industrialization,

Goal: Reform national public mechanisms to improve spending and financing conditions for a just energy transition, industrialization, reindustrialization, productive diversification, and labor retraining.

industrialization, reindustrialization, productive diversification, and labor retraining. - Strengthen and recapitalize public banks and development banks so they can act as instruments of industrial policy and energy transition, expanding their financing capacity for projects in energy infrastructure, industrialization, reindustrialization, productive diversification, and workforce retraining. - Consolidate national just energy transition funds that coordinate fiscal resources, extractive revenues, international cooperation, and climate finance to fund long-term strategic investments.	strategic for the energy transition and structural change. - Progressively align the portfolios of public and private banks, development funds, and national financial institutions with climate, industrial, and productive diversification objectives.	reindustrialization, productive diversification, and workforce retraining.

v. Replace dependence on fossil fuel revenues with sustainable and diversified income

Goal: Replace dependence on fossil fuel revenues with sustainable and diversified income and redirect public spending toward sectors linked to industrialization, reindustrialization, productive diversification, and workforce retraining.

- The region is highly dependent on revenue from oil and mining.
- The tax structure includes subsidies such as direct expenditures, tax exemptions, and tax benefits that promote the extractive sectors.
- Companies in the fossil fuel sectors in these countries have significant lobbying power in legislative bodies and the highest courts, which can derail efforts to increase taxation on their sectors.

Short term: 2026–2030	Medium term: 2030–2040	Long term: 2040–2050
- Develop and harmonize national inventories of direct and indirect, explicit and implicit fossil fuel subsidies using comparable methodologies at the regional level to identify their magnitude, sectoral distribution, and	- Reform fiscal rules to align them with the objectives of the energy transition, productive transformation, and climate adaptation, enabling greater capacity for public investment in infrastructure, innovation,	- Consolidate resilient fiscal systems aligned with the objectives of a just energy transition, characterized by reduced dependence on extractive revenues and greater capacity to finance policies for productive development,

Goal: Replace dependence on fossil fuel revenues with sustainable and diversified income and redirect public spending toward sectors linked to industrialization, reindustrialization, productive diversification, and workforce retraining.

- fiscal, economic, and environmental impacts, thereby strengthening transparency and decision-making for the energy transition.
- Design roadmaps for the gradual and orderly reform of direct and indirect, explicit and implicit fossil fuel subsidies, taking into account the incentives they generate for the production and consumption of fossil fuels. Ensure that the pace of phase-out aligns with the principles of this roadmap.

- employment, and territorial development.
- Reform royalty systems and mechanisms for distributing revenues from natural resources to direct more resources toward the energy transition, economic diversification, the strengthening of technological capabilities, and the labor retraining of territories dependent on extractive activities.

- social inclusion, and decarbonization.
- Integrate climate, productive, and territorial equity objectives into tax and public spending systems, ensuring the financial sustainability of just energy transition policies.
- Establish permanent financing mechanisms for the energy transition, innovation, climate adaptation, and productive restructuring, supported by a diversified and sustainable fiscal structure.

5. Goals for the legal and governance dimension

i. Participatory and territorially binding governance based on rights

Goals: Establish binding mechanisms for participation, access to information, and environmental justice in energy planning and the approval of transition projects, including free, prior, and informed consent (FPIC), the access rights under the Escazú Agreement, the assessment of future climate risks in the territory, and territorial governance frameworks.

- Countries that have not ratified the Escazú Agreement or have not implemented it
- Information asymmetry between companies, the State, and communities
- Participation procedures that are predominantly consultative and non-binding.
- Insufficient, inaccessible, or culturally inappropriate climate information
- Lack of technical resources to ensure the quality, accuracy, and independence of information
- Unjustified procedural barriers for victims and vulnerable groups
- Absence of regulatory frameworks requiring energy project developers to share information on climate projections and local water vulnerability with affected communities.

Goals: Establish binding mechanisms for participation, access to information, and environmental justice in energy planning and the approval of transition projects, including free, prior, and informed consent (FPIC), the access rights under the Escazú Agreement, the assessment of future climate risks in the territory, and territorial governance frameworks.

- Lack of technical capacity and independent resources for local communities and ethnic groups to autonomously evaluate the climate risk studies submitted by companies.

Short term: 2026–2030	Medium term: 2030–2040	Long term: 2040–2050
- Ratify the Escazú Agreement in Brazil, Costa Rica, the Dominican Republic, Guatemala, Haiti, Jamaica, Paraguay, and Peru. - Regulate, through national laws or decrees, the implementation of the Escazú Agreement—including with respect to "timely and accessible environmental information"—in energy, mining, and infrastructure decisions. - Require, through regulations, the early publication of information on permits and socio-environmental risk assessments, as well as vulnerability and climate risk analyses based on IPCC scenarios. - Ensure clear, complete, timely, free, and accessible information - Explain how public input was taken into account in the final decision - Apply the pro actione principle in collective and individual climate-related claims. - Establish public financing and technical assistance mechanisms to ensure the effective participation of communities and peoples in energy planning and assessment processes - Ensure binding mechanisms for early participation in energy planning, zoning, and the definition of territorial priorities, prior to the licensing or approval of specific projects.	- Incorporate participation requirements, CPLI, transparency, and complaint mechanisms into national development banks, the IDB, CAF, BCIE, and other regional financiers as a condition for financing. - Produce disaggregated data on poverty, inequality, and climate impacts - Create or strengthen specialized administrative and judicial bodies - Create binding, multi-stakeholder basin committees for the approval of energy projects (particularly hydroelectric and green hydrogen projects), ensuring that water use prioritizes ecosystem and community resilience over electricity generation. - Establish mandatory mechanisms for transparency, conflict-of-interest prevention, and accountability regarding corporate influence on energy, climate, and extractive decisions.	- Incorporate effective participation and CPLI as mandatory requirements in licensing and public procurement laws. - Recognize the legal effects of territorial decisions that reject high-impact fossil fuel projects. - Create autonomous community oversight bodies with the authority to impose sanctions or trigger administrative measures. - Prevent all forms of greenwashing through transparency and accountability

Goals: Incorporate specific just transition criteria into energy and territorial planning in areas affected by armed conflict, militarization, or violence associated with extractive activities.

- Presence of illegal economies and armed actors controlling territories or supply chains associated with extractive activities.
- Low trust in government institutions in areas affected by extractive activities, militarization, or violence.
- Lack of coordination between energy policy, security policy, and land-use planning.

Short term: 2026–2030	Medium term: 2030–2040	Long term: 2040–2050
- Incorporate analyses of conflict, risks to defenders, and human rights into the pre-feasibility studies of energy projects. - Establish protection measures for communities and human rights defenders in areas with conflicts associated with extractive projects.	- Integrate positive peace criteria into energy plans, land-use planning, and economic diversification strategies. - Establish territorial transition roundtables with communities, subnational governments, and peace, environmental, and energy authorities. - Incorporate corporate due diligence obligations and measures to prevent human rights violations into energy and extractive supply chains.	- Consolidate territorial transition models that reduce extractive dependence, repair damage, and strengthen local economies.

Goals: Establish institutional coordination mechanisms between national and subnational governments to integrate energy planning with land-use planning.

- Weak coordination between levels of government.
- Predominance of centralized energy planning schemes.
- Land-use planning instruments that are outdated or disconnected from energy planning.
- Limited technical and budgetary capacities in subnational governments.
- Risks of corruption or lack of transparency in environmental and energy management.

Short term: 2026–2030	Medium term: 2030–2040	Long term: 2040–2050

Goals: Establish institutional coordination mechanisms between national and subnational governments to integrate energy planning with land-use planning.

- Establish intergovernmental working groups on energy and land-use planning involving national ministries, subnational governments, and environmental authorities.
- Review land-use planning instruments to identify incompatibilities with energy, mining, and infrastructure projects.
- Require territorial compatibility as an initial requirement for approving transition projects.
- Apply conventionality review to relevant climate-related decisions and litigation to comply with the inter-American standards set forth in OC-32.

- Reform energy planning laws to require mandatory coordination with subnational governments.
- Create national councils for a just energy transition with subnational governments, communities, indigenous peoples, labor unions, and civil society.
- Incorporate mandatory input from subnational governments on strategic energy plans and projects.
- Develop regional regulatory standards for climate integrity, non-regression, and due diligence applicable to energy policies, financing, and infrastructure related to the energy transition.

- Consolidate territorialized and multilevel energy planning systems under standards of enhanced due diligence.
- Permanently integrate land use planning, land use, living zones and fossil fuel extraction exclusion zones, local development plans, and energy planning.
- Ensure that all authorities apply the standards of advisory opinions on climate change in their decisions.

ii. Nature as a Subject of Rights

Goals: Establish moratoriums or exclusion zones for exploration in territories of high ecosystemic or sociocultural value (life zones).

- Pressures on terrestrial and marine territories such as the Amazon, Gran Chaco, Mayan Jungle, Gulf of California, Darién, Gulf of San Matías, the Caribbean coast of Guyana and Suriname, Patagonia, and the Andean-Altiplano region of Bolivia and Argentina.
- Lack of institutional capacity to implement and enforce existing protection measures.
- Fragmentation between protected areas, land-use planning, environmental permitting, and energy planning.
- Indigenous territories that are neither recognized nor demarcated, and a lack of recognition of the territories of Indigenous Peoples in Isolation and Initial Contact (PIACI).

Short term: 2026–2030

Medium term: 2030–2040

Long term: 2040–2050

- Mapping of areas at latent risk of fossil fuel exploitation, fracking, offshore drilling, or transition mining, such as the Amazon, reefs, glaciers, wetlands, and cloud forests - Identify and align existing protection schemes with the declaration of life zones, as well as existing progress and benchmarks such as the declaration of the Colombian Amazon as free of gas and oil.	- Establish moratoriums on fracking and deep-water offshore exploitation. - Establish mandatory schemes for ecological exclusion zones or life territories. - Integrate life zones into land-use planning, protected areas, energy plans, and climate policies.	- Consolidate life zones as permanent boundaries against fossil fuel and extractive expansion in areas of high ecological and sociocultural integrity.

Goals: Incorporate the recognition of nature as a rights-holder into national or subnational legal frameworks.

- In most countries, the recognition of nature as a rights-holder is not expressly incorporated into constitutional, legal, or regulatory frameworks applicable to energy, mining, and infrastructure.
- Where constitutional, legal, or jurisprudential precedents exist, administrative mechanisms are lacking to make them operational in planning, licensing, and investment decisions.
- Project assessments remain organized primarily around impact mitigation, without binding criteria regarding ecological limits, ecosystem integrity, or the rights of nature.
- Insufficient integration of the interests of future generations
- Lack of recognition of the link between ecosystem balance and the enforcement of human rights.

Short term: 2026–2030	Medium term: 2030–2040	Long term: 2040–2050
- Identify countries and jurisdictions with constitutional, legal, or jurisprudential precedents regarding the rights of nature. - Promote spaces for dialogue among national and subnational governments, courts, ombudsman offices, and civil society to translate these precedents into regulatory criteria applicable to energy, mining, and infrastructure.	- Reform constitutional, legal, or regulatory frameworks to expressly recognize nature as a subject of rights. - Create administrative procedures so that environmental and energy authorities can suspend, modify, or deny projects incompatible with ecological limits.	- Incorporate the protection of the rights of nature as a mandatory criterion in national transition plans, development plans, and public budgets. - Strengthen judicial and administrative mechanisms to demand reparation, restoration, and non-repetition in response to violations of the rights of nature. - Reinforce the prohibition of irreversible environmental damage as a structural standard

Goals: Promote the criminalization of ecocide as an international crime and incorporate it into national legislation and regional frameworks as a tool to punish serious environmental damage associated with extractive activities and strengthen climate justice.

- There is no binding international criminalization of ecocide nor consistent incorporation into national criminal laws.
- Existing environmental crimes are often fragmented, carry weak penalties, or fail to cover serious, cumulative, or transboundary ecosystem damage.
- Prosecutors, environmental authorities, and judicial bodies have limited capacity to investigate complex environmental harm.
- Corporate liability regimes do not always allow for holding parent companies, financiers, or corporate decision-making chains accountable.

Short term: 2026–2030	Medium term: 2030–2040	Long term: 2040–2050
- Strengthen technical and investigative capacities regarding complex environmental crimes for prosecutors' offices. - Promote national and regional positions in favor of criminalizing ecocide in forums such as the OAS, CELAC, regional parliaments, and climate forums.	- Incorporate ecocide or equivalent offenses involving serious environmental harm into national criminal laws. - Establish aggravated criminal or administrative liability for companies, parent companies, executives, and financiers linked to severe environmental damage.	- Consolidate a regional cooperation framework to investigate and punish severe environmental damage associated with extractive and energy activities.

Goals: Establish legal safeguards and regional standards for environmental, climate, and human rights due diligence applicable to critical minerals and infrastructure associated with the energy transition.

- Accelerated expansion of critical minerals projects without common regional standards.
- Insufficient assessment of cumulative impacts on water, biodiversity, and territories.
- Fragmentation among mining, climate, water, and land regulations.
- Weak environmental oversight and control mechanisms.

Short term: 2026–2030	Medium term: 2030–2040	Long term: 2040–2050

Goals: Establish legal safeguards and regional standards for environmental, climate, and human rights due diligence applicable to critical minerals and infrastructure associated with the energy transition.

- Require assessments of cumulative impacts, water availability, and climate risks in critical mineral projects.
- Apply the precautionary principle in strategic ecosystems and territories inhabited by Indigenous peoples, Afro-descendants, and smallholder farmers.
- Incorporate enhanced due diligence obligations into supply chains associated with the energy transition.

- Establish regional regulatory standards on traceability, transparency, and corporate accountability for critical minerals.
- Integrate mandatory criteria for ecosystem protection and human rights into licensing, financing, and public procurement.

- Consolidate binding regional frameworks that ensure compatibility between the energy transition, ecological limits, and territorial protection.

Goals: Exclude energy transition and fossil fuel phase-out policies from international investor-state arbitration mechanisms.

- Existing investment treaties that allow investor-state claims against climate policies.
- Fossil fuel contracts that include stabilization clauses or international arbitration provisions.
- Reliance on mechanisms such as ICSID for energy investment disputes.

Short term: 2026–2030

- Review investment treaties, fossil fuel contracts, and concessions containing investor-state arbitration clauses.
- Prohibit the use of ICSID-type mechanisms for climate disputes in new fossil fuel and transition contracts.
- Include climate and human rights exceptions in new investment treaties.

Medium term: 2030–2040

- Apply the polluter-pays principle through climate taxes on major emitters and windfall profits from extractive industries.
- Renegotiate investment treaties to protect states' climate regulatory autonomy.
- Prioritize national, regional, or international human rights courts for climate disputes.
- Create regional model clauses to exclude fossil fuel phase-out measures from investor-state arbitration.

Long term: 2040–2050

- Establish regional dispute resolution mechanisms compatible with human rights, climate justice, and the energy transition.

iii. Adaptation and Resilience Criteria in the Transition

Goal: Make it mandatory to incorporate criteria related to climate risk, resilience, loss and damage prevention, and territorial restoration into the planning, licensing, and financing of existing and new energy infrastructure.

- Poor coordination between adaptation, energy, and forestry agendas.
- Energy planning does not mandatorily incorporate climate risk and resilience metrics.
- Low coordination between national adaptation plans, NDCs, energy infrastructure, and land-use planning.
- Absence of regulatory methodologies to identify, assess, and remedy economic and non-economic losses and damages associated with climate impacts and energy projects.

Short term: 2026–2030

- Include mandatory climate risk and resilience metrics in energy planning guidelines, environmental permitting, and project evaluation.
- Review existing energy infrastructure—hydroelectric plants, grids, transmission lines, ports, refineries, and fossil fuel infrastructure—in light of climate risk scenarios.
- Require climate vulnerability analyses as a prerequisite for new energy projects and for access to public or multilateral financing.
- Incorporate adaptation criteria into green taxonomies, transition taxonomies, and financial eligibility criteria.
- Strengthen the capacity of subnational governments to assess climate risks in energy and land-use projects.

Medium term: 2030–2040

- Integrate national adaptation plans, NDCs, energy plans, land-use planning, and critical infrastructure into a common resilient planning system.
- Create specific financing lines for the conversion, reinforcement, or decommissioning of vulnerable energy infrastructure.
- Incorporate risks related to human mobility, loss of housing, and loss of habitable territories into existing and new energy planning
- Analyze impacts on ethnic communities, livelihoods, and cultural practices for the planning process.
- Establish legal and financial mechanisms for reparation, restoration, and territorial recovery in the face of climate damage and socio-environmental liabilities associated with energy infrastructure and extractive activities.

Long term: 2040–2050

- Ensure that all public, private, or multilateral energy investments are conditional on compliance with criteria for adaptation, resilience, and the avoidance of creating new vulnerabilities.

iv. Transparency and Accountability

Goal: Integrate mandatory reporting systems on the progress of the energy transition into BTRs, NDCs, and other national climate transparency and planning instruments, including those of the Global Adaptation Goal and National Adaptation Plans.

- Data on emissions, methane, climate risks, environmental liabilities, and fossil fuel phase-out are not always public, comparable, auditable, or interoperable.
- Transition metrics and indicators are disconnected from national adaptation plans, which obscures whether the deployment of renewable energy is generating negative impacts on local resilience.

Short term: 2026–2030	Medium term: 2030–2040	Long term: 2040–2050
- Create national MRV guidelines for a just energy transition, with common indicators across energy, environment, adaptation (including indicators of impact on territorial resilience, such as effects on biodiversity, water availability for communities, and soil protection), and forests, and that are aligned with the Enhanced Transparency Framework of the Paris Agreement, the BTRs, NDCs, and National Adaptation Plans. - Establish mechanisms for independent auditing, public verification, and the integration of energy transition monitoring indicators and results into NDC review cycles, national transition plans, public budgets, and national climate planning.	- Create or strengthen national or regional public platforms to monitor transition commitments, fossil fuel phase-out, methane, environmental liabilities, and compliance with safeguards.	- Establish a permanent MRV system and accountability framework for a just energy transition and the social and environmental impacts of such a transition.

Goal: Establish legal obligations for climate and financial transparency applicable to fossil fuel activities, energy transition projects, and public or private financing associated with the energy sector.

- - Absence of mandatory regulatory frameworks for climate and financial disclosure.
- - Fragmented or non-public information on fossil fuel subsidies, environmental liabilities, emissions, and climate risks.
- - Weak traceability of climate and energy transition financing.
- - Low interoperability between energy, climate, and financial reporting systems.

Short term: 2026–2030	Medium term: 2030–2040	Long term: 2040–2050
- Require mandatory and standardized disclosure on emissions, methane, fossil fuel subsidies, climate risks, environmental liabilities, and decommissioning plans. - Create national public registries on fossil fuel production, energy financing, and environmental liabilities. - Incorporate reporting obligations aligned with the BTRs, NDCs, and the Enhanced Transparency Framework of the Paris Agreement.	- Integrate mandatory criteria for climate disclosure and environmental and human rights due diligence into public banks, state-owned enterprises, and financial institutions. - Incorporate specific climate due diligence obligations for companies, financial institutions, and energy projects with significant impacts on emissions, biodiversity, and human rights. - Establish independent audits on climate compliance and risks associated with energy infrastructure.	- Consolidate interoperable regional climate and financial transparency systems applicable to the energy transition and the phase-out of fossil fuels.

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Signatory Organizations

1. Amazon Conservation Team (ACT)
2. AIDA
3. Alianza Cuencas Sagradas Amazónicas (ASHA)
4. Amazon Watch
5. Argentina 1.5
6. Asociación Ambiente y Sociedad
7. Asopargolmo
8. Centro Mexicano de Derecho Ambiental A.C.
9. Chile Sustentable
10. Climate Action Network - Latinoamérica
11. Coalición Colombiana por el Derecho a la Educación
12. Corporación Biored
13. Equal Right
14. Espacio Quinde
15. Federación de Organizaciones de la Nacionalidad Kichwa de provincia de Sucumbios, Ecuador (FONAKISE)
16. Frente Si si al de Acción Climática
17. Fundar, centro de análisis e investigación
18. Fundación Ambiental Mohan-Cuidadores del Agua

19. Fundación Ambiente y Recursos Naturales (FARN)
20. Fundación Chile Sustentable
21. Good Health Community Programmes
22. Greenpeace Brasil
23. Greenpeace Colombia
24. Habitat Sivar
25. Heat Changers
26. Instituto E+ Transição Energética
27. Instituto Talanoa
28. LACLIMA
29. Plantemos
30. Plataforma CIPÓ
31. Polen Transiciones Justas
32. Quantum Leap (Fundación Quantum)
33. Red de Adolescentes y Jóvenes Indígenas de Amazonas - RAJIA
34. Red de Jóvenes por los ODS
35. Red Latinoamericana de Industrias Extractivas-RLIE
36. Red para la Justicia de los Recursos
37. Rede de Mulheres Ambientalistas da América Latina- Elo Brasil
38. Resource Justice Network
39. Soluciones Estratégicas Sustentables
40. The Climate Reality Project America Latina
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42. Unión de Afectados y Afectadas por Operaciones Petroleras-UDAPT
43. Uno Punto Cinco
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45. Youth for Sustainable Travel
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