



Renewable Energy Industry

Latin American Market

Latin American Market Size: US\$ 114.12 bn

Market Growth Rate: CAGR of 7.86% 2024-2030

Key Facts



In 2024, South America's total renewable energy capacity is expected to surpass 210 GW, representing approximately 8% of the global renewable energy capacity, which is now projected to exceed 2,700 GW.

South America is projected to generate 90 GW from solar and wind energy, accounting for approximately 42% of the region's total non-hydropower renewable energy capacity.

South America continues to benefit from some of the world's lowest production costs for renewable energy. Chile's solar power auctions in 2024 have achieved prices as low as \$0.012 per kWh.

Hydropower remains South America's dominant renewable energy source, contributing over 60% of the region's electricity mix, with Brazil leading at 109 GW of installed capacity.

Highest solar and wind capacities within LATAM region

Country	Capacity	Global Share
Brazil	61.6 GW	6%
Mexico	33.5 GW	3.2%
Chile	10.2 GW	1%
Argentina	4.7 GW	0.4%
Colombia	2.5 GW	0.2%

Latin America's rich natural resources make it a prime location for renewable energy development. The region is well positioned to become a global leader in renewable energy production.



Chile

- Chile ranks first in Latin America, and 3rd globally, for renewable energy investment attractiveness, according to the RECAI 2023 normalised ranking.
- Chile holds 40-45% of the world's lithium reserves, a crucial source of renewable energy.



Peru

- Peru has the 5th largest renewable energy potential in the world, with 200 GW. This is primarily due to its high solar radiation, as well as its wind speed, abundant water sources, and biomass, according to IRENA.

70% renewable energy by 2030
Carbon neutrality by 2050



50% renewable energy by 2030
Carbon neutrality by 2050.

Chile's Clean Technologies Institute finances renewable solutions, particularly solar energy, sustainable mining, and lithium innovations.



Peru's renewable energy sector attracted US\$600 million in foreign direct investment in 2023, experiencing a sixfold growth from 2021.

Chile's renewable energies make green hydrogen a globally competitive low-cost solution.



Peru's share of the Latin American renewable energy market was 9.1% in 2024, projected to increase to 10% by 2025.



Uruguay

- Uruguay is heavily investing in renewable energy expansion, with over 1,800 MW of wind power and 450 MW of solar power already installed.
- Uruguay has become a global renewable energy leader, sourcing nearly 98% of its electricity from renewable sources in 2024.



Argentina

- Argentina's National Hydrogen Strategy has set a goal of creating 50,000 jobs in the green hydrogen industry by 2030.
- In 2023, Argentina's renewable energy composition was comprised of hydropower (3.4%), biofuels and waste (5.6%), and wind/ solar (4.3%). A slight increase of around 0.5% is projected in each category for 2025.

Carbon neutrality by 2050
Expansion of solar and wind capacities



57% renewable energy by 2030
Carbon neutrality by 2050

National Renewable Energy Association, boosts employment in Uruguay, promotes foreign investment, and reduces dependence on fossil fuels.



Argentina's RenovAr program has awarded 219 renewable energy projects, and is estimated to add over 9 GW to renewable energy capacity.

Uruguay's wind energy sector constitutes 75% of its total renewable energy capacity.



Argentina aims to become a major exporter of green hydrogen by 2050, with a target of US\$15 billion in exports.

Opportunities



Insufficient investment in the power grid presents an obstacle to the region. **Opportunities for digitalization**, smart grid initiatives, and storage investments are well positioned to address these issues.



Latin America holds the **potential to establish a thriving renewable energy transportation sector**, encompassing not only private electric vehicles (EVs) but also electric buses for public transportation and electric equipment in industries, significantly reducing greenhouse gas emissions. With a CAGR of 16.47% in EV sales revenue until 2028, opportunities arise for companies across the spectrum of the EV market, including charging stations, battery production, and EV manufacturing.

H2

The **demand for clean energy solutions** is increasing rapidly in Latin America, driven by concerns about climate change, air pollution, and energy security. **Green hydrogen** can play a **significant role in decarbonizing various sectors**, including transportation, power generation, and industrial processes. Chile's HyEx Project and Colombia's Hydrogen Valley Project are among the region's notable initiatives advancing green hydrogen production for mining and transportation, respectively.