GWEC POSITION PAPER

ENSURING THE SOCIAL LICENSE FOR WIND PROJECTS IN LATIN AMERICA

OCTOBER 2024

GWEC
GLOBAL WIND ENERGY COUNCIL

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Figure 1. [Cover Image]

Nuestra cultura envueltos en el aire y el sol, Parque Eólico El Retiro, La Ventosa
Luis Enrique Mobtejo, Juchitán, Oaxaca.

Figure 2. [Bellow]

Parque Eólico El Retiro, La Esperanza

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1. Executive Summary

Latin America is at a critical juncture in its renewable energy journey, with vast potential to harness its abundant wind resources to drive economic growth, reduce carbon emissions, and achieve Sustainable Development Goals (SDGs). This policy paper is designed to guide policymakers and stakeholders across the region, offering insights and strategies rooted in local experiences and best practices to overcome the barriers currently hindering the expansion of wind energy.

Accelerating investments in renewable energy in Latin America presents significant advantages, including job creation, enhanced economic security, infrastructure development, supply chain resilience, and poverty alleviation within local communities. However, these potential benefits are undermined by persistent challenges, such as a volatile policy landscape, complex permitting processes, inadequate community engagement, and the unequal distribution of benefits, which erode public trust and leave communities feeling marginalized from the economic gains of wind energy projects, fueling frustration and resistance .

Unlocking the full potential of wind energy in Latin America requires a strong foundation of social acceptance. Governments must create an enabling environment, while the industry must work collaboratively with communities to not only deliver clean energy to the region but also to ensure a just energy transition. This includes prioritizing streamlined and efficient permitting processes, ensuring equitable benefit-sharing that upholds public interest, and fostering trust through early and continuous engagement with local stakeholders.

By addressing these critical areas, Latin America can accelerate its wind energy deployment, ensuring that both environmental and socioeconomic benefits are realized, and paving the way for a sustainable energy future.

Figure 3. [Previous]

Photo by Digital Real Media

2.

Socioeconomic Benefits of Wind Energy

Figure 4.

The Sustainable Development Goals, adopted on 25 September 2015 as a part of the 2030 Agenda.

un.org

Wind energy plays a pivotal role in socioeconomic development by providing a sustainable, competitive, reliable, and clean source of electricity as demonstrated by the rapid growth of 117 GW in 2023.[1] With offshore wind capacity projected to reach around 380 GW by 2030, wind energy is not only driving economic growth and fostering innovation but also generating substantial socioeconomic benefits. These include creation of millions of jobs[2], attracting investment that can further stimulate regional economic development and infrastructure improvements, and reducing energy costs by lowering dependency on volatile fossil fuel markets.

By aligning with these trends, wind energy significantly contributes to the achievement of multiple United Nations Sustainable Development Goals (SDGs), while also ensuring that the energy transition is fair and inclusive.

SDG 7
Affordable and Clean Energy

Currently wind is one of the most cost-effective and scalable sources of renewable energy which can be installed in onshore and offshore locations. There is a great potential in using wind energy to provide affordable, and most importantly, clean energy to all.

SDG 13
Climate Action

Building more wind energy can significantly cut the carbon emissions and help lessen the impacts of climate change.

SDG 9
Industry, Innovation, and Infrastructure

The development and deployment of wind energy requires large investments in infrastructure such as wind turbines, power transmission lines, and energy storage systems. This poses a tremendous opportunity to go beyond the industry growth and support the sustainable industrialisation and foster innovation.[3]

SDG 11
Sustainable Cities and Communities

Wind-generated electricity can supply cities with clean energy to help reduce air pollution, improving the quality of life for residents and contributing to the sustainability of both urban and rural communities.

SDG 8
Decent Work and Economic Growth

Wind energy drives economic growth by creating long-term jobs and fostering sustainable industries, supporting decent work and long-term economic development.

[1] GWEC, "Global Wind Report," 2024.

[2] GWEC, Global Offshore Wind Report, 2023.

[3] Source: The Role of Wind Energy in Achieving Sustainable Development Goals, www.windcycle.energy

As the world shifts towards cleaner energy, it's crucial that this transition benefits everyone, not just a select few. The Just Energy Transition (JET) framework ensures that the move to renewable energy, like wind, lifts up all communities—especially those hit hardest by climate change and energy poverty.

Wind energy is at the heart of this transition, providing a powerful opportunity to create a more equitable and sustainable energy future. Policymakers have a responsibility to foster environments that not only accelerate wind energy growth but also protect vulnerable populations. This means aligning policies with global climate goals, streamlining permitting processes, strengthening legal frameworks and effectively involving communities in the decision-making process.

3. The Potential of Wind Energy in Latin America

Latin America has established itself as a mature player in the global energy transition, with over two decades of experience in deploying renewable energy. Countries like Uruguay and Costa Rica have already achieved nearly 100% renewable energy grids, and 16 of the region's 33 countries have committed to net zero emissions by mid-century or earlier, in alignment with the Paris Agreement. This strong foundation underscores Latin America's crucial role and readiness to further advance in the global energy transition.

Wind energy is pivotal in this context, driving not only a just and inclusive energy transition but also substantial economic benefits. The industry has already attracted significant investment, spurred policy reforms, and fostered the development of a local supply chain. Over the past decade, wind energy has accounted for approximately 25% of total investment in power generation assets in the region, totaling nearly 70 billion USD. According to recent data from the International Renewable Energy Agency (IRENA), there is 45 GW of new onshore wind capacity, valued at 60-70 billion USD, in the pipeline for development over the next five years. During this period, wind power is expected to comprise more than 80% of all non-conventional renewable energy (NCRE) installed capacity in the region. As of 2023, Latin America and the Caribbean (LAC) have surpassed 55 GW of installed wind energy capacity, reflecting the region's ongoing commitment to renewable energy expansion.

However, the region is far from reaching its full potential. According to GWEC's forecasts, Latin America needs to close a 60 GW gap by 2030, increasing its current wind energy capacity from 51 GW to 111 GW to stay on its announced pledges scenario. This will require doubling the annual installation rate from 5 GW to 10 GW, setting the stage for unprec-

Figure 5.

Development of total installed base in LATAM onshore markets – Scenarios.

What is the Challenge in LAC?: 2XWind & 3XSOLAR BY 2030

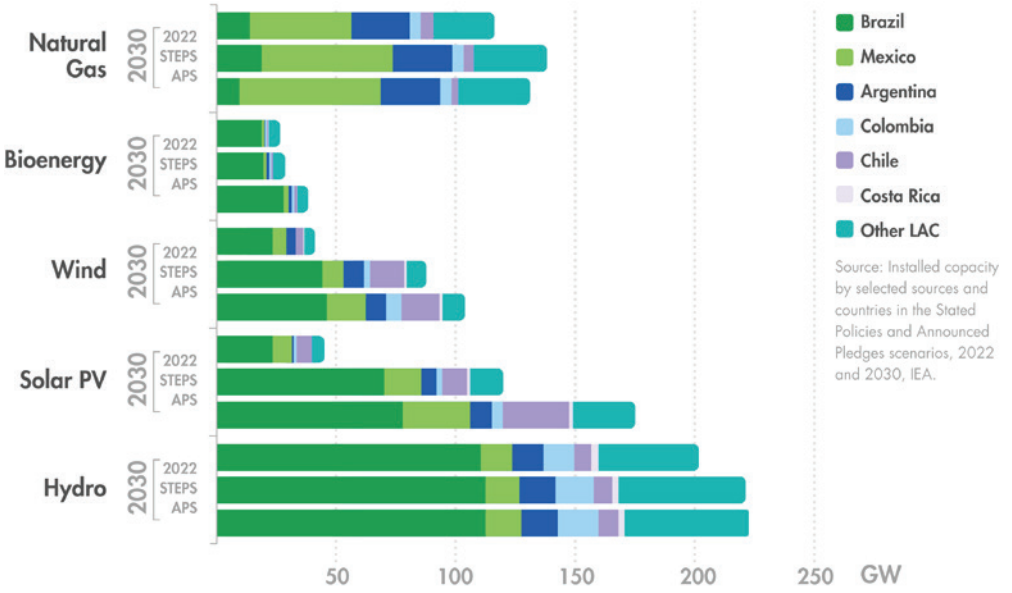
Figure 6.

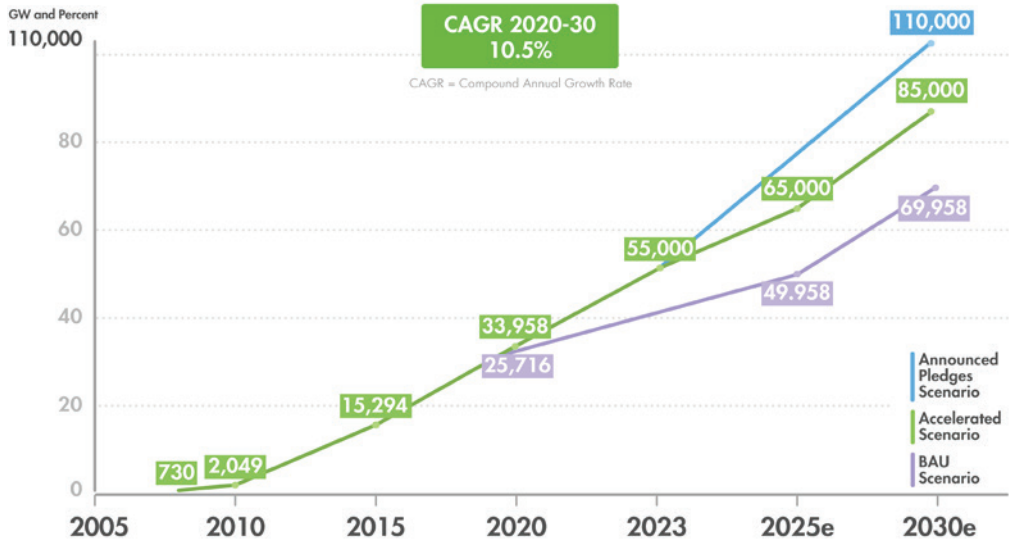
Installed Capacity by selected sources and countries in the Stated Policies and Announced Pledges scenarios, 2022 and 2030.

What is the Challenge in LAC?: 2XWind & 3XSOLAR BY 2030

edented growth. With electricity demand expected to reach 730 GW by 2030—more than doubling the 2022 capacity—there is a clear opportunity for renewable energy, particularly wind, to meet this demand.

While onshore wind has been the backbone of this growth, offshore wind represents the next frontier for Latin America. The region's vast coastlines and favorable conditions present an enormous opportunity to further develop the wind energy sector. Offshore wind is particularly well-positioned to enhance energy security, stimulate economic development, and support the region's broader goals for a just energy transition. As global investments and technological advancements make offshore wind increasingly viable, it stands as a key opportunity for Latin America to continue its leadership in renewable energy and maximize the socioeconomic benefits of the energy transition.





Accelerated Scneario based on increased growth of wind energy due to cost competitiveness and increasing energy demand

BAU Scenario based on current policy outlook

Source: GWEC LATAM

4. The Challenge of Engaging Local Communities in Wind Energy Projects

Despite the significant potential of wind energy to drive socioeconomic development in Latin America, the sector faces considerable challenges in ensuring a fair and inclusive transition. One of the most critical issues is the effective engagement of all communities involved in the development of wind projects by wind projects. The complexities of obtaining Free, Prior, and Informed Consent (FPIC) from diverse communities, particularly indigenous groups, combined with the subsequent permitting processes, often cause delays. These delays can lead to mistrust among communities and postpone the socioeconomic benefits these projects could bring. Therefore, government-led, well-organized, and timely consultations, along with efficient permitting, are essential. By ensuring local communities are on board, these projects can proceed smoothly, ultimately leading to shared prosperity.

Key Issues in Community Engagement

Political Instability and Community Trust

Political and institutional instability can dramatically affect renewable energy projects, undermining community engagement and trust. Unexpected shifts in energy policies, such as prioritizing fossil fuels over renewable energy, have stalled progress and caused uncertainty in countries like Mexico, Argentina, and Venezuela.[4] These policy reversals significantly decrease the future value and potential benefits of renewable energy projects, creating unequal conditions for communities to gain from clean energy initiatives.

When governments shift their focus to fossil fuel enterprises, it limits the added value renewable energy projects can provide to local populations. Instead of fostering opportunities for long-term societal and economic growth, communities are left with little more than workforce contributions—if any—particularly in rural areas. Such conditions inhibit the technological transition needed for a sustainable energy future, further discouraging private investors and NGOs from participating in renewable energy ventures due to the diminished value proposition.

The decision to favor fossil fuels also exacerbates the impact of climate change, leaving affected areas more vulnerable to extreme weather patterns. This accelerates the cycle of social and economic inequalities, where low agricultural productivity, scarce job opportunities, and lack of access to education become persistent issues. In this environment, migratory flows will likely increase as individuals, particularly men, leave their communities in search of better opportunities, reflecting the lack of economic growth and low prospects for decent jobs. This emigration drains human and financial resources from rural areas, leaving behind fewer opportunities for women's empowerment. Women, already more likely to be engaged in low-productivity and informal sectors, will have even fewer chances to move into the formal economy, thus further limiting their empowerment and socio-economic mobility.

Delays in renewable energy projects, driven by policy changes, erode trust between developers and communities, as projects are canceled or postponed with little communication. This lack of transparency fosters distrust and resistance, increasing project costs and causing further delays.[5] To maintain trust and support, consistent policies and proactive, transparent communication are essential. Without them, the long-term success of wind energy and other renewable energy projects remains highly uncertain, and the communities most affected by these delays will continue to feel excluded and underserved.

[4] Nigel Blackaby, Caroline Richard 'Energy Transition: The Current Landscape in Latin America and What to Expect in 2023

[5] Cody Walter, "Community Perceptions of Trust, Procedural Justice, and Project Support Near Two Nova Scotia Wind Farms

Regulatory and Permitting Challenges

Inadequately streamlined permitting processes that fail to account for the environmental benefits of renewable energy are at the core of ineffective community engagement in wind energy projects. Permitting processes have been typically designed for conventional power infrastructures and thus fail to account for the ongoing climate emergency that is central to the renewable energy transition. This misalignment often results in inconsistent application of laws, lack of institutional support, and heightened uncertainty for developers. This, on its turn, leads to delays and project cancellations, which creates frustration within communities and lack of support and engagement. The situation is further complicated when regulations fail to account for the cultural and legal realities of the regions where projects are developed, leading to even greater delays and opposition.

Impact of Inadequate FPIC on Permitting

[6] Paola Velasco-Herrejon, Thomas Bauwens. "Are energy transitions reproducing inequalities? Power, social stigma and distributive (in)justice in Mexico," Global Environmental Change, Volume 87, July 2024,

Free, Prior, and Informed Consent (FPIC) is a critical process that ensures Indigenous communities have the right to give or withhold consent to projects that affect their lands, territories, and resources. It is a vital mechanism for protecting Indigenous rights, fostering trust, and ensuring that development is both equitable and sustainable. The failure to properly conduct Free, Prior, and Informed Consent (FPIC) with Indigenous communities not only undermines trust but also significantly delays the permitting process. Selecting real leaders who are strongly supported by the local communities is essential in this process. Creating a trustworthy bridge, with these leaders at the forefront, is essential to ensuring meaningful dialogue where communities fully understand their rights, the potential benefits, and can confidently provide the consent needed. These leaders help foster mutual respect and establish a solid foundation for long-term collaboration.

When FPIC is inadequately handled, it creates additional legal and social hurdles that cascade into broader regulatory challenges. This, in turn, prolongs project timelines, increases costs, and further frustrates both developers and local communities.

For example, in Colombia's La Guajira region, the lack of proper FPIC engagement with the Wayúu community has led to significant delays and challenges in permitting. This stalled wind farm projects of planned 8 GW of capacity highlighting the critical need for thorough and culturally sensitive FPIC processes. As a result, the communities in La Guajira to this day have not been able to fully reap the economic benefits of the wind energy projects.

Figure 7. [Bellow]

Photo by EDPR Rural Brasil

Figure 8. [Next Page]

Photo by EDPR Rural Brasil

Fair distribution of socio-economic impacts

The distribution of the socio-economic benefits stemming from wind energy projects needs to be managed based on the intensity of their effect on individual and collective rights, ensuring that no one is left behind. The implementation of the projects initially provides additional direct income to individuals or communities as compensation for the temporary use of their land where the infrastructure is installed. However, individuals or communities in nearby areas, whose rights are not directly affected by the projects, may feel excluded from the financial gains. This can lead to discontent and opposition, especially if their expectations of benefiting from the project are not adequately addressed.[6]

Lessons learned from the Isthmus of Tehuantepec in Mexico show that, while efforts to extend benefits to a broader segment of the community through social and community projects have been made, they have not fully resolved the social tensions or significantly improved social acceptance among those who feel excluded from the financial rewards. To address this, project developers in the region are focusing on long-term local development programs that provide social benefits to a wider portion of the community (see example Oaxaca AMDEE Fund on pg 18).

Misinformation and Lack of Trust

Historical grievances, often exacerbated by a lack of transparent communication from developers, have bred skepticism and resistance within local communities. This distrust is further deepened by the spread of misinformation, which creates a significant divide between communities and industry stakeholders. On the community side, misinformation can also lead to unrealistic expectations, sometimes pushing compensation negotiations beyond logical CAPEX rates, further complicating the relationship and hindering productive dialogue.

Social and Cultural Sensitivity

Many regions are home to indigenous and marginalized communities with deep cultural ties to their land and cultural heritage. Misunderstanding or ignoring these ties can lead to significant opposition and conflict.

Health and Environmental Concerns:

Local communities often raise concerns about potential health impacts, such as noise and shadow flicker, as well as environmental concerns related to wildlife disruption and habitat loss.

5. Policy Recommendations for Policymakers

Policymakers play a pivotal role in ensuring that wind energy projects are developed and constructed according to the project timelines and also successfully enter operation at the COD programmed. By streamlining permitting processes and enhancing legal frameworks, they can accelerate the deployment of these projects, thereby fostering economic prosperity in local communities. It is essential for policymakers to recognize that delays or disruptions in wind energy projects can lead to significant mistrust between developers and communities, fueling dissatisfaction. Therefore, it is imperative that policymakers ensure that the benefits and investments from wind energy can be effectively rolled out by materializing the investments, reaching the populations most affected and building trust and support for future developments.

Recommendation 1: Strong Legal Frameworks

Legal certainty and predictability:	Avoid changes to policy and legal frameworks stemming from unexpected shifts in political will. This disrupts renewable energy investments and undermines the support for Net-Zero pledges and a just energy transition.
Update Energy Regulations	Modernize legal frameworks to recognize renewable energy as essential for meeting national climate goals. This includes classifying renewable energy assets and its grid interconnections as strategic infrastructures and harmonizing policies across energy, environmental, and economic sectors.
Legal certainty and predictability:	Ensure renewable energy projects, especially those contributing to decarbonization, are recognized as being overriding in the public interest. This prioritization can streamline assessments and permit processes.

Modernizing energy regulations is crucial to align legal frameworks with the pressing demands of the climate crisis. The UN's recognition of the right to a clean, healthy, and sustainable environment highlights the need to prioritize renewable energy in public policy. By aligning climate goals with energy regulations, governments can create a more conducive environment for investment in wind energy, facilitating faster deployment. For example, the EU's Regulation 2022/2577 illustrates how simplifying regulatory processes for renewable energy projects can help overcome bureaucratic delays, ensuring that projects contribute effectively to national climate targets.

Recommendation 2: Improved Permitting Processes

Streamline Approval Procedures	Simplify and shorten permit approval processes by reducing bureaucratic hurdles, harmonizing procedures, and eliminating overlapping

authorities. Establish a unified, efficient permitting process for renewable energy projects fit for the local specific regulatory and environmental contexts. This should aim to significantly reduce approval times while ensuring thorough environmental and social assessments.

Enhance Collaboration

Encourage direct collaboration between developers, government bodies and local communities during formal consultation processes with support from independent consultancies for transparency.

Guarantee Timely Permits

Implement mechanisms such as "positive silence" to ensure that permits are automatically granted if not explicitly denied within the designated timeframe.

Lengthy and complex permitting processes can undermine community support and delay the implementation of critical wind energy projects. By optimizing processing times and reducing bureaucratic overlap, governments can foster greater confidence in the fulfillment of mutual agreements with communities. Adopting expedited procedures and clear timelines, as seen in recent EU regulations, can mitigate delays and ensure that renewable energy projects move forward without unnecessary hindrances. Streamlined permitting is not just about speed; it's about building trust and maintaining momentum in the face of a worsening climate crisis.

Recommendation 3: Transparent and Effective Use of Funds by enhancing cooperation

Facilitate Consensus on Fund Allocation:

Mandate that investment funds intended for community benefits are allocated through a consensus-driven process involving developers, local communities, and government bodies. This ensures that investments are transparent, equitable, and tailored to the specific needs of the community.

Monitor and Enforce Fund Utilization:

Establish robust monitoring mechanisms, including regular audits and public reporting, to track the deployment and impact of community investment funds. This will maintain transparency, prevent misuse, and build trust among all stakeholders.

Ensuring the transparent and effective use of investment funds is critical for maintaining community support and achieving the desired socioeconomic benefits from wind energy projects. By facilitating consensus on fund allocation and implementing strong monitoring and enforcement mechanisms, governments can ensure that these investments truly benefit local communities.

Pacto por La Guajira's Collaborative Model

The **"Pacto por La Guajira"** initiative in Columbia exemplifies how structured collaboration and transparency can lead to successful community outcomes, ensuring that funds are used effectively and for the intended purposes. This initiative brings together government agencies, energy companies, and the Wayuu Indigenous community to build a long-term, mutually beneficial relationship based on sustainable development, intercultural understanding, and justice.

At the heart of the initiative is the development of a Relationship and Communication Model, designed to create a structured, collaborative approach to wind energy development in the region. The model is based on a Territorial Focus, which recognizes the unique cultural, social, and environmental factors of La Guajira. It also aims to ensure that local communities, particularly the Wayuu, actively participate in and benefit from the energy transition.

A key outcome of the model is a Roadmap for aligning with international standards and principles of a Just Energy Transition (JET). It outlines the roles of energy companies in territorial development, ensuring projects are tailored to the local context and promote sustainable, inclusive growth through consensus on development, justice, and the energy transition.

Key elements of the model include:

- **Territorial Development and Governance:** The model strengthens local governance and ensures the Wayuu community plays a central role in decision-making, supporting their capacity to engage with both government and industry.

- **Intercultural Understanding and Justice:** It fosters intercultural dialogue, respecting the Wayuu's cultural practices, and ensures fair treatment and equitable access to project benefits, addressing their historical marginalization.

- **Trust and Cooperation:** Built on trust through transparent communication and active engagement, the initiative ensures that companies and the Wayuu work together on projects addressing community needs like infrastructure, healthcare, and education.

The model is based on a deep understanding of La Guajira's local realities, addressing sociopolitical challenges and the urgent need for renewable energy. Guided by five principles—responsibility, coherence, transcendent links, cooperation, and empathy—the initiative ensures decisions align with the community's long-term development goals.

Figure 10.
EDPR - Communities in Brazil

Figure 11.
AES Colombia - Jemeiwaa Ka'i wind power project

Locally-led wind energy projects have also proven effective in addressing energy poverty and achieving sustainable development goals.[7] Beyond providing infrastructure, these initiatives foster social cohesion through educational programs, energy-saving efforts, and local entrepreneurship promotion. Research on wind energy transitions in Mexico[8] highlights how such projects can positively impact community well-being by generating income, creating jobs, and improving access to essential services like education and healthcare. By promoting local leadership and ensuring equitable benefit-sharing, these projects help bridge socio-economic gaps, rebuild community ties, and contribute to long-term sustainable development.

[7] Vanesa Magar et al. "Wind Energy and the Energy Transition: Challenges and Opportunities for Mexico." Sustainability 15, no. 6 (2023).

[8] Laura-Patricia Oviedo-Toral, Davi Ezequiel François, and Witold-Roger Poganietz. "Challenges for Energy Transition in Poverty-Ridden Regions - The Case of Rural Mixteca, Mexico." Energies 14, no. 9 (2021).

Iberdrola Mexico foundation

The **Iberdrola Mexico foundation** has demonstrated that an energy transition goes beyond providing affordable and clean energy; it encompasses more of the Sustainable Development Goals (SDGs), even those not directly achievable through the core business operations.

Established in 2017, the Iberdrola Mexico foundation was created with the mission of developing initiatives that effectively improve the quality of life for people in Mexico, focusing on four lines of action:

- **Biodiversity and Climate Change:** Support the protection of the environment and the improvement of biodiversity.
- **Social Action:** Contribute to sustainable human development by supporting the most vulnerable individuals and groups.
- **Art and Culture:** Protect and safeguard artistic and cultural heritage while promoting its conservation and restoration.
- **Training and Research:** Promote training and research, prioritizing innovation to contribute to energy sustainability.

Among its social initiatives, one key program developed by the foundation is **STEM Impulse**. This program aims to encourage interest among students, particularly women, in studying engineering or careers related to science, technology, and mathematics. To date, it has provided 58 scholarships.

Another project, **Urological Brigades**, offers free complex surgeries, primarily for women diagnosed with conditions such as malignant tumors, kidney stones, urinary incontinence, and pelvic floor disorders. The project also provides medical training in urology and delivers international scholarships to medical and nursing staff.

These efforts have fostered trust and respect while strengthened connections with local communities. By actively engaging with community members and prioritizing their needs, the Iberdrola Mexico foundation demonstrates a commitment to corporate social responsibility. The foundation's initiatives not only address pressing social and health challenges but also empower local individuals, enhancing their skills and resilience.

Figure 12. [Top Right]
Iberdrola - STEM Impulse

Figure 13. [Bot. Right]
Iberdrola - STEM Impulse

Figure 14. [Bottom]
Iberdrola - Luces de Esperanza

Alternatively, developers can make direct investments in local priorities or programs identified through community consultations. This approach allows for targeted support that addresses specific needs and opportunities within the community. Examples of direct investments include funding for local schools, healthcare facilities, renewable energy projects, and economic development programs. Such investments can have a lasting positive impact on the community and create a sense of ownership and partnership.

Recommendation 4: Engage and Facilitate Community Engagement activities

Map out the affected communities:	Ensure that due diligence is performed, and all communities impacted by the projects are correctly identified and documented, including those that may not be registered in public records.
Facilitate Conflict Resolution:	Actively mediate in conflicts that arise during the engagement process, ensuring that both developers and communities can reach satisfactory agreements without compromising the overarching goal of the project.
Support Community Inclusion:	Ensure that unrecognized or marginalized communities are given a voice in the engagement process, providing them with the necessary resources and platforms to participate meaningfully.

By accurately mapping affected communities, mediating conflicts, and supporting the inclusion of all relevant stakeholders, governments can help ensure that the engagement process is both comprehensive and fair. This approach not only minimizes the risk of disputes but also enhances the overall impact of the projects, fostering trust and cooperation between communities, developers, and the government. For instance, in Colombia, unregistered communities have occasionally emerged during project development, highlighting the need for thorough mapping and proactive government involvement to avoid disruptions and ensure the success of the projects.

Recommendation 5: Public Safety and Security

Protect Projects and Communities:	Strengthen legal protections for workers, assets, and infrastructure to address threats, sabotage, and coercion that could disrupt project development and operations.

Public safety and security are paramount in the successful implementation of wind energy projects. The European Court of Human Rights has emphasized that states have a positive obligation to ensure effective protections for human health and life, particularly in activities involving potential risks. Strengthening legal safeguards for workers and communities helps prevent disruptions that could derail project timelines and damage public trust. Effective regulatory frameworks must be enforced in practice, not just on paper, to guarantee that wind energy projects contribute to both local safety and broader environmental goals.

By addressing these regulatory and procedural challenges, policymakers can help ensure that wind energy projects are not only realized but also deliver the promised economic and social benefits to local communities, thereby enhancing public support and ensuring long-term success.

Recommendation 6: Prioritize Renewable Energy Projects in Spatial Planning

Protect Projects and Communities:

Based on the necessity to address the climate emergency Governments should prioritize renewable energy projects in spatial planning frameworks. This includes designating specific zones for wind projects with shortened and simplified permitting considering environmental and social factors to minimize conflicts and optimize land use.

Integrating renewable energy into land-use planning is essential for ensuring the scale of renewable energy projects to keep on pledges and accelerating the deployment of wind and solar projects while minimizing conflicts with other land uses. By prioritizing these projects within spatial planning frameworks and addressing regulatory gaps, governments can create a more supportive environment for renewable energy development and subsequent economic improvements. For example, in Chile, spatial planning challenges have been significant barriers to the expansion of wind energy projects. By adopting a proactive approach to land-use planning, the Chilean government can reduce delays, improve community acceptance, and facilitate the growth of the renewable energy sector.

Figures 15, 16, 17.
EDPR - Communities in Colombia

6. Policy Recommendations for Developers

Successfully expanding wind energy in Latin America requires more than just favorable policy frameworks and streamlined permitting processes. The ability of developers to work collaboratively with local and national governments is equally crucial for effective project planning and execution. Central to this collaboration is the need to engage communities from the onset, ensuring their support and involvement throughout the project lifecycle. When communities are fully engaged and supportive, everyone benefits: developers can build and operate wind farms efficiently, policymakers can ensure that projects contribute meaningfully to national development goals, and communities can reap the economic and social rewards of these investments.

Recommendation 1: Early Continuous and Participatory Engagement from Developers

Start community engagement at site selection:	Initiate community engagement early, starting with site selection and feasibility studies.
Maintain continuous engagement:	Ensure continuous community participation, even during project delays.
Establish continuous feedback loops:	Regularly gather and incorporate community feedback to adapt and improve project plans and engagement strategies.

Early engagement with the local communities is essential throughout the project lifecycle. It has been shown that starting the community engagement process as early as site selection and feasibility studies improves the projects' outcome. It is essential to allow for community participation in the project design and to 'bring the community along on the journey.' Early and continuous engagement demonstrates a commitment to being adaptable and responsive to the local context and ensures that community concerns are addressed promptly, fostering trust and collaboration.

Recommendation 2: Transparent Communication and Trust Building

Implement structured communication mechanisms:	Use websites, town hall meetings, conversations, and establish a direct, anonymous complaint and feedback system or a hotline to ensure transparent communication and timely resolution of concerns.
Appoint dedicated local staff:	Assign trained, locally appointed community engagement staff to build trust and address concerns.

Establish educational activities: Develop age-appropriate educational programs to promote cultural awareness and accurate information.

Effective communication and trust are key to integrating wind energy projects into local communities and preventing misinformation. Transparent dialogue about project benefits, challenges, and impacts builds collaboration and trust. This requires understanding local cultures and appointing dedicated community engagement staff to address concerns and respect indigenous lands. Educational programs that highlight renewable energy benefits and correct misinformation can restore trust and confidence in new initiatives, especially in communities with negative experiences from past industries.

Trust-Building at Wind Farms in Chile

The **Tchamma Wind Farm** in northern Chile exemplifies how transparent communication and trust-building can lead to successful community engagement. From the outset, the project involved the Chunchuri Indigenous Community in monitoring activities and heritage protection efforts. By establishing working groups and maintaining open communication channels throughout the project's phases, the wind farm developers built a foundation of trust with the local community. This approach not only facilitated smoother operations but also ensured that the community's cultural heritage was respected and preserved.

A similar approach was taken with the **San Gabriel Wind Farm** in Chile. After its launch in 2020, groups expressed discontent due to alleged environmental breaches and compensation concerns. This strained the relationship and limited the dialogue between Acciona, developer and the local groups. To rebuild trust, an Action Plan was developed that centered on a comprehensive Communication Plan with a strong local presence. This plan enabled the establishment of new relationships with local leaders and communities, leading to collaborative projects such as energy efficiency programs, infrastructure improvements, community activities, and the promotion of local entrepreneurship.

The success of the Tchamma Wind Farm and San Gabriel Wind Farm demonstrate the importance of going beyond transactional interactions and committing to genuine, ongoing dialogue with local communities, which is crucial for the long-term success of renewable energy projects.[9]

[9] Information received from ACERA.

Recommendation 3: Equitable Community Benefits Sharing and ownership

Clearly define Community Benefit Agreements (CBAs): Outline financial contributions, employment opportunities, and/or local infrastructure support and other benefit activities in the CBAs.

Collaborate on benefit types: Work with the community and government to agree on suitable benefits like Community Benefit Funds or direct investments.

Ensure equitable benefit sharing: Implement transparent mechanisms to distribute benefits fairly within the community.

Set up grievance mechanisms: Establish clear processes for addressing community grievances.

Ensuring that communities benefit directly from wind energy projects is essential for fostering local support and achieving sustainable development goals. Establishing clear, equitable and transparent mechanisms for community benefit sharing can enhance trust and cooperation between developers and local stakeholders, especially in Latin America.

There are a number of ways that developers can engage with the community. For example, creating a Community Benefit Fund, as seen in other successful projects globally, can support local initiatives such as education, healthcare, and infrastructure improvements. These funds should be managed in collaboration with local stakeholders to ensure transparency and accountability, addressing specific community needs and fostering a sense of ownership and partnership. Additionally, direct investments in local priorities or programs identified through community consultations, such as those being explored in La Guajira, can have a lasting positive impact, creating a more inclusive and equitable energy transition.

Maximizing Community Benefits: Oaxaca AMDEE Fund and Corporate Initiatives

The **Oaxaca AMDEE Fund** is a leading example of equitable community benefits sharing in Latin American wind energy projects. Formed through the collaboration of key wind energy companies such as Enel, Vestas, Zuma, Bi Hioxo, Siemens Gamesa, and Iberdrola, this fund demonstrates a long-term commitment to improving the well-being of the communities in the Isthmus of Tehuantepec. Initially created to address the aftermath of the devastating September 2017 earthquakes, the fund has since evolved to support various sectors of the local population through four strategic pillars: civil protection, school infrastructure, psycho-emotional support, and culture and sport.

The Fund's impact is widespread, with its initiatives touching the lives of nearly 60,000 people in the region. Several notable projects highlight the Fund's contributions:

- **Honorable Fire Department of Juchitán:** In collaboration with local stakeholders, the fund supported the fire department through essential training and equipment upgrades, such as the provision of a new tanker truck and personal protective gear. This investment enhanced emergency response capabilities across 14 municipalities, benefiting over 350,000 residents.

- **Psycho-emotional Support Program:** The Fund sponsored the training of 45 professionals in post-traumatic stress management, benefitting over 200 students through programs aimed at preventing and managing adolescent behavioral challenges. This initiative provided vital mental health resources in a region that had experienced severe trauma.

- **School Infrastructure Improvements:** As part of the Oaxaca AMDEE Fund's commitment to education, the fund has supported the construction and rehabilitation of key school infrastructure. This includes building classrooms in the COBAO high school and repairing perimeter walls at local primary schools, ensuring a safer and more conducive learning environment for students in the region.

In addition to the initiatives funded by the Oaxaca AMDEE Fund, there are other notable projects implemented by private companies that have been included in the Fund and similarly contributed to the social well-being of the communities in the region. These include projects by Siment Gamesa and Peñoles.

- **Robotics in Action – First Lego League:** Aiming to inspire the next generation of innovators, this project has benefited 464 students, providing hands-on learning experiences in science, technology, engineering, and mathematics (STEM). [10]

This initiative promotes inclusive education, fostering future leadership in technological fields.

- **Weaving the Wind:** This project empowers 140 female artisans across 12 communities in the Isthmus by helping them preserve traditional weaving techniques while integrating into the formal economy. The artisans receive training in both technical skills and business management, allowing them to expand their market reach, both nationally and internationally.

- **Community Health/FAO Model:** Inspired by the FAO's intervention model, this project in Unión Hidalgo has promoted healthy lifestyle changes for over 638 children and 110 parents, focusing on sports, nutritional education, and environmental awareness.

- **Climate Action – Reforestation:** This environmental project has successfully planted 900 trees in Santo Domingo Ingenio, while also distributing an additional 535 trees to local residents for urban reforestation efforts, contributing to climate resilience and biodiversity.

Figure 18. [Top Previous Page]
Oaxaca AMDEE Fund - Psycho-emotional Support Program

Figure 19. [Bot. Previous Page]
Oaxaca AMDEE Fund - Honorable Fire Department of Juchitán

Figure 20. [Top]
Oaxaca AMDEE Fund - Honorable Fire Department of Juchitán

Figure 21. [Bottom]
Oaxaca AMDEE Fund - School Infrastructure Improvements

Locally-led wind energy projects have also proven effective in addressing energy poverty and achieving sustainable development goals. Beyond providing infrastructure, these initiatives foster social cohesion through educational programs, energy-saving efforts, and local entrepreneurship promotion. Research on wind energy transitions in Mexico highlights how such projects can positively impact community well-being by generating income, creating jobs, and improving access to essential services like education and healthcare. By promoting local leadership and ensuring equitable benefit-sharing, these projects help bridge socio-economic gaps, rebuild community ties, and contribute to long-term sustainable development.

Alternatively, developers can make direct investments in local priorities or programs identified through community consultations. This approach allows for targeted support that addresses specific needs and opportunities within the community. Examples of direct investments include funding for local schools, healthcare facilities, renewable energy projects, and economic development programs. Such investments can have a lasting positive impact on the community and create a sense of ownership and partnership.

[10] Siemens Energy, 'Strengthening communities, development strategies and social impact in Oaxaca', 2022.

Empowering Communities through Wind Energy Projects in Brazil

Wind energy developers in Brazil have implemented numerous community-focused initiatives, empowering local populations while promoting sustainable development. One such initiative is the Young People in Action Project by EDF Renewables in Bahia, which develops youth leadership, entrepreneurship, and innovation. Benefiting eight communities, it offers training in agribusiness and cooperatives, providing skills for a sustainable future.

EDF Renewables also launched an **Environmental Education Program** at the Ventos da Bahia Wind

Farm, educating employees and local residents about biodiversity, water conservation, and female entrepreneurship. The School Garden Project, another impactful initiative in Bahia, has educated over 500 students and families on sustainable agriculture, composting, and environmental conservation.

In Paraíba, EDF Renewables' Serra do Seridó Wind Farm collaborated with SENAR to offer rural training courses in organic agriculture and forage conservation. The farm, EDF's largest in South America, significantly reduces CO2 emissions, contributing to both environmental preservation and local skills development.

The **SER Program by Neoenergia**, running through a social sub-credit from the National Bank for Economic and Social Development (BNDES), operates near wind farms in Paraiba and Rio Grande do Norte. The program focuses on health, education, and income generation, which works on the pillars that directly impact the Municipal Human Development Index (IDHM) in Brazil in total. The program has benefited 450 families through educational and agricultural initiatives aimed at strengthening water and food security, as well as implementing important physical infrastructure in semi-arid regions.

These wind energy projects in Brazil show how locally-led initiatives can reduce energy poverty, foster social cohesion, and promote local leadership. By addressing community needs, they generate income, create jobs, and improve access to services, ensuring equitable benefits and long-term development.

Luces de Esperanza by Iberdrola Mexico foundation

The **Luces de Esperanza** program brings electricity to the 1% of the Mexican population that still lacks basic services by installing autonomous solar systems in homes and community spaces, and has had a profound impact.

By providing electricity to homes, community centers, clinics, and schools, the program promotes local productive activities, enabling residents to engage in economic development initiatives. It also significantly improves access to healthcare, education, and security, contributing to a better quality of life for its inhabitants.

Since the start of the program in 2019, solar systems have been installed in 558 homes, 7 schools and 3 health centers, benefiting more than 5,500 people in San Luis Potosi and Oaxaca.

This initiative has strengthened the relationship between the company and the communities by addressing critical needs and empowering residents with the tools they need for long-term growth and stability. Luces de Esperanza has become a key driver of social and economic progress, illuminating the path to a brighter future.

Figures 22.

Iberdrola - Luces de Esperanza

Incorporating early, continuous, and participatory engagement, transparent communication, and equitable benefit-sharing into the core of wind energy project development is essential for fostering lasting relationships with local communities. These strategies not only facilitate smoother project execution but also help build the trust and cooperation necessary for long-term success. By prioritizing the needs and voices of communities, developers can create a supportive environment where all stakeholders—developers, governments, and communities—stand to benefit, ensuring that the transition to renewable energy is both sustainable and inclusive.

7. Conclusion

Latin America stands at a pivotal moment in its renewable energy journey, with wind energy contributing nearly USD 10Bn annually to its economy. This offers an untapped potential for transformative socioeconomic and environmental benefits, particularly in closing the gap of the region's renewable energy pledges, which require doubling this figure in 2030. However, unlocking this potential requires a unified effort from developers, governments, and local communities to address the significant challenges that remain.

Frequent changes in energy policies, cumbersome permitting processes, inadequate community engagement and unequal benefit distribution continue to undermine the support for wind projects, especially among vulnerable populations. These challenges not only slow progress, but also erode trust and hinder the involvement of key stakeholders - particularly in disadvantaged regions where equitable development is crucial.

To fully unlock the benefits of wind energy in Latin America, governments must create an enabling environment that accelerates project deployment and fosters shared prosperity. This involves streamlining permitting processes to ensure that renewable energy projects, particularly wind, can secure approvals efficiently through transparent and simplified procedures. Equally important is prioritizing public interest by ensuring that the socioeconomic benefits of these projects are distributed equitably among local communities. Building and maintaining trust through early, active, and continuous engagement is essential. By addressing the concerns of local communities and fostering inclusive participation, both governments and industry can secure the long-term social acceptance needed for sustainable wind energy development.

This paper outlines practical recommendations for establishing a new relationship framework to secure the social license for renewable energy projects, particularly wind energy, emphasizing the need for transparent, inclusive, and culturally sensitive approaches to engaging local communities. By prioritizing policies for long-term development, the region can continue to ramp up its investment in the sustainable energy transition —one that not only meets global climate targets but also drives inclusive economic growth, social well-being and shared prosperity.

The pathway is clear: Latin America has inexhaustible renewable energy resources, the ambition, and the opportunity to lead the global energy transition. What remains is a stronger political commitment to undertake the necessary changes to ensure that this transition is just, equitable, and inclusive for all.

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