

BOARD OF ADVISORS

Nigel Blackaby

Global Head,
International Arbitration Group,
Freshfields Bruckhaus Deringer

Mary Rose Brusewitz

Partner,
Strasburger & Price

Jeffrey Davidow

Senior Counselor,
The Cohen Group

Ramón Espinasa

Consultant,
Inter-American Development Bank

Luis Giusti

Senior Advisor,
Center for Strategic &
International Studies

Jonathan C. Hamilton

Partner,
White & Case

Raul Herrera

Partner,
Corporate & Securities Practice,
Arnold & Porter

James R. Jones

Chairman,
Monarch Global Strategies

Jorge Kamine

Counsel,
Skadden Arps

Craig A. Kelly

Director,
Americas Int'l Gov't Relations,
Exxon Mobil

Jeremy Martin

Vice President, Energy & Sustainability,
Institute of the Americas

Larry Pascal

Chairman,
Americas Practice Group,
Haynes & Boone

Charles Shapiro

President,
World Affairs Council of Atlanta

R. Kirk Sherr

President,
Clearview Strategy Group

Mark Thurber

Partner,
Hunton Andrews Kurth

Alexandra Valderrama

Manager,
International Government Affairs,
Chevron

Lisa Viscidi

Program Director,
Inter-American Dialogue

Max Yzaguirre

President and CEO,
The Yzaguirre Group

FEATURED Q&A

What Is Driving Investor Interest in Brazil's Oil Blocks?



Demand for concessions in Brazil's deepwater oil blocks exceeded the government's expectations in last month's auction. A platform of state oil company Petrobras is pictured above. // File Photo: Petrobras.

Q Brazil's government raked in \$2.4 billion in its March 29 auction of deepwater oil blocks, nearly double the amount that it had expected. It was the third auction since September to draw significant interest, as companies including ExxonMobil, Repsol and Royal Dutch Shell snapped up oil blocks. What factors drove companies' interest in the concessions? Does Brazil's auction reveal a larger trend of companies investing more heavily in deepwater drilling? How much confidence do investors in Brazil's energy industry have ahead of the country's October presidential election, and to what extent could political uncertainty rattle the industry?

A Francisco Ebeling Barros, independent Rio de Janeiro-based energy consultant: "In the petroleum economics literature, it is very common to assess the overall attractiveness of a given country's exploration and production industry by analyzing at least four of its 'determinants of investment': reserves, technology, markets, regulation and institutions and politics. The very positive results of Brazil's 15th concession contract bidding round show that investors' appraisal of the reserves, technology, markets and regulation are all very positive. Brazil's oil reserves, especially those in the pre-salt layer, are amply regarded as being first-class, especially for the needs of international oil companies. In that vein, some years ago, some executives of Brazil's private oil sector even called the pre-salt the 'blue fillet steak.' Regarding the determinant 'technology,' it is an established fact that Brazil—in association with international services companies—has managed to master deepwater offshore drilling technology and has conquered the most

Continued on page 3

TOP NEWS

POWER SECTOR

Blackout Plunges Puerto Rico Into Darkness

An island-wide blackout left most of Puerto Rico without power Wednesday after an excavator reportedly came too close to a main line.

Page 2

RENEWABLES

Argentina Wind Energy Program Nets \$4 Billion in Investments

The country's national wind energy promotion program has attracted some \$4 billion in investments, the government said.

Page 4

OIL & GAS

Venezuelan Agents Arrest Chevron Employees

Venezuelan intelligence agents arrested two employees of U.S.-based oil major Chevron. Opponents of Venezuelan President Nicolás Maduro say many of the recent arrests of oil sector executives have been politically motivated.

Page 3



Maduro // File Photo: Venezuelan Government.

POWER SECTOR NEWS

Blackout Plunges Puerto Rico Into Darkness

An island-wide blackout left most of Puerto Rico in the dark on Wednesday after an excavator came too close to a main line, The New York Times reported. The outage, which reportedly continued for most of the island into Thursday morning, occurred shortly after authorities announced that only 3 percent of

“I’m angry ... I give the people of Puerto Rico my word: we are going to restore power to every last house.”

— Justo González

the island’s residents remained without power following Hurricane Maria, which struck the U.S. territory in September. The excavator that apparently caused the blackout was operated by subcontracting firm D. Grimm Inc., according to Justo González, the chief operating officer of the Puerto Rico Electric Power Authority, or PREPA. The company has since been fired. It was also blamed for an outage on April 12 that left half the island without power. González said authorities are considering legal action against D. Grimm, El Vocero de Puerto Rico reported. The company, which was subcontracted by Oklahoma City-based Cobra Acquisitions, has so far declined to comment. “I’m angry,” González told The New York Times in a telephone interview. “I give the people of Puerto Rico my word: we are going to restore power to every last house.” Authorities on Wednesday scrambled to restore power for a Major League Baseball game that was set to take place in San Juan, according to El Vocero de Puerto Rico. Traffic slowed as many stoplights went without power. Residents expressed frustration

at the performance of electric authorities, which were seemingly closing the book on the months-long disruption following the hurricane.

Enel, Iberdrola Make Offers for Brazil’s Eletropaulo

Italian firm Enel on Tuesday made an offer to acquire Brazilian power distribution company Eletropaulo Metropolitana for 28 reais (\$8.26) per share, or \$1.4 billion in total, Reuters reported. The offer, which sent shares of Eletropaulo 24 percent higher on Tuesday, came just hours after Neoenergia made an offer of 25.51 reais per share. Neoenergia is controlled by Spanish energy company Iberdrola and Brazilian pension funds. “The transaction is in line with the Enel Group’s current strategic plan and, if successfully executed, would mark another step forward in strengthening the group’s presence in the Brazilian distribution sector,” the Italian company, which is led by CEO Francesco Starace, said in a statement. The offers



Starace // File Photo: Enel.

from Enel and Neoenergia were both for 100 percent of Eletropaulo, which distributes power in São Paulo, Brazil’s largest metropolitan area. Eletropaulo is just one of many public power distributors that Brazil’s government has said it hopes to privatize before elections later this year. According to Bloomberg News, Brazilian authorities also plan to privatize electric utility Eletrobras before the end of the year, though any such move would require congressional approval. Eletropaulo announced that Brazilian firm Energisa also made an offer to acquire the distributor, though it was substantially lower at 19.38 reais per share, O Globo reported.

NEWS BRIEFS

Venezuela Refineries Working at Only 31 Percent Capacity

Venezuela’s oil refineries operated at only 31 percent of their combined capacity in the first three months of this year, Reuters reported Monday, citing an internal document from state-run oil company PDVSA. The Amuay, Cardon, Isla, Puerto la Cruz and El Palito refineries processed 510,000 barrels of crude per day (bpd) in the first quarter, down sharply from a 631,000 bpd average in all of 2017, the document said. Employees interviewed by the news service say a lack of spare parts, insufficient supplies of light oil for the facilities and staff departures have been behind the fall in output.

Canadian Solar Wins Projects in Brazil Auction

Ontario-based Canadian Solar announced Wednesday that it has won three solar photovoltaic projects, totaling 364 megawatts at peak, in Brazil’s April 4 energy auction. Once connected to the grid, the plants will generate approximately 706,000 megawatt hours of electricity every year. Canadian Solar said it will develop and build the projects, targeting commercial operation by 2022. Brazil’s Electric Energy Trading Board announced this month that wind power prices fell to the lowest ever in Brazil at the April 4 auction, nearly reaching the Latin American record set in Mexico last November, Bloomberg News reported.

Petrobras, CNPC Eyeing Deal to Swap Refinery Investment for Oil

Brazilian state oil company Petrobras is near a deal with China National Petroleum Corp. in which the Chinese company would invest in a refinery in exchange for crude oil, Reuters reported, citing two people with knowledge of the deal. Such an agreement would give China its first refining capacity in the Americas.

OIL & GAS NEWS

Venezuelan Gov't Agents Detain Chevron Employees

U.S.-based oil major Chevron said Tuesday that Venezuelan intelligence agents arrested two of the company's employees, Reuters reported. Several sources with knowledge of the matter told the wire service that Sebin intelligence agents burst into the office of joint venture Petropiar in the coastal city of Puerto La Cruz and arrested the two Venezuelan employees—chemical engineer Carlos Algarra and procurement advisor René Vásquez. The men were taken on Monday following disagreements with their counterparts at Venezuelan state oil company PDVSA over processes related to procurement, two sources told Reuters. “We have contacted the local authorities to understand the basis of the detention and to ensure the safety and wellbeing of these employees. Our legal team is evaluating the situation and working towards the timely release of these employees,” Chevron said in a statement. Graft accusations involving Venezuela's oil industry have led to more than 60 arrests in recent months, Bloomberg News reported. Opponents of President Nicolás Maduro say many of the accusations are politically motivated. Employees of foreign oil companies have largely been spared.

Ecuadoreans Seek to Force Chevron Canada to Pay \$9.5 Bn

Lawyers representing indigenous Ecuadoreans seeking to force Chevron Canada to pay a \$9.5 billion oil pollution settlement on Tuesday began their case in the Ontario Court of Appeals, the Toronto Star reported. The hearing is just the latest legal challenge emerging from the 1993 dispute when a group representing 30,000 Ecuadoreans sued Texaco, which Chevron since acquired, over 18.5 billion metric tons

FEATURED Q&A / Continued from page 1

pressing technological challenges. Further, the determinant ‘markets’ is also under control, as the oil produced in Brazil, at least for the decades to come, will be easily placed in the international market. Finally, from the point of view of investors, the determinant ‘regulation’ no longer poses a relevant threat, as the current Brazilian administration has signaled that its interpretation of the rules of the game is much more market-friendly than that of the previous administration. A much more pressing issue is the determinant ‘institutions and politics.’ It cannot be circumvented that former President Lula's arrest is a big question mark. My view is that his arrest, which is neither politically nor legally justifiable and only has the practical effect of staining Brazil's democracy in the eyes of the political community, doesn't matter very much from the point of view of the international investor. President Lula has always been a class conciliator, and even if he won the 2018 election, he wouldn't much alter the current petroleum policy path.”

A **Isabella Alcañiz, associate professor in the Department of Government and Politics at the University of Maryland:** “Several energy-rich Latin American countries are holding oil and gas auctions this year. So far, in a crowded market, Brazil has garnered the greatest attention from would-be investors. The reasons are twofold. On the one hand, undoubtedly, the promise of securing access to Brazil's massive offshore oil reserves is a powerful driver of interest. On the other, the government of Michel Temer is seen as more business-friendly than his predecessor and former running mate—whom he helped

of sludge that leached from open pits or was dumped into the water around Lake Agrio over more than 20 years. In a controversial decision, the Ecuadorean Supreme Court in 2013 ordered Chevron, which no longer has assets in the country, to pay the group \$9.5 billion in damages in 2013, reduced from an earlier award of

impeach—Dilma Rousseff of the Workers' Party (PT). It seems investors are not too worried about this October's presidential election. Popular former President Lula's

“It seems investors are not too worried about this October's presidential election.”

— Isabella Alcañiz

recent incarceration on corruption charges, which virtually ended his short run as the PT's presidential candidate, will probably increase investors' confidence. However, this confidence may be misplaced, given the many serious corruption charges against the unpopular Temer, the deep political polarization of the country, and the growing perception by many Brazilians that the judiciary is becoming increasingly politicized. The presidential election is just a few months away, and there is enormous uncertainty.”

A **Kirk Sherr, president of Clear-view Strategy Group in Tysons Corner, Va.:** “In the shadow of the long-running three-ring circus of Brazilian politics, the energy sector, specifically offshore, is booming again. At least four major factors have coincided to allow Brazil to enjoy a financial bonanza in its most recent deepwater auction: international oil companies' confidence in Brazil's geology, declining offshore costs due to technology

Continued on page 6

\$18 billion. Chevron has refused to comply, and lawyers for the company have fended off legal challenges in Argentina, Brazil and the United States. “The judgment against Chevron Corporation in Ecuador was the product of corruption and fraud,” said Chevron spokesman Sean Comey. The company's lawyers have argued

that Chevron Canada is a distinct entity from Chevron Corporation, and that it is therefore not liable for the spill in Canadian court. Still, representatives for the community are trying to force the Canadian subsidiary to pay on the corporation's behalf.

RENEWABLES NEWS

Argentina Wind Energy Program Nets Investments of \$4 Bn

Argentina's national wind energy promotion program has led to \$4 billion in investments, the country's Ministry of Production said on Tuesday, Renewables Now reported. Argentina is targeting a 20 percent share of renewables in its electricity mix by 2025. To meet that goal, officials estimate they will need \$15 billion in investments over the next eight years for the construction and operation of wind, solar, biomass, biogas and small hydropower plants, according to the report. However, the top continuing challenge for Argentina's renewable power sector buildout has been the availability of transmission capacity in the grid, which is currently not enough to handle projects under construction, according to Marcos Patrón Costas, a partner at Allende & Brea. Without it, power produced by new turbines will not reach customers. [Editor's note: See related [Q&A](#) in the Sept. 8 edition of the Energy Advisor.]

POLITICAL NEWS

Díaz-Canel Formally Named Cuba's New President

Cuba's National Assembly this morning formally named Miguel Díaz-Canel as the country's new president, officially ending decades of rule by the Castro family, CNN reported. The assembly on Wednesday tapped Díaz-Canel, a

THE DIALOGUE CONTINUES

Are the United States and China Starting a Global Trade War?

Q Beijing on April 6 vowed a "fierce counter strike" if U.S. President Donald Trump follows through with a threat of an additional \$100 billion in tariffs on imports from China, though Chinese President Xi Jinping softened the government's rhetoric a few days later by vowing to open the country's economy further and lower some import tariffs. Analysts have been trying to assess the fallout from a worsening tit-for-tat trade dispute between the global powers that has unnerved global markets. Do the proposed tariffs by the United States and China mark the beginning of a global trade war? How well are the multilateral institutions created after World War II to advance free and open trade going to be able to cope with challenges of protectionism and a popular backlash against globalization? How will the countries of Latin America and the Caribbean, which have extensive trade and political ties with both China and the United States, fare in this new trade environment?

A Margaret Myers, director of the Latin America and the World Program at the Inter-American Dialogue: "Much of what we have seen so far from Trump and Xi on the trade front is still rhetorical. The amount of tariffs actually levied by the United States and China has been relatively inconsequential to date. That said, tensions are certainly mounting, even as Vice Premier Liu He and others work to dial them down.

57-year-old bureaucrat, as the sole candidate to replace Raul Castro, who took over for his ailing older brother Fidel in 2008. Raúl Castro, 86, will remain head of Cuba's Communist Party, which the country's Constitution designates as "the superior guiding force of society and the

Whether an all-out trade war comes to pass or not, we can expect the White House to maintain its hardline approach toward Beijing. Although Trump remains narrowly focused on China's widening trade surplus with the United States, his most recent moves are reflective of growing resentment over China's approach to industrial policy, including among some of the United States' most vocal proponents of strong U.S.-China economic relations. The administration views new trade measures against mostly high-tech, 'Made in China 2025' industries as a way to even the playing field, or at least to force China to address U.S. concerns about market access and intellectual property theft. That said, there is broad consensus that a trade war, if it happens, would be bad on a global scale, and especially harmful to certain U.S. industries. A few actors, including South American soy producers, could of course benefit somewhat from a U.S.-China commercial standoff, but the drawbacks would be widespread and especially devastating for the multilateral trade system. As Trump decides whether to act on his threats, Xi is further positioning China as proponent of free trade, including most recently at the Boao Forum."

EDITOR'S NOTE: The above is a continuation of the [Q&A](#) in Thursday's issue of the Dialogue's daily Latin America Advisor.

state," so he is expected to remain Cuba's most powerful person, at least for now, the Associated Press reported. "I like sticking with the ideas of President Fidel Castro because he did a lot for the people of Cuba, but we need rejuvenation, above all in the economy," 21-year-old

NEWS BRIEFS

Moreno Suspends Ecuador's Mediation of Colombia-ELN Talks

Ecuadorian President Lenín Moreno announced Wednesday that he is suspending the country's role as a mediator in the Colombian government's peace talks with the National Liberation Army, or ELN, rebel group, the Associated Press reported. Colombia's government said it would find a new host for talks with the rebels. Moreno told Colombia's RCN network that he was suspending Ecuador's role as mediator because the ELN continues to carry out "terrorist" attacks.

López Obrador Widens Lead in Mexican Presidential Race

Leftist candidate Andrés Manuel López Obrador, known as AMLO, has widened his lead in Mexico's presidential race to 22 percent, according to a Reforma poll released Wednesday. The poll showed the former Mexico City mayor with 48 percent of voting intentions, up from 42 percent in Reforma's last poll in February. Ricardo Anaya of the "For Mexico in Front" coalition slipped from 32 percent to 26 percent, and new independent candidate Jaime "El Bronco" Rodríguez garnered just 3 percent in the new poll.

IMF Warns That Trade Friction Could Hurt Global Economic Growth

The International Monetary Fund warned Tuesday that rising trade friction between the United States and China risks undermining what has been relatively good growth in the global economy this year, the Associated Press reported. Latin America is forecast to expand 2 percent this year, up from 1.3 percent in 2017. The IMF now expects Brazil's economy to grow 2.3 percent this year, up from an earlier estimate of 1.9 percent.

schoolteacher Melissa Mederos told the AP. "Díaz-Canel needs to work hard on the economy, because people need to live a little better." Díaz-Canel, who has served in the role of Cuba's first vice president, is a longtime protégé of Raúl Castro and was handpicked in an attempt to ensure the survival of Cuba's communist system. Most Cubans know Díaz-Canel as an uncharismatic figure who has maintained a low profile. In recent months, however, Cuba's state-run media has focused more attention on his appearances, including a statement last month in which he vowed to make the government more responsive to Cubans. "We're building a relationship between the government and the people here," Díaz-Canel said after voting for members of the National Assembly. "The lives of those who will be elected have to be focused on relating to the people, listening to the people, investigating their problems and encouraging debate." In videotaped remarks to a Communist Party meeting that were leaked to the public last year, Díaz-Canel also said he would shut down some independent media and also designate some foreign embassies as outposts of foreign subversion. However, he has also been seen as a possible supporter for more open government as he has defended academics and bloggers who were targeted by Communist Party hardliners. Díaz-Canel previously served as the top Communist Party official, a post similar to governor, in central Santa Clara province. Residents of the province have described him as a hard-working technocrat with a modest style of living. He later became education minister in 2009 before being tapped as vice president.

Canada Recalls Families From Embassy in Cuba

Canada's government has recalled the families of its diplomatic staff in Havana amid continued health concerns, BBC News reported Tuesday. At least 10 Canadians, including some minors, are suffering from unexplained brain symptoms such as dizziness, nausea and difficulty concentrating, government officials said. Doctors have suggested a new type of

brain injury may be the cause of the mysterious illness. Canada says it has dismissed theories about covert sonic attacks being the cause of the illnesses. The United States withdrew several diplomats from Havana in September and warned its citizens not to visit Cuba, asserting that 21 embassy employees had been injured with concussion-like symptoms. The following month, the U.S. State Department expelled 15 Cuban diplomats from Washington in protest of what it said was Cuba's failure to protect American envoys in Havana. The United States also reduced the size of its embassy in Havana by 60 percent. Cuba has denied involvement in the cases. Foreign Minister Bruno Rodríguez said U.S. claims were a "political manipulation" aimed at damaging bilateral relations. The fact that staff have been affected from Canada, which has better relations with Cuba than the United States, has puzzled analysts.

ECONOMIC NEWS

Argentina, U.S. Reach Deal on Pork Imports

Argentina and the United States announced April 13 that they had reached a deal that will allow U.S. pork to be imported into Argentina for the first time since 1992. Agriculture officials in the South American country had cited health concerns over trichinosis, a parasitic disease caused by roundworms, in keeping the ban. "This is a great day for our agriculture community and an example of how the Trump administration is committed to supporting our producers by opening new markets for their products," U.S. Secretary of Agriculture Sonny Perdue said in a statement, adding that Argentina could import up to \$10 million in U.S. pork products annually. In all, the United States had a goods and services trade surplus with Argentina of more than \$10 billion in 2016, according to data from the U.S. Trade Representative. Last week, China, the top global pork consumer, reacted to President Donald Trump's threat to levy billions of dollars in new tariffs on its products by imposing a 25 percent tariff on imports of U.S. pork, sending prices lower, Reuters reported.

FEATURED Q&A / Continued from page 3

and other factors, a stable-to-positive outlook for oil prices, and relative confidence in the overall fiscal and regulatory environment in Brazil. With more than 13 billion barrels of proven reserves, Brazil, at 15th on the world oil reserve list, is a big destination for oil majors. Plus, pre-salt crude production now exceeds one million barrels per day, up from negligible amounts just a decade ago. Clearly for major oil companies, the scale of the resource now allows for ever larger long-term investments. Equally important, a host of technologies (such as sensors, data and completion techniques) have lowered costs and stimulated offshore efforts worldwide, thus improving the outlook for financial returns. Most important, though, is the confidence that investors now have in the broad Brazilian fiscal and regulatory environment. As the grip of Petrobras on Brazilian reserves has loosened due to fall-out from the Car Wash scandal, the National Petroleum Agency (ANP) has responded effectively. The ANP developed an expanded auction process (March 29 was the 15th auction for exploration blocks) that builds on its significant established regulatory experience, contract awards and the nitty-gritty of regulatory enforcement. The 'jeitinho brasileiro' sure seems to be working for the Brazilian offshore."

A **Cleveland Jones, professor and researcher at the National Institute of Oil and Gas at the State University of Rio de Janeiro:** "Brazil's upcoming bidding round for pre-salt blocks will likely also shatter records, since the two highly rated blocks removed from the March 29 round will likely be included. Furthermore, the round includes blocks that are estimated to contain in-place resources of 16.8 billion barrels. Even with conservative estimates for the recoverable potential, at least five billion barrels are being offered to the market. Nowhere else in the world are such highly prospective areas available. They typically exhibit highly

productive wells and low costs, despite the deepwater setting. Companies that plan on securing resources for strategic baseline production at competitive costs and in secure regions cannot overlook Brazil and the opportunities being offered. There is still more to come, since new concessions and

“Nowhere else in the world are such highly prospective areas available.”

— Cleveland Jones

bidding rounds are planned for 2019, which will include blocks in prime areas, such as the Campos and Santos basins. Then there is the huge auction of the excess oil in the transfer-of-rights areas, which involves offering between six and 15 billion barrels of recoverable (not in place) resources. The opportunities to establish a large and long-term production base will not allow Brazil's political turmoil to detract from the interest shown by oil players. In fact, it will likely grow even stronger, as new, highly prospective areas are offered, in a world with much investment capital but few palatable destinations and even fewer world-class plays. Strategic investment decisions are made with a long-term view, and recent political events (even former President Lula's imprisonment) have shown that Brazil has strong democratic institutions and rule of law. The upcoming elections are unlikely to change the policies that have ensured the success of past bidding rounds, attracted large investments to the country, and point to Brazil as a leading oil and gas player in coming years."

The Advisor welcomes comments on its Q&A section. Readers can write editor Gene Kuleta at gene.kuleta@thedialogue.org.

LATIN AMERICA ENERGY ADVISOR is published weekly by the Inter-American Dialogue. Copyright © 2018

Erik Brand
Publisher
ebrand@thedialogue.org

Gene Kuleta
Editor
gene.kuleta@thedialogue.org

 THE DIALOGUE

Michael Shifter, President
Genaro Arriagada, Nonresident Senior Fellow
Sergio Bitar, Nonresident Senior Fellow
Joan Caivano, Director, Special Projects
Michael Camilleri, Director, Peter D. Bell Rule of Law Program
Kevin Casas-Zamora, Nonresident Senior Fellow
Ariel Fiszbein, Director, Education Program
Alejandro Ganimian, Nonresident Fellow
Peter Hakim, President Emeritus
Claudio Loser, Senior Fellow
Nora Lustig, Nonresident Senior Fellow
Margaret Myers, Director, China and Latin America Program
Manuel Orozco, Director, Migration Remittances & Development
Jeffrey Puryear, Senior Fellow
Tamar Solnik, Director, Finance & Administration
Lisa Viscidi, Director, Energy Program
Denisse Yanovich, Director, Development and External Relations

Latin America Energy Advisor is published weekly, with the exception of some major U.S. holidays, by the Inter-American Dialogue, 1155 15th Street NW, Suite 800, Washington, DC 20005. Phone: 202-822-9002. www.thedialogue.org. ISSN 2163-7962

Subscription Inquiries are welcomed at fretrial@thedialogue.org

The opinions expressed by the members of the Board of Advisors and by guest commentators do not necessarily represent those of the publisher. The analysis is the sole view of each commentator and does not necessarily represent the views of their respective employers or firms. The information in this report has been obtained from reliable sources, but neither its accuracy and completeness, nor the opinions based thereon, are guaranteed. If you have any questions relating to the contents of this publication, contact the editorial offices of the Inter-American Dialogue. Contents of this report may not be reproduced, stored in a retrieval system, or transmitted without prior written permission from the publisher.