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FEATURED Q&A

How Prepared Is the Region for Hurricane Season?



The Atlantic hurricane season has started, but parts of the Caribbean are still recovering from past storms. The aftermath of Hurricane Maria in Dominica in 2017 is pictured above. // File Photo: Government of Dominica.

Q This year's Atlantic hurricane season is likely to be above-average in intensity, with 13 to 20 named storms, including three to five major hurricanes, the U.S. National Oceanic and Atmospheric Administration said last month.

The Atlantic hurricane season lasts from June 1 to Nov. 30. How prepared are Caribbean and Central American countries for this year's hurricane season? What more do they need to be doing now in order to better mitigate damage by expected storms? To what extent has the Covid-19 pandemic made it more difficult for countries in the region to prepare for hurricanes?

A Anton Edmunds, St. Lucia's ambassador to the United States, Mexico and the Organization of American States and high commissioner to Canada: "With the cycle beginning anew, countries and people in the Caribbean and Central America wearily watch the forecast. Covid-19 has decimated government accounts and directed resources away from hurricane preparedness in most countries. This necessarily diverted financial and human resources to food programs for unemployed and displaced workers, to address new remote learning modalities and to respond to the increased demands placed on the health care sector and has left little money for mitigation and preparedness efforts. Further, regional programs by donors including the United States, while welcome, continue to ignore the nuanced specific needs of the individual countries of the Caribbean and Central America. The lack of targeted assistance continues to leave identified gaps unaddressed. Among them is the lack of comprehensive evacuation

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TODAY'S NEWS

POLITICAL

Mexico, Argentina Recall Envoys to Nicaragua

The governments of Mexico and Argentina recalled their ambassadors to Nicaragua over concerns about the Ortega government's crackdown on opposition figures and business leaders.

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BUSINESS

Brazil's Nubank Seeks Investment Banks for IPO

Brazilian digital bank Nubank is reportedly seeking to line up investment banks to help it manage an initial public offering. Nubank founder David Vélez has said an IPO is not in the company's short-term plans.

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ECONOMIC

Ecuador Agrees to Rejoin World Bank's ICSID

Ecuador's government signed an agreement to rejoin the World Bank's ICSID tribunal. President Guillermo Lasso's office said the move will help increase investment in the country.

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Lasso // File Photo: Ecuadorean Government.

POLITICAL NEWS

Mexico, Argentina Recall Ambassadors to Nicaragua

Mexico and Argentina said in a joint statement on Monday that they had recalled their ambassadors to Nicaragua for consultations about the political situation there, Reuters reported. The statement cited recent “concerning” actions by the government of Nicaraguan President Daniel Ortega, which the statement said have put the safety and freedom of some members of the opposition, as well as some business leaders, at risk. The two countries said they would continue to “promote the full respect” of human rights and political freedoms, BBC News reported. The action by Mexico and Argentina followed Sunday’s arrest of Nicaraguan journalist Miguel Mora, whose detention marked the fifth arrest of a potential presidential candidate ahead of Nicaragua’s November election. Mora is a former director of television channel 100% Noticias, which Ortega’s government shut down in 2018. Altogether, Nicaraguan authorities have arrested at least 17 people since the beginning of June in a crackdown on opposition members, which has also spread to include some business leaders. The arrests have led to widespread condemnation of Ortega’s government. The Organization of American States has been among the groups demanding that the people detained be released. Also, in a report released today, Human Rights Watch called on the United Nations to increase its involvement in the situation in Nicaragua in order to halt the crackdown. “The gravity and intensification of the Ortega government’s brutal crackdown on critics and members of the opposition in recent weeks requires a redoubling of international pressure,” José Miguel Vivanco, the Americas director at Human Rights Watch, said in a statement. “It is essential for the U.N. secretary-general to build on existing U.N. action by bringing this situation to the attention of the Security Council.” In its 37-page report, the rights group said “high-profile arrests and

other serious human rights violations against critics appear to be part of a broader strategy to eliminate political competition, stifle dissent, and pave the way for President Daniel Ortega’s re-election to a fourth consecutive term.” The report was based on interviews with 53 people in Nicaragua, including activists, lawyers, journalists, human rights defenders and political opponents. In addition to the arrests that have been made, “police officers—and, at times, members of the military—frequently station themselves outside the houses of government critics, preventing them from leaving their homes in circumstances that amount to arbitrary arrest,” Human Rights Watch said.

ECONOMIC NEWS

Ecuadorean Gov’t Agrees to Rejoin ICSID Tribunal

Ecuador’s government said on Monday that it had signed a deal to rejoin the World Bank’s arbitration tribunal after more than 10 years, as President Guillermo Lasso seeks to attract more investment to the Andean nation, Reuters reported. Lasso, who took office last month, said rejoining the World Bank’s International Center for Settlement of Investment Disputes, or ICSID, will help reactivate the country’s economy, which went into recession last year. “This important step will allow Ecuador to establish new trade partners, and to strengthen the relationships with those it already has,” Lasso’s office said in a statement. “The agreement will help attract responsible investors committed to contribute to the country’s development,” it added. One of the cornerstones of Lasso’s campaign, and among his priorities now that he is in office, is boosting investment in the South American nation as it faces a widening fiscal deficit and an economy reeling from the Covid-19 pandemic. Part of that strategy is to strengthen the country’s credibility with international partners. According to the statement, countries with which Ecuador is evaluating potential free trade deals, including Mexico, have

NEWS BRIEFS

At Least 140 Cases of Covid-19 Linked to Copa América Tournament

At least 140 cases of Covid-19 have been linked to the Copa América soccer tournament taking place in Brazil, the Associated Press reported Monday. CONMEBOL, the governing body of soccer in South America, said in a statement that of 15,235 tests, the number of people infected was 0.9 percent of the total. “Most of the affected are workers, members of squads and outsourced staffers,” CONMEBOL said. Brazil offered to host the tournament despite having among the world’s highest numbers of Covid-19 cases and deaths.

Cuba Says Abadala Covid-19 Vaccine Is 92 Percent Effective

Cuba said on Monday that its three-dose Abadala vaccine against Covid-19 is 92.28 percent effective, according to last-stage clinical trials, Reuters reported. Another Cuban vaccine, Soberana 2, has been proven to be 62 percent effective with two of its three doses. President Miguel Díaz-Canel lauded manufacturers, calling both of vaccines “very effective.” Both are expected to be granted emergency authority by local regulators soon. The Caribbean nation is in the process of developing three other vaccines.

Guatemalan Judges Claim Harassment, Persecution

A group of Guatemalan judges said in a complaint Monday to the country’s public prosecutor’s office that they are being persecuted and harassed by unidentified people who are armed, Reuters reported. In the complaint, Judges Yassmin Barrios, Miguel Gálvez, Erika Aifán and Pablo Xitumul submitted the complaint, with Xitumul saying the judges were under surveillance and faced “psychological pressure” to drop cases.

conditioned any pact on Ecuador joining ICSID. “[Ecuador] needs to borrow in good financial conditions, so it must regain credibility,” Ana Lucía Armijos, a former finance minister who is now working as a senior consultant at the World Bank, told the Advisor in a [Q&A](#) published June 7. “To that end, good relations with the international community are needed to obtain the financing that allows, little by little, a recovery,” she added.

BUSINESS NEWS

Brazil’s Nubank Seeking Investment Banks for IPO: Report

Brazilian digital bank Nubank, which was recently backed by U.S. business magnate Warren Buffett’s Berkshire Hathaway, is reportedly looking for investment banks to help manage an upcoming initial public offering in the United States, Reuters reported Monday, citing people familiar with the matter. The sources said the Brazilian lender had invited investment banks to pitch for roles in the underwriting, which suggest preparations for the IPO are more advanced than previously known, according to the report. David Vélez, Nubank’s founder and chief executive officer, has said an IPO is likely to happen eventually but that it is not in the company’s short-term plans. One of the sources told Reuters that the stock market debut could value Nubank at more than \$40 billion, with two of the sources saying the offering could happen by year-end or in early 2022. That would mark one of the largest-ever stock market debuts for a South American firm and would put it on par with other expected high-profile IPOs such as that of online brokerage Robinhood Markets, Reuters reported. The digital bank earlier this month said it had raised \$750 million in its latest investment round, led by Berkshire Hathaway, which invested \$500 million, Folha de S.Paulo reported. In total, the bank’s eighth fundraising round reached \$1.15 billion, the largest-ever raised by a technology company in Latin America, Forbes reported.

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plans, weak early warning systems and limited mitigation and response capacity in rural communities. Also notable on the list of concerns by regional leaders is the fact that lack of access to vaccines could mean that people seeking shelter (usually in schools and community facilities) could possibly contribute to community spread of Covid-19 in the event of a major disaster. Creative mechanisms that international financial institutions have developed to address the impact of the pandemic and to provide a buffer to governments that have lost between 15-30 percent of GDP will be tested if any countries are hit during this hurricane season. The region is perhaps at its most vulnerable. There is still time, but with the clock ticking, Caribbean and Central American governments and their allies must focus on the immediate—their readiness to quickly deploy assets to respond to catastrophic events, and the pre-stationing of rations and other needed post-disaster items. An interesting geopolitical wrinkle not to be overlooked in 2021 is the trend that parties outside of the hemisphere have become among the first to respond and provide support to Caribbean and Central American countries in need.”

A Rosimar Rios-Berrios, scientist at the National Center for Atmospheric Research: “With forecasts showing an active 2021 hurricane season, the Caribbean and Central American countries must be doing everything possible to prepare for the possibility of hurricane landfalls in the region. Hurricane strikes could bring extreme winds and torrential rainfall as climate projections continue to suggest an increasing trend of the strongest storms as well as an increasing possibility of extreme rainfall and floods. Unfortunately, many countries are unprepared for what could be another active hurricane season. Many areas, such as coastal Nicaragua and Providencia Island in Colombia, are still recovering from very

powerful hurricanes that wreaked havoc last year. Several Caribbean islands, such as Puerto Rico, Sint Maarten and the Bahamas have not yet fully recovered from powerful Hurricanes Irma, Maria and Dorian of 2017 and 2019—their infrastructure is highly

“Unfortunately, many countries are unprepared for what could be another active hurricane season.”

— Rosimar Rios-Berrios

susceptible to disruptions from strong winds and heavy rainfall. A lesson all countries must have learned from the aftermath of those hurricanes is that early planning and allocation of resources is essential for a quick recovery and prevention of the loss of life. One complicating factor this year is that many citizens are eager to travel to the Caribbean and Central American countries after more than a year of travel bans due to the Covid-19 pandemic. While we all hope that the pandemic will continue its resolving trend, Caribbean and Central American countries must be preparing for the possibility of compounding effects from natural hazards and health issues, which can overwhelm governments and emergency responders as they prepare for hurricane landfalls.”

A Sergio M. Marxuach, policy director at the Center for a New Economy in San Juan: “The answer to this question is less obvious than it seems. On a superficial, purely material level, I am sure there are several warehouses across Puerto Rico providing safe storage for thousands of water bottles, cots, cans of food and other emergency supplies. These and other ‘preparations’ allow government officials to claim that we are ready for the hurricane season. Define the word ‘prepared’ in a broader existential

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sense, and the image changes completely. Hurricane Maria brought to the fore age-old risks and vulnerabilities, which have their roots in multiple decisions made decades ago. In the words of historian Andy Horowitz, 'who is in harm's way is the product of political decisions and social arrangements, rather than the inevitable order of things.' The question for Puerto Rico is, then, have we done anything over the last four years to mitigate those risks and reduce those vulnerabilities? And the answer is very little. Consider the electric power system. While some isolated communities have installed solar panels and the Puerto Rico Electric Power Authority claims that some transmission lines have been 'hardened,' the system remains fragile. Nothing has been done to redesign the grid or to improve the distribution network. Nor do we know if operators of critical infrastructure have made the necessary investments in energy backup systems. So, if we are hit by another Category 4 or 5 hurricane, electricity will be unavailable for months in Puerto Rico, just like after Hurricane Maria—and with the same consequences. May the good Lord shine a light on us all."

A Rawlestone Moore, independent consultant on climate change: "Climate change is causing unprecedented events. There have been three named storms already this year. Last year was a record year with 30 named Atlantic storms and storms striking as late as mid-November (including Hurricane Eta and Hurricane Iota striking Nicaragua). Category 4 and 5 storms are now common. Given this new climate reality, it is very unlikely that countries are prepared for the current season. With these unprecedented times, periodic crisis preparation and responses will not address the fundamental vulnerability and risks in the region. Attitudinal changes are required with enhanced resilience

measures. Resilience solutions must be multidimensional, addressing policy, economic, fiscal, institutional, social, structural and technical aspects, so that systems can not only absorb shocks, but also address longer-term sustainable development and socioeconomic issues. International cooperation and collaboration is also key. The most vulnerable countries should not be left to suffer the consequences of a changing

“ Resilience solutions must be multi-dimensional...”

— Rawlestone Moore

climate that they did not create. The Covid pandemic has ravaged the economies in the region. The Inter-American Development Bank notes that the GDP of the Bahamas and Barbados contracted by 14.8 percent and 11.6 percent, respectively, in 2020. The pandemic will negatively affect ability to prepare for the hurricane season. Resources in countries had to be diverted to address Covid. The 2019 Global Assessment Report on Disaster Risk Reduction showed that even pre-Covid, risk had become increasingly systemic, interconnected and cascading. The pandemic offers governments the opportunity to 'build back better.' Countries should address outdated governance arrangements and unsustainable development processes that are fueling the key drivers of risk. Issues such as fossil fuel dependence, unplanned urbanization, overexploitation and poor management of natural resources need to be addressed systemically to reduce risk and enhance resilience."

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

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