

BOARD OF ADVISORS

Diego Arria
Director, Columbus Group

Merike Blofield
Professor of Political Science,
University of Hamburg

Devry Boughner Vorwerk
CEO, DevryBV Sustainable Strategies

Joyce Chang
Global Head of Research,
JPMorgan Chase & Co.

Paula Cifuentes
Director of Economic & Fiscal Affairs,
Latin America & Canada,
Philip Morris International

Marlene Fernández
Corporate Vice President for
Government Relations,
Arcos Dorados (McDonald's)

Peter Hakim
President Emeritus,
Inter-American Dialogue

Donna Hrinak
Director,
Adtalem Global Education

Jon E. Huenemann
Council Member,
GLG Inc.

James R. Jones
Chairman,
Monarch Global Strategies

Craig A. Kelly
Senior Director,
Int'l Gov't Relations, Exxon Mobil

Barbara Kotschwar
Executive Director, Visa Economic
Empowerment Institute

John Maisto
Director, U.S. Education
Finance Group

Nicolás Mariscal
Chairman,
Grupo Marhnos

Thomas F. McLarty III
Chairman,
McLarty Associates

Beatrice Rangel
Director,
AMLA Consulting LLC

Ernesto Revilla
Head of Latin American
Economics, Citi

Gustavo Roosen
President,
IESA

Andrés Rozental
President, Rozental &
Asociados

Shelly Shetty
Managing Director, Sovereigns
Fitch Ratings

FEATURED Q&A

Will Brazil's Actions Restrict Indigenous People's Rights?



The lower house of Brazil's Congress last month approved legislation to limit recognition of new Indigenous reservations. // File Photo: Agência Brasil.

Q Brazil's lower house of Congress approved a bill on May 30 that limits the recognition of new Indigenous reservations. The fast-tracked bill was passed amid pressure from Brazil's powerful agricultural lobby, and it is seen as a setback for environmentalists and activists. It still needs approval from the Senate and President Luiz Inácio Lula da Silva to become law. Later in the week, the country's Senate approved legislation that strips power from the Ministry of Indigenous Peoples, tasked with upholding Indigenous people's rights. How likely is the bill to become law, and how would it affect Indigenous peoples in the country? What kind of reactions have the developments faced, and what do they mean in terms of Lula's agenda?

A Luiza Lima, spokesperson for Greenpeace Brazil: "The approval of Bill 490 by the lower house is the pinnacle of the efforts of the rural caucus in Brazil to disregard Indigenous rights in the country and force the opening of Indigenous peoples' territories to agribusiness and other economic activities incapable of coexisting with the forest. It not only ignores the need for historical reparation to the native peoples expressed by Brazilian society in the country's constitution, but it is also a direct attack on Indigenous peoples' rights and livelihoods. In the 21st century, we cannot tolerate that a handful of lawmakers committed to an outdated way of thinking continue working to reverse the will of the majority of Brazilians. The rural caucus needs to understand that any attack on Indigenous rights is an attack on democracy. Now, Bill 490 will be analyzed by the Senate. The speaker of the house, Rodrigo Pacheco, promised he would guarantee an adequate

Continued on page 3

TODAY'S NEWS

POLITICAL

Cuban Gov't to Blame for Deaths of Activists: OAS Rights Body

The human rights body of the Organization of American States on Tuesday blamed the Cuban government for the deaths of two activists who were killed in a road crash in 2012.

Page 2

BUSINESS

Norway's Equinor Seeking to Expand Output in Brazil

Norwegian energy company Equinor is seeking to expand oil output in Brazil by more than fivefold over the next decade, a company executive said Tuesday.

Page 3

POLITICAL

Bárcena Tapped as Mexico's New Foreign Minister

Mexico's president tapped Alicia Bárcena, who spent nearly 14 years heading the U.N. Economic Commission for Latin America and the Caribbean, as the country's foreign minister.

Page 2



Bárcena // File Photo: United Nations.

POLITICAL NEWS

Cuban Government to Blame for Activists' Deaths: IACHR

The human rights body of the Organization of American States said Tuesday that the Cuban government was responsible for the deaths of two rights activists 11 years ago, The Wall Street Journal reported. The Inter-American Commission on Human Rights, or IACHR, concluded that there was "serious and sufficient" evidence that security agents working for the Cuban state participated in the car crash that killed Oswaldo Payá and Harold Cepero in 2012, the newspaper reported. The two men died under unclear circumstances after the car in which they were riding was struck in a collision with another vehicle in eastern Cuba. Family, friends and other dissidents have blamed the Cuban government for the crash, an accusation that the government denies, Reuters reported. The driver of the activists' car, Ángel Carromero, has said that the other vehicle was being driven by state security agents, The Wall Street Journal reported. Cuban authorities accused Carromero of reckless driving, and he was convicted, Reuters reported. "In particular, the Commission took into consideration Carromero's testimony—confirmed by an eyewitness—noting that the vehicle had been hit by an official car," the IACHR said in its report. The report added that Payá and Cepero had been subject to harassment, violence, threats and attempted murder. "Our report attributes responsibility for the deaths directly to the Cuban state," Angelita Baeyens, vice president of international advocacy and litigation at Robert F. Kennedy Human Rights, said Tuesday, The Wall Street Journal reported. Cuba's government did not respond to a request for comment by Reuters, and the Cuban Embassy in Washington did not respond to a request for comment by The Wall Street Journal. Cuba's lack of response indicates a "presumption of truth" of the Payá family's view that the Cuban government was involved, the newspaper reported.

Mexican President Taps Bárcena as Foreign Minister

Mexican President Andrés Manuel López Obrador on Tuesday named Alicia Bárcena as the country's new foreign minister, the Associated Press reported. Bárcena, who has been Mexico's ambassador to Chile since September, previously spent nearly 14 years heading the United Nations Economic Commission for Latin America and the Caribbean, or ECLAC, Reuters reported. "She's a professional, a diplomat, a woman with convictions, with principles," López Obrador said in naming Bárcena to the post, Reuters reported. "And she's going to help us in this last stretch of the government," he added. Bárcena is likely to take up the position in the next 10 days, the president said. As foreign minister, Bárcena is to replace Marcelo Ebrard, who resigned his post on Monday in order to seek the nomination of the ruling Morena party as its candidate for president in next year's election. Bárcena appointment must receive Senate confirmation in order to take effect, though that is likely to be just a formality, Reuters reported. Until then, Deputy Foreign Minister Carmen Moreno will fill the role on an interim basis, said López Obrador.

U.S., Costa Rica Agree to Create Pathways for Asylum Seekers

The United States and Costa Rica reached an agreement to open potential new legal pathways to the United States for Nicaraguan and Venezuelan migrants, the Associated Press reported today. The agreement will seek to alleviate some pressure from Costa Rica's stretched asylum system, but details around what the pathways would be were not disclosed. Some 240,000 individuals are currently seeking asylum in the Central American country. Public Security Minister Mario Zamora and Costa Rica's migration director, Marta Vinda, said that only Nicaraguans and

NEWS BRIEFS

Tijuana Mayor to Live at Army Base Due to Threats

The mayor of the Mexican border city of Tijuana said she will live at an army base due to safety concerns, the Associated Press reported on Tuesday. Mayor Montserrat Caballero announced her decision after police confirmed they had found seven dead bodies in a pickup truck on Monday. "I have received threats, so I am going to live at the base," Caballero said. The city government said in the statement the threats were linked to her administration's "strong results in weapons seizures and arrest of violent suspects."

Fund Managers Eyeing Chilean Renewable Power Pricing Program

Some of the world's biggest fund managers are looking into a Chilean program that offers guaranteed long-term prices for power produced by small renewable plants, Bloomberg News reported today. BlackRock and Brookfield are among the companies buying portfolios of the generators called PMGDs. The investments in the PMGDs are part of a clean energy boom in Chile. "Foreign interest in Chile's renewable energy projects through these small units is on the rise as they have demonstrated to be stable and leverageable," said Jonathan Huckaby, a partner at Hudson Bankers.

Honduras to Start Rationing Electricity Amid Drought

Honduran officials said Tuesday that they will start rationing electricity amid a drought that has reduced output from hydroelectric dams, Reuters reported. The rationing will affect the entire country for as long as three hours every three or four days, officials said. The Central American country has seen blackouts that have led to protests in some cities and towns, the wire service reported.

Venezuelans with pending asylum applications would be considered, but they did not say how many would be eligible, the news wire reported. In recent years, Costa Rica, with a population of five million people, has become one of the world's largest receiving countries of asylum requests. A spike in applications, mostly from migrants fleeing neighboring Nicaragua, has overwhelmed the system. Last year, nine out of 10 asylum seekers were from Nicaragua, the AP reported. "A coordinated immigration plan requires tackling the real causes of migration—people from Haiti, Venezuela, Colombia and Ecuador are fleeing poverty and persecution; hence, it is highly unlikely that authorities can deter them from making the trip by merely outlining the dangers of crossing," Gina Kawas, senior program associate of the Inter-American Dialogue's Migration, Remittances and Development Program, told the Advisor in a [Q&A](#) published April 25.

BUSINESS NEWS

Norway's Equinor Seeking to Expand Oil Output in Brazil

Norwegian energy company Equinor is looking to expand its oil production in Brazil by more than fivefold over the next decade, an executive said on Tuesday, Reuters reported. The company plans on boosting output to more than 500,000 barrels of oil equivalent per day (boed) by 2033, up from a current 90,000 boed, Equinor Brazil Vice President Lars Jetlund Hansen said at an event in Rio de Janeiro. "We have great momentum to grow more in Brazil in both oil and gas and renewables," Jetlund Hansen said. Equinor is the second largest oil producer in the South American country after state-owned oil company Petrobras. It will seek to focus on Brazil's Bacalhau field, part of the Santos Basin, to grow oil production. U.S. oil company ExxonMobil and Portugal's Petrogal also have stakes in the Bacalhau field. Jetlund Hansen also said that the company would seek opportunities for renewable energy in Brazil,

FEATURED Q&A / Continued from page 1

procedure, so we hope that senators, together with society, debate the problems of this project, recognize its unconstitutionality and reject it. While these setbacks move in Congress, President Lula reaffirmed his commitment to zero deforestation on World Environment Day, with the launch of the Action Plan for the Prevention and Control of Deforestation in the Legal Amazon, along with promises to reduce Brazil's carbon emissions and the expansion of the demarcation of Indigenous lands and protected areas. These signals from Lula are crucial in a moment when Congress is invested in pushing for more anti-environment and anti-Indigenous legislation. Civil society must continue to keep its attention and pressure to ensure Lula's promises are fulfilled and Brazil can meet the challenges we face with the climate and biodiversity crises."

A Marina Bedran, assistant professor of Lusophone literatures and cultures at Johns Hopkins University: "Unfortunately, the approval of Bill 490 by a two-thirds majority in Brazil's lower house indicates its likelihood of becoming law. The so-called 'marco temporal' interprets the 1988 constitution as the cutoff date for all Indigenous land demarcations, which means that Indigenous peoples previously displaced by the state or settlers could not claim rights to their native lands. This would be a tragedy for Indigenous rights in Brazil, and they have significant global environmental implications, as Indigenous lands are among the best-preserved and most biodiverse areas. The bill is still pending approval by the Senate, which is presently dominated by conservatives and heavily influenced by the agribusiness lobby. The Senate's recent approval of legislation

highlighting the country's solar potential and offshore wind projects. "Brazil has a lot of sun and is one of the biggest markets, and where you can grow," said Jetlund Hansen. "We see in offshore wind a lot of synergy with oil and

that diminishes the power of the ministries of Indigenous Peoples and the Environment further demonstrates their anti-Indigenous stance and disregard for climate governance. This move came as retaliation just days after Minister of the Environment

“**The bill is still pending approval by the Senate, which is presently dominated by conservatives and heavily influenced by the agribusiness lobby.**”

— Marina Bedran

Marina Silva's bold decision to deny oil giant Petrobras a license to drill at the mouth of the Amazon River. The ultimate decision on this matter lies with President Lula, who holds veto power. It's worth noting that while Lula's narrow electoral victory depended on his ability to form alliances with conservative politicians, he also garnered support from Indigenous peoples, environmentalists and the international community due to his commitment to fighting climate change. These are the very groups that have pushed back against the bill, with Indigenous activists at the forefront. It remains to be seen whether the Worker's Party will once again prioritize short-term and unsustainable economic growth, just as it did with the disastrous construction of the Belo Monte hydroelectric power plant in the Amazon a decade ago, or take its environmental and Indigenous agenda seriously, embracing its potential of becoming a green superpower."

Continued on page 4

gas, and we are looking at several projects," he added. Earlier this year, Equinor and Petrobras signed an agreement to evaluate seven offshore wind projects, with a combined power capacity of 14.5 gigawatts, Reuters reported.

FEATURED Q&A / Continued from page 3

Amanda Soares Roza, consultant at BMJ Consultores Associados: “For now, it is expected that Bill 490/2007—which limits the demarcation of Indigenous lands—will progress at a less rapid pace in the Senate, which has adopted a more cautious position on environmental issues. Even so, if the bill is approved in Congress, it is expected that President Lula will veto it. In this scenario, Congress would need an absolute majority to overturn the veto. It is worth noting, however, that the Federal Supreme Court (STF) resumed the trial of the ‘Temporal Landmark of Indigenous Lands’ case on June 7. The case states that demarcation can only occur if there is proof that Indigenous people occupied the land on Oct. 5, 1988—the date of the promulgation of the constitution. It is expected that the STF will rule that the temporal landmark should not be applied, provided voting is not interrupted again. Thus, it will still take some time for the issue to be pacified in Brazil. However, if approved, the law presents a setback for the rights of Indigenous peoples in Brazil and can be seen as a defeat for the federal government, which is opposed to Bill 490/2007 and to

the Temporal Landmark for Indigenous Lands. Regarding the modifications made to the Ministry of Indigenous Peoples, the reduction of the ministry’s powers caused tension among members of the executive branch, given that the Minister of Indigenous

“If approved, the law presents a setback for the rights of Indigenous peoples in Brazil...”

— Amanda Soares Roza

Peoples Sônia Guajajara was openly against the reduction of the ministry’s powers. However, it is expected that the Ministry of Justice, which will be responsible for the demarcation of Indigenous lands, will work together with the Ministry of Indigenous Peoples, thus reducing the decision’s effects on Lula’s agenda.”

The Advisor welcomes comments on its Q&A section. Readers can write editor Gene Kuleta.

LATIN AMERICA ADVISOR

is published every business day by the Inter-American Dialogue ISSN 2163-7962

Gene Kuleta
Editor

Lara Kovandova
Reporter

Nili Blanck
Reporter



Rebecca Bill Chavez, President

Bruno Binetti, Nonresident Fellow

Sergio Bitar, Nonresident Senior Fellow

Álvaro Botero, Nonresident Senior Fellow

Joan Caivano, Senior Advisor

Kevin Casas-Zamora, Nonresident Senior Fellow

Cristóbal Cobo, Nonresident Senior Fellow

Ariel Fiszbein, Director, Education Program

Sandra García Jaramillo, Nonresident Senior Fellow

Rasheed Griffith, Nonresident Senior Fellow

Peter Hakim, President Emeritus & Senior Fellow

Selina Ho, Nonresident Senior Fellow

Edison Lanza, Nonresident Senior Fellow

Nora Lustig, Nonresident Senior Fellow

Michael Matera, Nonresident Senior Fellow

Ángel Melguizo, Nonresident Senior Fellow

Margaret Myers, Director, Asia Program

Manuel Orozco, Director, Migration, Remittances and Development Program

Jeffrey Puryear, Senior Fellow

Michael Shifter, Senior Fellow

Daniela Stevens, Director, Energy Transition and Climate Program

Tamara Taraciuk Broner, Director, Peter D. Bell Rule of Law Program

Lisa Viscidi, Nonresident Senior Fellow

Carlos Winograd, Nonresident Senior Fellow

Latin America Advisor is published every business day, except for major U.S. holidays, by the Inter-American Dialogue at 1155 15th Street NW, Suite 800 Washington, DC 20005 www.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.

What's Keeping You Up at Night?

The **Latin America Advisor** gets answers to the questions that informed executives are asking, every business day, so that you can rest easy.

Prospective subscribers can email gkuleta@thedialogue.org for complimentary preview access.

SUBSCRIBE