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FEATURED Q&A

Can the Caribbean's Power Systems Be Better Fortified?



Hurricane Maria left serious damage across the Caribbean, including downed power transmission infrastructure in Puerto Rico. // Photo: Commonwealth of Puerto Rico.

Q Natural disasters have ripped through the Caribbean and Central America in recent weeks, from Hurricane Irma in the Caribbean to an earthquake off the coast of Mexico that extended into Guatemala. In Puerto Rico alone, Irma is expected to leave areas of the island without electricity for months. Is the Caribbean Basin's energy infrastructure adequately prepared for natural disasters? What would it take to make power infrastructure in such a disaster-prone region more resilient to natural disasters?

A Efraín O'Neill-Carrillo, professor in the Electrical & Computer Engineering Department and director of the Power Quality & Energy Studies Laboratory at the University of Puerto Rico-Mayaguez: "Renewable-based microgrids would increase the resiliency of the power infrastructure in islanded or isolated locations. The dominant power model (centralized and fossil-burning) could be replaced by distributed, non-centralized, local energy resources (conservation, efficiency and renewable energy). Centralized power would be minimized and focused on supporting the usage of local resources. Within each microgrid, a constant energy source would provide base load or continued operation at night. During emergencies (e.g., downed power lines), centralized power would not be available, but microgrids could still provide basic electricity needs and help re-establish normal operation of the power infrastructure. A cautionary word for governments and vulnerable communities: technological solutions abound during critical times; projects that yield economic benefit but do not fully address a social need will not increase local capacities and do not increase the resilience

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TODAY'S NEWS

POLITICAL

Trump Slaps Travel Ban on Venezuelan Officials

U.S. President Donald Trump included Venezuelan officials in a new travel ban that also included North Korea and Chad.

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POLITICAL

Peru's Kuczynski Meets With Pope at Vatican

Peruvian President Pedro Pablo Kuczynski met with Pope Francis and confirmed that the pontiff would be visiting the South American country in January.

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ECONOMIC

Brazil Frees Up \$4.1 Billion to Avoid Shutdown

A looser budget target announced last month allowed the money to be freed up. President Michel Temer's government has struggled to meet self-imposed budget targets through tax hikes and spending cuts.

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Temer // File Photo: Brazilian Government.

POLITICAL NEWS

Trump Slaps Travel Restrictions on Venezuelan Officials

As part of a new travel ban announced on Sunday, U.S. President Donald Trump slapped restrictions on travel to the United States for several Venezuelan officials, Reuters reported. The new travel restrictions focus on officials of Venezuela's government, which the Trump administration has blamed for the South American country's political and economic crises. Included in the ban are officials of the country's Bolivarian National Intelligence Service and



Trump // File Photo: White House.

their immediate family members. The travel restrictions were part of a broader travel ban that also included citizens from North Korea and Chad, expanding to eight the number of countries included under Trump's original travel ban, which has been challenged in court and blasted by critics. A new proclamation by Trump also left Iran, Libya, Syria, Yemen and Somalia on the list, while restrictions on residents of Sudan were lifted. "Making America Safe is my number one priority. We will not admit those into our country we cannot safely vet," Trump said in a tweet following the release of the proclamation. Trump's proclamation followed an announcement on Friday by Canada's government that it was imposing targeted sanctions against 40 senior Venezuelan officials, Reuters reported. "Canada will not stand by silently as the government of Venezuela robs its people of their fundamental democratic rights," said Canadian Foreign Minister Chrystia Freeland. The sanctions include freezing assets of top

officials of Venezuelan President Nicolás Maduro's government and barring Canadians from having dealings with them. The sanctions were "in response to the government of Venezuela's deepening descent into dictatorship," Canada's government said. The sanctions name Maduro, Venezuelan Vice President Tareck El Aissami and 38 other people, including the country's defense and interior ministers and several Supreme Court judges. Canada is a member of the Lima Group, a 12-nation body that has been working to address Venezuela's crises. Freeland wants to host a meeting of that group within 60 days, a Canadian official told Reuters. On Thursday, Canadian Prime Minister Justin Trudeau said he believed a political solution was possible in Venezuela. "This is a situation that is obviously untenable. The violence ... needs to end and we are looking to be helpful," Trudeau told reporters at the United Nations, Reuters reported. On Friday night, Maduro's administration criticized Canada's government, accusing it of "submission" to the Trump administration. In the United States, the White House has also slapped sanctions against several Venezuelan officials, including an order Trump signed last month that bars dealings in new debt from Venezuela's government or its state oil company, PDVSA. [Editor's note: See [Q&A](#) on how international actors should respond to Venezuela's political and economic crises in the Aug. 18 issue of the Advisor.]

Brazil's Army Deploys 950 Troops Into Rio Favela

The Brazilian army on Friday deployed 950 soldiers into Rio de Janeiro's Rocinha favela to help quell the uptick in drug-related violence that authorities say led to four deaths and several injuries last week, Reuters reported. The deployment came in response to a request from cash-strapped Rio de Janeiro State's government, Defense Minister Raul Jungmann said. Over the past week, some 60 criminals are believed to have launched an effort to take over the drug trade network in the area, leading to violence and reported shootings on Friday

NEWS BRIEFS

Mexico Struck by Series of Earthquakes

A series of earthquakes, the largest measuring 6.1 in magnitude, struck Mexico early Saturday at around 7:52 a.m. local time, 12 miles southeast of Matias Romera in Oaxaca state, the Associated Press reported. Six smaller earthquakes followed over the next hour and a half. The 6.1-magnitude earthquake caused buildings to sway and set off a seismic alarm that prompted civil defense officials to temporarily halt rescue operations in the rubble caused by last week's 7.1-magnitude earthquake that struck in central Mexico. Nearly 400 people have been killed in the country's two most powerful earthquakes this month.

Brazil Frees Up \$4.1 Billion in Spending to Avoid Government Shutdown

Brazil's government has freed up 12.8 billion reais (\$4.1 billion) in order to avoid a possible government shutdown, the country's Planning Ministry said Friday, Reuters reported. A looser budget target announced last month allowed the money to be freed up. President Michel Temer's government has struggled to meet self-imposed budget targets as the economy recovers from its deep recession.

Peruvian President Meets With Pope at Vatican

Peruvian President Pedro Pablo Kuczynski met with Pope Francis at the Vatican on Friday to extend a formal invitation to visit Peru in January of next year, the Peruvian Times reported. "I am happy to confirm Pope Francis' visit to Peru in January 2018," Kuczynski said after the visit. "His arrival will unite us and open paths of hope to a better future." The meeting was held in the pope's private library, where the two discussed climate change, the political situations in Venezuela and in the region, and combating corruption in the region.

morning. The violence in Rocinha represents a larger trend of favelas backsliding into violence following efforts since 2008 to reduce violence and drug trafficking in the Brazilian slums by setting up permanent outposts in Rio's more than 1,000 favelas. Rio de Janeiro police have recently struggled to clamp down on violence in favelas as the city and state's fiscal crisis has forced the government to cut spending on police and other essential services. The military deployment on Friday disrupted transportation and businesses in the favela, and some schools were forced to close or cut back operations. There are another 10,000 military troops in Rio who could be mobilized in Rocinha if needed, the defense ministry said.

BUSINESS NEWS

France's Total Captures New Assets in Gulf of Mexico

French energy company Total on Friday said it was able to "capture" more assets in the Gulf of Mexico by reaching an agreement with U.S. energy company Chevron, UPI reported. "Total has entered into an agreement to capture

“**Total has entered into an agreement to capture seven prospects operated by Chevron in the deep-water Gulf of Mexico.**

— Total

seven prospects operated by Chevron in the deepwater Gulf of Mexico," Total said in a statement. The company increased its assets in the area by gaining between 25 percent and 40 percent participation in the projections in question, the company said. Neither Total nor

FEATURED Q&A / Continued from page 1

of the local infrastructure. Good ideas or intentions may go wrong when the technology proposed is incompatible with the context or the social goal being pursued. For example, renewable energy and microgrids seem a logical choice for Caribbean islands such as Puerto Rico or Pacific islands such as Hawaii. But the devil is in the details. Establishing effective and consistent energy policies is challenging, even more difficult than the technological and economic challenges. Renewable-based microgrids entail going from passive users to engaged energy actors. This new energy vision requires capacity-building actions, and new responsibilities for the government, the workforce and the citizenry. Social agreements should guide and sustain policy directions that support the economic and technological changes needed for microgrids."

A **Wilfredo C. Flores, full researcher and professor in the department of energy engineering at the Universidad Tecnológica Centroamericana (UNITEC) in Tegucigalpa:** "The current infrastructure of the energy power sector in Central America and the Caribbean is not prepared to deal with natural disasters, such as hurricanes and earthquakes. In Central America, Costa Rica has the most reliable electrical power grid, but the rest of the countries still need to make huge investments to increase resilience to natural events. In the region, despite being interconnected electrically,

Chevron disclosed the terms of the agreement. The agreement between the two companies followed a notification from rig company Transocean that Chevron had terminated a contract for deep-sea drilling in the region about one year early. The cost of the drillship was \$575,000 per day to lease, a one percent increase from the previous rate to lease the rig per day. Transocean said it would receive a lump-sum \$146 million for contract termination fees. Chevron did not comment on the early ter-

there are problems with regional outages, small signal oscillations and a lack of investment in transmission and reactive power support to increase energy transfers

“**Governments need to act together to address short- and medium-term solutions.**

— Wilfredo C. Flores

between countries. It is also necessary to implement regional protections in order to avoid regional blackouts. From the point of view of oil and gas supply, the region is also very vulnerable. For example, the Central American region does not have the necessary fossil fuel storage facilities in case of contingencies, which could cause a lack of supply for a long period. Governments need to act together to address short- and medium-term solutions. The region must also have diverse investments in the energy pool and not only bet on a single technology, such as renewables. Thus, thermal power plants should remain an option in the energy matrix of the region, in order to either maintain or increase the reliability of the electric power grid in a vulnerable zone exposed to the effects of climate change."

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mination of the contract or on the agreement reached with Total. The French company said it valued Chevron's performance as a deepwater company and that the agreement between the two companies expands upon pre-existing partnerships between the two companies. "This agreement ... increases Total's footprint in the U.S. Gulf of Mexico, where it can apply its exploration expertise and deepwater technologies," the president of the company's exploration and production division said.

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A **Juan José Alcerro Milla, partner at Aguilar Castillo Love in Tegucigalpa:** “Honduras has had two major blows from hurricanes in the past: In September 1974, Hurricane Fifi-Orlene killed some 10,000 people and left nearly \$1.8 billion in damage at the time. Information available indicates that after Fifi, an estimated 150,000 people were left homeless. Then, nearly 25 years later, in October 1998, Hurricane Mitch, one of the deadliest Atlantic hurricanes on record, produced an estimated \$4 billion in damages and deaths reached approximately 7,000 people in Honduras. History and the recent destruction left by Hurricane Harvey in Houston and Irma in the Caribbean and Florida show that there is not much to do when it comes to such extreme weather conditions; even the best infrastructure in the most developed countries may give way. Given the fact that building energy and infrastructure resilience takes time, and considering the vulnerability of substantial parts of our regions—increased in some cases by factual situations of poor infrastructure—resiliency to natural disasters could be probably thought of in a more practical way: 1) adequate city-planning (mudslides have in the past been the cause of damage and

plenty of deaths), 2) education programs and 3) a focus on building and developing combined heat and power, or CHP, generation projects and micro-grids that can keep the power on at hospitals, assistance/

“**Even the best infrastructure in the most developed countries may give way.**”

— Juan José Alcerro Milla

refuge locations, schools and waste water treatment plants. With the latter in mind, the recent Public-Private Partnership Law, Decree 143-10 enacted in 2010, along with the 2011 Honduran Investment Law, should help bring public bids and unsolicited proposals aimed at reaching such goals that would help to better deal with these terrible natural events.”

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

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