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FEATURED Q&A

What Will Come of Talks Between the U.S. & Cuba?



Migration was high on the agenda when U.S. and Cuban officials met last week for high-level talks. Migrants in Mexico are pictured. // File Photo: Mexican Government.

Q U.S. and Cuban officials met April 21 in Washington to discuss migration issues in the highest-level talks between the two governments since U.S. President Joe Biden took office. The talks came as record numbers of Cuban migrants have attempted to cross into the United States from Mexico. The Cuban government blames U.S. sanctions and a slow restart of processing U.S. visas for Cubans for the rise in irregular migration, while the Biden administration wants the communist-ruled island to take back more Cuban deportees. What were the most important goals of the bilateral meeting? What concessions, if any, were made by either side? Is the Biden administration likely to alter U.S. migration policy with Cuba? Do the talks signal a thawing of relations between the two longtime adversaries?

A Pavel Vidal, associate professor in the Department of Economics at Pontifical Xavierian University in Cali, Colombia and former analyst in the monetary policy division at the Central Bank of Cuba: "The main result of the talks on April 21 appears to be a renewed commitment by both governments to ensure the implementation of the U.S.-Cuba migration accords—last updated in 2017—one of then-U.S. President Barack Obama's last acts before leaving office. This is certainly a positive and constructive step in the deteriorated bilateral relationship, but it is insufficient to resolve the current migration crisis. First, the migration accords, if fully implemented, define granting Cubans up to 20,000 visas per year, but annual Cuban migration to the United States exceeds 100,000. The Cuban economy was among

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TODAY'S NEWS

POLITICAL

Cuba, Venezuela, Nicaragua Unlikely to Be at Summit

The Biden administration is unlikely to invite Cuba, Nicaragua and Venezuela to the upcoming Summit of the Americas, U.S. Assistant Secretary of State Brian Nichols said Wednesday.

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POLITICAL

Children Among at Least 20 Killed in Haiti Amid Gang Violence

Fighting among gangs in Haiti have left at least 20 people, including children, dead this week, according to the country's Civil Protection Agency.

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BUSINESS

Petrobras Reports Higher Production in First Quarter

Brazilian state-run oil company Petrobras, led by CEO José Mauro Coelho, reported higher oil production in the first quarter of the year as new wells came online and started producing oil.

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Coelho // File Photo: Brazilian Government.

POLITICAL NEWS

Cuba, Nicaragua, Venezuela Unlikely to Be Invited to Summit

The administration of U.S. President Joe Biden is not likely to invite political leaders from Cuba, Nicaragua and Venezuela to the upcoming Summit of the Americas, U.S. Assistant Secretary of State Brian Nichols told reporters Wednesday, the Associated Press reported. Nichols said that Cuba's Miguel Diaz-Canel, Nicaragua's Daniel Ortega and Venezuela's Nicolás Maduro are "unlikely to be there," adding that the "White House will determine who is invited." The summit, which will take place in June in Los Angeles, will include discussions on the defense of democracy and human rights in Latin America and the Caribbean, as well as the issues of climate change, equitable economic growth and irregular migration. The summit is an opportunity for collaboration in the region, Los Angeles Mayor Eric Garcetti told the Advisor in a [Q&A](#) published Jan. 28. "Our nations and our region will emerge stronger and better prepared to build a sustainable, resilient and equitable future," he added. The gathering will mark the first time since 1994 that the United States is hosting the summit.

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those in the region most affected by the pandemic; it hardly recovered in 2021, and the country has the highest inflation after Venezuela. Deep economic hardship and despair are a consequence of the asymmetric impact of the sanctions policy on the living conditions of Cuban families, and it is also a reflection of the incomplete reforms of a failed economic model. The Cuban government's reaction to the July 2021 social protests is another factor that discourages young people and represents a confirmation of the limited room for real political participation in transforming the country. There are domestic policy issues behind the

ECONOMIC NEWS

Brazil's Senate Approves Measure on Cryptocurrencies

Brazil's Senate has approved a measure governing cryptocurrencies, a move that will pave the way for new regulations in the sector, Cointelegraph.com reported Tuesday. The lower house of Brazil's Congress and president still must give their approval before the measure can become law. The measure does not appear to face serious challenges in the Chamber of Deputies, the website reported. The legislation that the Senate approved gives the executive branch the power to formulate rules for cryptocurrencies. The executive branch could establish a new regulatory agency or give the Brazilian central bank or the country's Securities and Exchange Commission the authority to regulate the digital currencies. During debate in the Senate, lawmakers also discussed penalties for fraud and other crimes involving cryptocurrencies, Cointelegraph.com reported. "The penalties must be proportionate to the amount of value affected by this type of crime. So whoever committed a crime of \$1 billion causing damage to thousands of people would have a greater penalty than the someone

root causes of the migration crisis. But both sides must reflect on the elements of the conflict that contribute to the crisis. That is why it is so important that dialogue between governments has been resumed."



Vicki J. Huddleston, retired U.S. ambassador and former chief of the U.S. Interests Section in Havana:

"Former President Donald Trump's administration ceased honoring U.S. obligations under the 1994 migration agreement. President Joe Biden failed to resume these bilateral talks directed at saving lives through safe and orderly migration

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NEWS BRIEFS

Children Among at Least 20 Killed in Haiti This Week Amid Gang Violence

At least 20 people, including children, have been killed in violent fights among gangs in Haiti, and thousands have been chased from their homes since the fighting began on Sunday, according to Haiti's Civil Protection Agency, the Associated Press reported today. At least a dozen homes in four Port-au-Prince neighborhoods were burned down. The agency said that the conflict "is likely to escalate in the coming days, leading to further casualties and new population migrations."

Ten Colombian Military Officials Admit to Committing War Crimes

Ten Colombian military officials, including an army general, on Wednesday admitted to committing war crimes and crimes against humanity during the country's armed conflict, The Washington Post reported. The officials admitted to overseeing and even encouraging the killings of 120 "false positive" cases, involving people falsely characterized as guerrilla fighters. Between 2002 and 2008, more than 6,400 Colombians were killed and falsely passed off as combatants, according to Colombia's Special Jurisdiction for Peace tribunal.

Argentina to Seek \$10 Bn in Investments to Ramp Up LNG Exports

Argentina's government wants to attract \$10 billion in private investment in order to help it ramp up exports of liquefied natural gas by 2027, Economy Minister Martín Guzmán said Wednesday, Reuters reported. While the Vaca Muerta formation, the world's second-largest shale gas reserve is located in Argentina, low pipeline capacity and domestic production have forced Argentina to import LNG to cover demand in the winter.

who affected less value,” said Senator Flávio Arns of the centrist Podemos party, the website reported. Senators also debated providing incentives for cryptocurrency miners to establish operations in Brazil. “As in most countries where the adoption of cryptocurrencies is still on the rise, Brazil faces one of the biggest challenges when it comes to regulating this market, which is the need to adopt anti-fraud measures,” Mijail Popov, an analyst specialist in crypto assets at Americas Market Intelligence, told the Dialogue’s biweekly Financial Services Advisor in a [Q&A](#) published April 6. “Given the decentralized and anonymous nature of cryptocurrencies, it is a real challenge to find a balance between adequate regulation for the development of the business and the imposition of effective measures that allow the detection of evasive maneuvers of the legislation, including money laundering and the use of cryptocurrencies as a means of payment for illicit transactions,” he added.

BUSINESS NEWS

Petrobras Reports Higher Oil Output in Year’s First Quarter

Oil production at Brazil’s Petrobras grew in the first quarter of 2022, as new oil wells came online and began producing, the state-run company said on Wednesday, adding that a new oil platform will begin pumping in May, Reuters reported. Crude oil production had reached 2.231 million barrels per day (bpd), up 1.6 percent year on year and 3.7 percent more than the fourth quarter of 2021, according to Reuters. The company highlighted the continued growth in production of its P-68 and FPSO Carioca offshore platforms, located in the pre-salt, a deepwater formation off Brazil’s coast that has become the focus of its efforts. On average, the Carioca platform produced 127,000 bpd in the first quarter. Petrobras said two wells came online in early March at its Roncador field, adding 18,000 bpd of production. In May, Petrobras plans to start oil extraction at its Guanabara FPSO in the Mero field, which

THE DIALOGUE CONTINUES

Will War in Ukraine Weaken Economies in Latin America?

Q The war in Ukraine could devastate the economies of some developing nations, including more than a dozen in Latin America and the Caribbean, a United Nations task force said on April 13. The war is “supercharging” crises involving food, energy and finance in countries that were already struggling because of the Covid-19 pandemic and rising global interest rates, the report said. What Latin American and Caribbean economies will be most affected by the war in Ukraine, and what factors will be most damaging to them? To what extent is the war in Ukraine slowing economic growth in Latin America as compared to central bank tightening? What policies should commodity-exporting countries of the region put in place in order to capitalize on a potential windfall in revenue while at the same time addressing hunger and inflation?

A Eric Parrado, chief economist and general manager of the Research Department at the Inter-American Development Bank: “Economic growth in Latin America and the Caribbean was stronger than expected in 2021, but more needs to happen to maintain that momentum into 2022, and we are already starting to see signs of waning. The surge in commodity prices due to the war between Russia and Ukraine will provide a boost to exporters, while imposing significant costs on commodity importers and pushing up inflation across countries. The ongoing conflict, together with advanced economies moving more aggressively to

will have a processing capacity of 180,000 bpd when fully ramped up, the company said, Reuters reported. Petrobras also increased its natural gas production, capturing 2.796 million barrels of oil equivalent per day, up 1.1 percent

curtail inflation, carries significant risks for the region. Volatility in financial markets could depress investment and bring down growth. As minor fixes are unlikely to result in notable benefits, governments should take urgent measures to mitigate risks and boost inclusive growth, together with ambitious policy reforms. For all the difficulties created by the pandemic, the war in Ukraine, and the risks and challenges ahead, the crisis has also opened a window of opportunity to implement fundamental changes that improve well-being. The region needs new fiscal and labor market architectures. In addition, the war is generating a series of adjustments in international trade. Fortunately, the region’s direct trade links with Russia are relatively small, with a few exceptions, such as meat exports from Paraguay, fruit from Ecuador and fertilizers imports from Russia. In this context, the region is in a favorable position to help mitigate the harmful impacts of war in the world, with Latin America in a position to replace upwards of \$150 billion in Ukrainian and Russian exports to global markets. The IDB’s leadership is actively working to expand new opportunities and strengthen cooperation with like-minded business partners in the United States, Europe and Asia to beat forecasts. Policymakers should seize the new realities window of opportunity provided by the crisis to improve the outlook for the region.”

EDITOR’S NOTE: The comment above is a continuation of the [Q&A](#) published in Tuesday’s issue of the Advisor.

from the first quarter of 2021, according to the report. [Editor’s Note: See [Q&A](#) on Petrobras’ new chief executive officer, José Mauro Coelho, in the April 22 edition of the Dialogue’s weekly Energy Advisor.]

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because of the opposition of Senator Bob Menendez and the Democratic Party's fear of losing Cuban-American votes in the upcoming midterm elections. The exponential rise in Cuban migration to the United States forced the administration to choose between continuing its hardline policy or risking another mass migration from Cuba. It chose the latter. Driven by extreme poverty, a lack of jobs and an autocratic government, more than 45,000 Cubans have arrived at the U.S. border in the past five months, if this trend continues, more than 100,000 Cubans will enter the United States by the end of 2022. The Cuban government, which is desperate for some economic relief, clearly hopes for improved relations that might lead to visitors and remittances from the United States. It appears that Cuba will allow the United States to return migrants, thereby making it less attractive for those contemplating the risky trip across the Straits of Florida or the long slough northward to the U.S. border through Central America. With no hope of remaining in the United States, migrant numbers will likely decline. The United States, for its part, will resume some in-country visa processing, which in time may allow it to live up to its commitment under the migration agreement, to allow 20,000 Cubans to migrate legally each year. Yet, these talks may be too little too late. The Biden administration must do more by authorizing remittances, which will staunch hunger and death by allowing Cubans to purchase food and medicines and to start small businesses. It should also reinstate 'people-to-people' travel so that Americans can support Cubans by staying in their homes, eating in their family restaurants and attending artistic performances. Finally, it should resume cooperation on migration, illicit trafficking, human rights and the environment. All of

these measures will empower the Cuban people, diminish the control of the Cuban bureaucracy and allow people on the island to lead productive lives."

A Philip Peters, president of the Cuba Research Center and partner at Focus Cuba Consulting: "President Biden has embraced and preserved former President Donald Trump's Cuba policy—except at the southern border where, in contrast to Trump, he waves in Cubans and puts many on a quick path to U.S. residency, a practice permitted but not required by law. Cubans know this, and some fear the open door may soon close—hence a rush that even includes Cubans already settled elsewhere, as well as some who want a green card to be able to travel back and forth. There are other factors spurring emigration that could cost Cuba a young and talented 2 percent slice of its population this year, but this 'pull' factor is powerful, and it's under U.S. control. The same applies to resuming immigrant and visitor visa processing at our consulate in Havana. Cuba could help by accepting flights of migrants denied for admission by U.S. authorities and by opening greater economic opportunity at home. Assuming that the administration wants to see the flow reduced, it should examine the many ways in which its severe sanctions increase economic hardship in Cuba. There is no contradiction between advocating for human rights and keeping Biden's campaign promise largely to return to the Obama policies that today, even more than before, can help the growth of Cuba's private sector."

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

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