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FEATURED Q&A

Do Cybercriminals Find Easy Targets in Latin America?



Costa Rica's government information technology systems were targeted last month in a ransomware attack. // File Photo: Towfiqu Barbhuiya via Unsplash.com.

Q A ransomware attack crippled Costa Rica's government IT systems last month for weeks. Ransomware group Conti claims to have stolen at least a terabyte of data and reportedly demands \$10 million in ransom, though then-President Carlos Alvarado vowed not to pay. In the meantime, government workers say they are resorting to paper-based methods of past decades in order to carry out duties as some computer systems remain hobbled. What went wrong with Costa Rica's cyber defenses, and how long will it take to fix the issues? How might other Latin American countries better prepare for cyberattacks, and where could funds come from to improve financially strapped nations' cyber security? With millions of dollars' worth of economic activity at stake, should countries pay a ransom in such situations?

A Pierluigi Paganini, CEO of Cybhorus: "Ransomware gangs like Conti could use several techniques to breach a target organization, such as exploiting known vulnerabilities in Internet-exposed systems, brute-forcing systems that could give them access to the target networks or by using credentials from a past security breach to gain a foothold in the target organization. Some ransomware gangs also attempt to recruit insiders to obtain support to compromise the target infrastructure. The failure on blocking a ransomware attack depends on multiple factors, such as poor cybersecurity hygiene, a lack of active monitoring of the IT infrastructure and a lack of network segmentation to prevent the threat from spreading. The time to resume operations depends on multiple factors, including the extent of

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TODAY'S NEWS

POLITICAL

Presidents of Mexico, Brazil May Skip Summit

Mexican President Andrés Manuel López Obrador said he would skip the Summit of the Americas, which the United States is hosting in June, if any countries in the Americas are uninvited. Meantime, Brazilian President Jair Bolsonaro reportedly told aides he would not attend.

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BUSINESS

Brazil's Petrobras to Increase Prices for Diesel Fuel

Brazilian state oil company Petrobras said it would hike diesel prices by 8.9 percent.

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Paraguayan Anti-Drug Prosecutor Killed on Honeymoon

Paraguayan prosecutor Marcelo Pecci, who oversaw drug trafficking cases, was fatally shot on a Colombian beach as he honeymooned there with his new wife.

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Pecci // File Photo: Paraguayan Government.

POLITICAL NEWS

Presidents of Mexico, Brazil May Skip Summit in June

Mexican President Andrés Manuel López Obrador and Brazilian President Jair Bolsonaro may skip the Summit of the Americas, which is to be held next month in Los Angeles, Reuters reported Tuesday. López Obrador said Tuesday during his daily news conference that he would skip the summit if any country in the Americas is left off of the invitation list. "Participation in the Los Angeles Summit has not yet been resolved because we are proposing that no one is excluded because we seek the unity of all America," said López Obrador, CNN reported. "We feel that there should be no confrontation. Even with the differences, we must dialogue, all Americans, then we are yet to resolve this issue; we have a very good relationship with the government of President Biden. We want everyone to be invited. That's the position of Mexico," López Obrador added. It appears unlikely that the United States will invite Cuba, Nicaragua and Venezuela to the summit. "We expect the democratic nations of our hemisphere to gather for a conversation," Brian Nichols, the assistant U.S. secretary of state for the Western Hemisphere, told the Los Angeles Times last week in an interview. "Cuba, Nicaragua, the Maduro regime do not respect the Inter-American Democratic Charter, and therefore I don't expect their presence," Nichols told Colombian television network NTN24 last week. Meantime, Bolsonaro, a far-right leader who is seen as an admirer of former U.S. President Donald Trump but who has reportedly not yet spoken to U.S. President Joe Biden, has told aides that he will not be attending the summit, though he did not explain why, Reuters reported, citing two unnamed people familiar with the matter. The Biden administration will decide who is invited to the summit, though invitations have not yet been sent, said State Department spokesman Ned Price. White House Press Secretary Jen Psaki told reporters on Tuesday that a final decision on

which countries will be invited has not yet been made. "While not inviting authoritarian regimes to a summit of hemispheric democracies is the right decision—especially given the backdrop of Russia's invasion of Ukraine—it puts even more pressure on the Los Angeles meeting to demonstrate the relevance of the summit process itself," Peter DeShazo, a visiting professor of Latin American, Latino and Caribbean Studies at Dartmouth College and former U.S. deputy assistant secretary of state for Western Hemisphere affairs, told the Advisor in a [Q&A](#) published Tuesday.

Paraguayan Anti-Drug Prosecutor Killed on Honeymoon

A top Paraguayan prosecutor of organized crime and drug trafficking cases was fatally shot on Tuesday on a Colombian beach as he honeymooned there with his new wife, the Associated Press reported. Marcelo Pecci, 45, and Claudia Aguilera, a journalist whom he had married last month, were on a beach south of Cartagena when two gunmen disembarked either from a jet ski or small boat, said Aguilera. She said one of the attackers approached the couple and "without saying a word shot Marcelo twice, once in the face and once in the back," the AP reported. The motive for the attack is under investigation, but Paraguayan prosecutor Augusto Salas said that the method of the killing was "typical of the [drug] mafia, so that is what I think until the contrary is proven," Al Jazeera reported. Pecci's work was specialized in drug trafficking, organized crime and money laundering, as well as the financing of terrorism, the news service reported. Paraguayan President Mario Abdo Benítez said in a Twitter posting that his administration condemns "this tragic event in the strongest terms, and we redouble our commitment to fighting organized crime." Hours before the attack, the couple had announced that Aguilera is pregnant, the Associated Press reported. On social media, Aguilera posted a photo of herself and Pecci, along with a pair of baby shoes and the message, "The best wedding gift ... the approaching life

NEWS BRIEFS

Former Honduran President Hernández Pleads Not Guilty

Former Honduran President Juan Orlando Hernández on Tuesday pleaded not guilty to three criminal counts, including conspiracy to import cocaine and illegal possession of weapons, in U.S. federal court in Manhattan, Reuters reported. Hernández, who left office in January, is accused of accepting bribes in order to protect drug traffickers. In court, his lawyer complained that he is being held in "prisoner of war" conditions in jail, the wire service reported.

Argentina to Increase Minimum Wage in June and August

Argentina is set to increase its monthly minimum wage in June and August, with a hike of 45,540 pesos (\$389.46) and 47,850 pesos, respectively, the Ministry of Economy announced on Tuesday, Reuters reported. Amid inflationary pressures in the country, June's minimum wage increase is up 16.95 percent from the current wage of 38,840 pesos. The General Work Federation (CGT) released a statement noting that the minimum wage hikes were "scheduled for August and December respectively," but that they "have been brought forward to safeguard their purchasing power," Reuters reported.

Panama's Commerce Minister Tapped as Ambassador to U.S.

Panamanian Minister of Commerce and Industries Ramón Martínez was appointed as the country's ambassador to the United States, President Laurentino Cortizo announced on Tuesday, Reuters reported. Martínez served as Panama's primary negotiator with a unit of mining company First Quantum for a new contract, which could produce \$375 million for the government, Reuters reported.

that is a testimony to the sweetest love," the Associated Press reported.

BUSINESS NEWS

Brazil's Petrobras Says it Will Raise Prices for Diesel

Brazilian state oil company Petrobras said Monday that it will increase prices for diesel by 8.9 percent, putting it at odds with Brazilian President Jair Bolsonaro, who demanded last week that the company not raise prices, Reuters reported. Petrobras said it would increase refinery gate diesel prices to 4.91 reais (\$0.96) per liter beginning Tuesday. The first increase in two months was needed in order to track the rising international price for diesel amid tighter global supplies of the fuel. Last Thursday, Bolsonaro said the state oil company was committing a "crime" against Brazilians, adding that another price increase could bankrupt Brazil and lead to a "national convulsion," Reuters reported. "Petrobras finds itself at the intersection of economic and political crises that strike at the core of the company's mandate to both pursue profitability and serve the public interest," Allison Fedirka, director of analysis at consulting firm Geopolitical Futures, told the Dialogue's weekly Energy Advisor in a Q&A published April 22. "On the one hand, the company needs to maintain prices at international parity to sell fuel without assuming losses. On the other, the higher fuel prices put heavy burdens on consumers, dampen economic activity and create sociopolitical strife," she added. There was a gap of 27 percent last week between international diesel prices and Petrobras' local prices, according to analysts at Itaú BBA, Reuters reported. Pedro Rodrigues, head of the Brazilian Infrastructure Center (CBIE), said Petrobras had little choice other than to raise prices. "Regardless of the president's and all consumers' complaints and dissatisfaction, not tracking international price could lead to shortages," he said, Reuters reported.

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the compromise, the availability of working backups and the existence of a well-formalized incident response procedure. It is necessary to implement cyber security best practices proposed by international organizations such as the European ENISA, U.S. CISA and NIST. A crucial factor to improve resilience is awareness. Specific programs have to share information about threat actors and their tactics, techniques and procedures. If you know the threat, you will be able to mitigate the risk of exposure. Another important aspect is the enhancement of information sharing related to cyberattacks with organizations worldwide. Cyberspace is a domain without boundaries, which means that the compromising of a structure in Latin America could have an impact on a global scale. For this reason, it is important that the European Union, Asia and the United States support Latin American countries in increasing their defensive cyber capabilities. Countries should absolutely not pay a ransom. It is essential to conduct the proper actions to eradicate the threat from the breached infrastructure to avoid reinfections and implements additional countermeasures. Even if they are paid a ransom, these gangs could resell access to the target networks to other cybercriminal organizations that could launch their attacks for extortion purposes."

A **Adriana Villasenor, senior director at FTI Consulting:** "Despite increased scrutiny in 2021, ransomware attacks are a lucrative business for bad actors and thus unlikely to disappear or decrease. In locations where there is less public sector activity against them, such as in Latin America, this type of attack will continue and possibly worsen. The way forward warrants a common understanding and collaboration among the private sector, government officials and the regulatory community. In turn, this will help ensure the proper allocation of resources from all pertinent parties. By using com-

mon assessments grounded in widely used international frameworks and standards, the regional and local cybersecurity community can better identify threats and optimize the use of these resources. Additionally, Latin American organizations must create, maintain and exercise a cyber incident response plan and associated communications plan that includes response and notification protocols for this type of attack. As it pertains to whether to pay a ransom, the decision should be made with the help of third-party experts and in compliance with all applicable laws. Given the severity and frequency of these attacks, multiple law enforcement agencies and security organizations from around the world joined forces to create the 'No More Ransom' project. This initiative provides public and private parties with helpful tools and guidance at no cost."

A **Wally Swain, principal consultant for Latin America at Omdia:** "Latin American companies and governments have been digitizing their operations to improve customer service and lower costs. But as they do that, they expose a wider 'attack surface,' creating a higher probability of cyberattacks. Omdia believes that the attacks come from criminal organizations and state-sponsored actors who may be working together even though their aims are different. In a global survey by our colleagues at Dark Reading, ransomware was the top threat, mentioned by 60 percent of respondents. Our research notes that 'the absolute urgency and panic that system denial creates in victims only exacerbates the challenge of addressing availability issues. Individuals are likely to engage in decisions that get them back up and running the fastest, regardless of the consequences.' Unfortunately, that Dark Reading survey also showed that the severity of the risks associated with ransomware has continuously been overlooked or even dismissed by organizations, leading to underinvestment in prevention and mitigation. Only about

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one respondent in five thought that their business would continue to operate efficiently after an attack. Another one in five did not know if their organization had a plan to respond to ransomware, and 14 percent said they knew there was no plan. In one sense, we are thankful, not that it happened, but rather that this case was reported. Too often in Latin America, such events are covered up, causing cyberattacks to appear rarer than they are and making it even harder for cybersecurity staff to get investment.”

A **Ernesto Haikewitsch, executive director of Mazaltech Consulting in São Paulo:** “Despite numerous failures in the actions related to the fight against Covid-19, the Brazilian government has been extremely competent in the administration of the Unified Health System, or SUS, leading to an amazing improvement of key health indicators in Brazil. However, last December, a huge cyberattack hit platforms that track vaccinations and epidemiological data on Covid-19, heavily compromising the Ministry of Health’s portal. That included DataSUS, a platform that tracks information on Covid-19 cases and deaths, as well as ConectaSUS, an app for issuing vaccination certificates. Lapsus\$ Group, a prolific hacking gang, claimed responsibility, targeting and deleting around 50 terabytes of data. The government denies having paid any ransom. Hackers have succeeded with ransomware attacks in Brazil, including holding hostage data linked

to the country’s courts, energy companies and financial institutions. Eletronuclear, which is responsible for construction and operation of nuclear power plants in Brazil, was forced to suspend operations. Many government agencies still struggle to monitor their networks, allowing cyber terrorists to access their systems. Numbers extracted from the U.S. Treasury Department show that U.S. victims of ransomware paid \$590 million to ransomware criminals in the first half of 2021, creating new cyber opportunities to make money. Many incidents can be avoided if some basic cybersecurity strategies are followed to detect suspicious activity and counter the threat before ransomware becomes a huge issue. This includes continuous monitoring networks for external access from known IP addresses or unusual patterns of behavior and implementing a regular backup and restoration program as many attacks start exploiting vulnerable software in an Internet-facing system. Part of the process to mitigate this new kind of terror includes education. Employees need to be frequently educated on how to identify and respond to phishing emails. Cybersecurity needs to be a high-level top priority in organizations worldwide. Governments still fail to prioritize this, stimulating the growth of new cyberterrorism.”

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

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