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FEATURED Q&A

Which Candidate Will Win Centrists' Support in Brazil?



Former São Paulo state Governor João Doria bowed out of Brazil's presidential race as his party sought a centrist candidate who could compete against President Jair Bolsonaro and former President Luiz Inácio Lula da Silva. // File Photo: Brazilian Government.

Q João Doria, the former governor of São Paulo state, dropped out of the Brazilian presidential running on May 23 after opinion surveys for the election showed he only had 2 to 3 percent support. Doria, who won the Brazilian Social Democracy Party (PSDB) primary, was facing pressure to step down from the race from the party's leadership as it is seeking a centrist candidate who might offer an alternative to the polarized front-runners in the October election. Who are the likely centrist candidates in the upcoming Brazilian presidential elections, and how much voter support do they have? What are the policy positions of centrist candidates in Brazil, and how different are they from President Jair Bolsonaro and former President Luiz Inácio Lula da Silva's proposals? If there is a runoff election between Bolsonaro and Lula, who will the nation's centrist voters support?

A Mário Braga, senior analyst for Brazil at Control Risks: "Senator Simone Tebet, from the centrist MDB, will be the official candidate of the so-called 'third way,' though the official endorsement from Doria's PSDB is still pending. However, the coalition only has three parties (MDB, PSDB and Cidadania) and is far from representing a broad centrist alliance once envisioned by centrist forces to face the polarization in Brazil. Tebet's polling has improved in recent weeks but is still in the low single digits. Former National Integration Minister Ciro Gomes of the center-leftist PDT has 7 percent of the votes, according to recent polls. He has also sought to portray himself as an alternative to Bolsonaro and Lula. However, they are unlikely to become

Continued on page 2

TODAY'S NEWS

POLITICAL

Large Caravan of Migrants Sets Off From Mexico

Some four to five thousand migrants began a trek from southern Mexico toward the United States on Monday, as Western Hemisphere leaders began the Summit of the Americas in Los Angeles.

Page 2

BUSINESS

Canadian Solar Selling Stake in Brazil Facilities

Canadian Solar announced that it is selling a 70 percent stake in two Brazilian solar plants to a subsidiary of State Power Investment Corporation of China.

Page 3

POLITICAL

DR's Environment Minister Fatally Shot in Office

Orlando Jorge Mera, the Dominican Republic's minister of the environment, was fatally shot in his office on Monday, allegedly by a childhood friend who had been affected by the ministry's environmental policies.

Page 2



Mera // File Photo: Government of the Dominican Republic.

POLITICAL NEWS

Dominican Minister of Environment Fatally Shot in Office

The Dominican Republic's minister of the environment and natural resources, Orlando Jorge Mera, 55, was fatally shot in his office on Monday, allegedly by a man who had been a friend of Mera's since childhood, EFE reported. A politician who was in the lobby of Mera's office at the time of the shooting said the gunman entered Mera's office alone. "Shots were heard in the minister's office and everyone began to run away," said the politician, Juan de Dios Liberata, councilor for the municipality of Sabaneta, EFE reported. "After all the people went out to the green area of the ministry, several more shots were heard inside the ministry," he added. A spokesman for the country's president, Luis Abinader, identified the alleged shooter as Miguel Cruz, saying he was "a personal friend of the deceased minister." He added, "The person is being held in the custody of the national police and the public prosecutor's office. The motives are under investigation." The confrontation may have stemmed from Cruz's operation of business that was affected by the environment ministry's

strict regulations related to the protection of rivers, El País reported. After the shooting, the suspect fled the ministry and went to the Jesucristo Sumo y Eterno Sacerdote parish, which is about two and a half kilometers away, EFE reported. Cruz was arrested at the church after he told a priest there that he had committed a crime and handed a gun over to him, the Associated Press reported. Heavily armed police officers brought Cruz out of the church, wearing a helmet and a bulletproof vest. Mera's family issued a statement saying that Mera and Cruz had been friends since they were children and that Mera was shot several times. "Our family forgives the person who did this. One of Orlando's greatest legacies was to not hold grudges," the family said in the statement.

Large Caravan of Migrants Heading to U.S. From Mexico

An estimated four to five thousand migrants set out from southern Mexico on Monday in a caravan northward toward the United States, the Associated Press reported. While it will take weeks for the migrants to reach the U.S.-Mexico border, their advocates say that the start of the caravan was timed with the beginning of the Summit of the Americas, which

NEWS BRIEFS

López Obrador Confirms He Won't Attend Summit

Mexican President Andrés Manuel López Obrador confirmed Monday that he will not attend the Summit of the Americas this week in Los Angeles because the United States did not invite Cuba, Nicaragua and Venezuela, The New York Times reported. López Obrador said he would visit the White House in July and that Foreign Minister Marcelo Ebrard would represent Mexico at the summit.

U.S. VP Harris Meets With Executives on Sidelines of Summit of the Americas

U.S. Vice President Kamala Harris met Monday with private sector executives to discuss Central American investment efforts in a Los Angeles dinner meeting on the first day of the Summit of the Americas, Bloomberg News reported. Attendees included executives from The Gap, Mastercard, Softtek and Microsoft. Former Costa Rican President Laura Chinchilla was also present at the meeting. Harris today is to announce new private sector investments to strengthen Central American economies and mitigate the root causes of migration.

Argentine Government Eyes Windfall Tax on Grains Sector Companies

The government of Argentine President Alberto Fernández on Monday proposed a bill to tax companies earning "extraordinary income" from the war between Russia and Ukraine, Reuters reported. The bill, which would affect the country's grains sector, seeks to impose an additional 15 percent tax on companies that have profits of more than 1 billion pesos (approximately \$8.3 million) this year with specified profit margins. The measure is an effort to reduce the country's fiscal deficit and control its increasing inflation, which analysts expect will surpass 70 percent this year.

FEATURED Q&A / Continued from page 1

the preferred choice of centrist voters in Brazil. Polls indicate that 69 percent of the electorate has already decided their vote. So far, the electoral debate in Brazil has mostly revolved around internal disputes over who will be picked to run for president or vice president. Little has been discussed about concrete proposals to address the challenging socioeconomic landscape, marked especially by persistently high inflation and unemployment. In the likely runoff vote, Bolsonaro and Lula will seek to attract moderate voters by fueling the already-high rejection rates of their antagonist (54 percent for Bolsonaro and 33 percent for Lula).

Most voters (centrists included) will likely make their choice based on factors related to the economy and their living standards. In the likely scenario that the current malaise persists until October, Lula is likely to garner most of the support from centrist voters."



Troy Benavides, associate for Brazil and the Southern Cone at McLarty Associates: "With

former Governor Doria out of the race, the remaining leading centrist candidates are the Brazilian Democratic Movement (MDB)'s Simone Tebet and the Democratic Labor Party's Ciro Gomes.

Continued on page 4

the United States is hosting this week in Los Angeles. In recent months, asylum seekers and migrants attempting to enter Mexico through its southern border have denounced the ways that Mexican forces have contained the migrants and kept them from continuing to travel through the country. Most of the migrants hail from Central America, Venezuela and Cuba, the AP reported. Luis García Villagrán, one of the caravan's organizers, said the group is diverse and that their countries of origin "are collapsing from poverty and violence," Al Jazeera reported. Regarding the Summit of the Americas, he added that the migrants "urge those who attend the summit ... to look at what is happening, and what could happen even more often in Mexico, if something is not done soon." Migration activists say the caravan could be one of the region's largest in years, Al Jazeera reported.

BUSINESS NEWS

Canadian Solar Selling Stake in Two Brazilian Solar Plants

Canadian Solar announced Monday that it is selling a 70 percent interest in two Brazil-based solar plants to SPIC Brasil, a subsidiary of State Power Investment Corporation of China. The Marangatu project site is 446 megawatts peak (MWp) in size, while the Panati-Sitiá project is 292 MWp. Both projects, which are based in northeastern states of Brazil and take up an area of more than 2,000 hectares, are set to begin construction later this year and will launch commercial operations late next year, Canadian Solar said in a statement. The sale follows Canadian Solar's 2021 closure of a \$100 million financing facility in order to develop a solar portfolio in Brazil, PV Tech reported. Together, the 738 MWp of solar projects are set to be two of the largest power plants in Brazil and are expected to generate clean electricity that will power the equivalent of 900,000 Brazilian households annually. Canadian Solar CEO Shawn Qu called the company "a leader in the Brazilian market."

LEGAL BRIEFS

Chile's Carey Adds Qin to China Desk in Santiago

Chilean law firm Carey has hired Juan Pablo Qin, a native Mandarin speaker, as a project advisor for its China desk in Santiago, Law.com International reported last month. In the new role, Qin is to help strengthen the law firm's ability to advise China-based companies on their Latin America operations, and he will also assist Latin American companies with their investments in China, the website reported. Qin holds a law degree from Tsinghua University in China and is pursuing a master's degree in law from the Catholic University of Chile. "In countries like Chile, it's difficult to find people like Juan Pablo who dominate both languages and cultures and who have a legal background. We are very happy to incorporate him into our team," the law firm's managing partner, Jaime Carey, told Law.com International in an email. Carey said the firm is the only one in Chile that has a physical presence in China. The firm established that office in 2016 as a business consultancy, the website reported.

Senior PPG Attorney Adds Role as Corporate Sec'y

Joe Gette, a senior attorney at PPG, who oversees securities, labor, commercial and employment activities for the Pittsburgh-based paint company's U.S. and Latin America operations, has been promoted, the company announced June 1. Gette was previously assistant general counsel for mergers and acquisitions and securities. He is now vice president, deputy general counsel and corporate secretary. Gette joined the company in 2005 as an assistant general counsel. Prior to that, he was an attorney at law firm K&L Gates. Gette earned an undergraduate degree from Allegheny College and a law degree from Vanderbilt University.

PAG Law Hires Crypto Securities Experts

Latin America-focused law firm PAG Law has hired three experts in digital assets and crypto securities, the U.S.-based law firm announced earlier this year. Kendrick Nguyen was hired as a special advisor based in Miami. Nguyen is the co-founder and chief executive officer of Republic, a crowdfunding platform. He previously was general counsel at Angie's List and a fellow at Stanford University's Center for Corporate Governance. The firm also hired Sami Ahmed, a graduate of Yale Law School and the Wharton School of the University of Pennsylvania, who has joined the firm as "of counsel." Additionally, Claudia DiGirolamo, who graduated from the University of Toronto and the Seton Hall University School of Law, is also joining the firm's crypto practice, PAG Law said.

White & Case Advises on Mexico ESG Bond Issuance

White & Case on May 20 said it has advised the Fondo Especial para Financiamientos Agropecuarios (FEFA) on Mexico's first financial inclusion-linked ESG bond issuance. "This is a landmark transaction in the Mexican market and sets another important milestone for FEFA as a frontier player in the ESG market," said White & Case partner Manuel Groenewold, who led the law firm's deal team. The two bonds were placed via a public placement on the local stock exchange, the Bolsa Mexicana de Valores (BMV).

FEATURED Q&A / Continued from page 2

There is also União Brasil's Luciano Bivar, a conservative and former Bolsonaro ally who split with him for political rather than ideological reasons. A former Governor of Ceará, Gomes self-identifies as being from the 'center-left' but holds progressive policy stances, such as repealing Brazil's spending cap and revising labor reforms. Gomes ran for president in 2018 and is well-known by Brazilians, yet he has failed to gain an edge in the polls. Tebet and Bivar, who are widely unknown in Brazil, will struggle to compete with heavyweights Lula and Bolsonaro. Tebet, having voted in favor of former President Dilma Rousseff's impeachment in 2016 and emphasizing the need for fiscal responsibility, can cater to voters who oppose Lula and the Workers' Party but disagree with Bolsonaro's more controversial stances and rhetoric. Tebet has criticized Bolsonaro's environmental policies and, as the leader of the women's caucus in the Senate, is attempting to position herself as the feminist choice. Nevertheless, it is nearly impossible for an alternative 'third-way' candidate to make it to a second round against Lula or Bolsonaro. Many voters who oppose both Bolsonaro and Lula will likely abstain in a second round between the two, but polls indicate that Lula could have an easier time attracting centrist voters—primarily due to Bolsonaro's rejection

rate of more than 50 percent amid growing economic concerns. Many centrist voters also view Lula as a more politically savvy figure who can better broker compromises with diverse stakeholders."

A **Brian Winter, editor-in-chief of Americas Quarterly and vice president of the Americas Society/Council of the Americas:**

"Outside of certain business, media and other elite circles, there appears to be very little interest among Brazilians in a centrist or

“**All the polls suggest this will be a two-way race between Lula and Bolsonaro.**”

— Brian Winter

'third-way' candidate in this year's election. It is a phenomenon that has spawned more newspaper columns than actual voters. All the polls suggest this will be a two-way race between Lula and Bolsonaro. The small remaining portion of truly centrist Brazilian voters will have to hold their noses and pick one—and I'd guess it will be a pretty even split."

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