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FEATURED Q&A

Which Candidate Is Best Positioned for Colombia's Runoff?

Right-wing candidate Abelardo de la Espriella was the top vote-getter in the first round of Colombia's presidential election on Sunday. // File Photo: defensoresdelapatria.com via Wikimedia Commons CC0 1.0.

Q Right-wing lawyer Abelardo de la Espriella emerged as the top vote-getter in the first round of Colombia's presidential election on Sunday. De la Espriella garnered 43.74 percent of the vote, topping leftist Iván Cepeda, who received 40.9 percent. The two candidates will now face off in a second round on June 21. What drove support for De la Espriella, who had narrowly been trailing Cepeda in polls leading up to the vote? What factors between now and the runoff will decide the result? What would be the main differences in a government headed by De la Espriella versus one headed by Cepeda?

A **Sergio Guzmán, director of Colombia Risk Analysis:** "Colombia's presidential first round demonstrated significant voter rejection of the incumbent administration, as independent right-wing candidate Abelardo de la Espriella secured 10.3 million votes to defeat the left-wing Historic Pact's Iván Cepeda, who obtained 9.6 million votes. De la Espriella is the big electoral surprise, and polls did not adequately capture the potential he had to win in the first round. With both candidates advancing to a highly competitive June 21 runoff, the near-total collapse of the political center—where Sergio Fajardo and Claudia López underperformed significantly—leaves little room for moderation as both campaigns heavily pander to their hardline bases. De la Espriella enters the final stretch with momentum, backed by an immediate endorsement from right-wing leader Paloma Valencia and traditional party structures. However, institutional stability faces acute risks. Despite efficient election logistics, President Gustavo Petro and

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TODAY'S NEWS

ECONOMIC

U.S. Eyes Tariffs of 25% on Imports From Brazil

The Trump administration on Monday proposed tariffs of 25 percent on a wide range of imports from Brazil following an investigation into the South American country's trade practices.

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ECONOMIC

Venezuela's Oil Exports Rise to 1.25 Million Barrels Per Day

Venezuela's oil exports rose for the third consecutive month in May, according to shipping data.

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POLITICAL

Chile's Kast Unveils Agenda Focused on Crime, Economy

In his first annual national address to Chile's Congress, President José Antonio Kast on Monday said fighting crime, cutting spending and increasing economic growth are at the top of his agenda.

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Kast // File Photo: Chilean Government.

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ECONOMIC NEWS

U.S. Eyes 25% Tariff on Brazilian Goods After Trade Probe

The administration of U.S. President Donald Trump on Monday proposed tariffs of 25 percent on a broad range of imports from Brazil, saying that an investigation showed the South American country had engaged in unfair trade practices, The New York Times reported. U.S. Trade Representative Jamieson Greer said in a statement that the trade investigation showed Brazil had not adequately enforced intellectual property rights and had also failed to sufficiently fight bribery and corruption. The U.S. Trade Representative's Office also cited restrictions Brazil has placed on its ethanol market and what it said was inadequate enforcement of laws against deforestation. Greer said he and Trump have had "several constructive meetings" with Brazilian President Luiz Inácio Lula da Silva and his cabinet, adding that those meetings "have accelerated in recent weeks." However, he added that there continue to be "substantial differences in resolving the issues identified in this investigation." The trade investigation was launched under Section 301 of the Trade Act of 1974, which allows the United States to impose tariffs in response to trade practices that it deems to be unfair. The proposed 25 percent tariffs exempt several Brazilian imports, including beef, coffee, aircraft parts and some fruits, Bloomberg News reported. Also exempted are crude oil, fertilizers, pharmaceutical compounds and some nuts, Reuters reported. The U.S. Trade Representative's Office also said the planned 25 percent tariffs would not apply to separate national-security related tariffs on Brazilian steel, aluminum and copper, which are currently subject to duties of 50 percent under the Trade Expansion Act of 1962, Reuters reported. The U.S. Trade Representative's Office said it welcomed comment on the proposed tariffs through July 1 and set a public hearing for July 6. The office said it faces a deadline of July 15 in order to take "responsive action." The Trump administration imposed tariffs of 50 percent on imports from Brazil, but most of the duties have since been rolled back, Bloomberg News reported.

Venezuela's Oil Exports Rise for Third Straight Month

Venezuela's oil exports rose to 1.25 million barrels per day in May, the third consecutive monthly increase, Reuters reported Monday, citing shipping data. The rise was driven by higher shipments to the United States, India and Europe, according to shipping data and PDVSA records. May volumes were 0.7 percent above April and 61 percent above May of last year, with 67 cargoes exported. The United States was the top destination at 558,000 barrels per day (bpd), followed by India at 427,000 bpd and Europe at 169,000 bpd. Exports to Caribbean storage terminals fell sharply to 58,000 bpd from 187,000 bpd in April, signaling stronger direct refiner demand. Under interim President Delcy Rodríguez, Venezuela's oil production has rebounded as Washington has eased sanctions and foreign companies have expanded operations. Venezuela's oil ministry forecasts output of 1.37 million bpd by year-end, a level not seen since U.S. sanctions were first imposed in 2019. The growth comes as Rodríguez prepares to visit India from June 3 to 7, Reuters reported. Discussions will cover energy, trade, investment, pharmaceuticals and renewable energy. Rodríguez last visited India in February 2025 as Venezuela's oil minister.

POLITICAL NEWS

Chile's Kast Unveils Agenda Focused on Crime, Economy

In his first annual national address to Chile's Congress on Monday, President José Antonio Kast outlined a legislative agenda focused on fighting crime, cutting spending and boost-

NEWS BRIEFS

Teachers, Medical Workers in Honduras Launch Nationwide Strike

Teachers and medical workers in Honduras launched a nationwide strike on Monday, Reuters reported. Teachers say the government has failed to deliver a previously agreed pay increase. Medical workers have been protesting for weeks over unpaid wages, job insecurity and hospital supply shortages. The joint action reflects broader frustration over underfunding, delayed payments and unmet government commitments that unions say have severely disrupted basic public services.

Brazil Reportedly Eyes Operations Against Illegal Betting, Tobacco Sales

Brazilian authorities are preparing to launch operations against organized crime activities in the areas of online betting and tobacco sales, Reuters reported Monday, citing an unnamed senior government official with knowledge of the matter. Criminal organizations are believed to be operating in cigarette smuggling and have also infiltrated unlicensed betting platforms, the wire service reported. "These operations could take place at any moment," the source told Reuters.

JetBio Planning to Build World's Largest Green Jet Fuel Plant in Brazil

JetBio, owned by U.S.-based Summit Agricultural Group, plans to build the world's largest commercial ethanol-to-sustainable aviation fuel plant in Brazil, capitalizing on the country's low-carbon ethanol from sugar, corn and waste sources, Bloomberg News reported today. Construction is set to begin in late 2027, with production starting in 2030. The facility will produce up to 254 million gallons annually and will export 90 percent of its output.

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ing economic growth as he seeks to restore waning popularity, Reuters reported. Kast announced measures to strengthen policing, tighten immigration controls and strip social benefits from some people with criminal convictions. He also unveiled bills to reform electricity rates, reduce bureaucracy and modernize small and medium-scale mining, building on existing legislation aimed at stimulating growth and job creation. Protesters clashed with police outside Congress as he spoke. The speech came at a critical moment for the right-wing leader, who is working to recover from an early slump in popularity. Since taking office in March, Kast's approval rating has dropped from 57 percent to 38 percent, driven by fuel price hikes amid the Iran war and cabinet turmoil that saw him fire his security minister and another senior official in May. Kast won the 2025 presidential runoff by a wide margin on promises to crack down on crime and immigration. Delivering on those pledges is seen as essential to rebuilding his political base. Later on Monday Kast asked Congress to approve an additional $6.2 billion in debt sales on top of the $17.4 billion already authorized, Bloomberg News reported. [Editor's note: See related **Q&A** in Monday's Advisor.]

BUSINESS NEWS

Grenergy Signs Power-Purchase Deal for Chile Project

Spain-based independent power producer Grenergy announced Monday that it has signed a new long-term power-purchase agreement for its solar-plus-storage project in Chile. Grenergy said it signed the deal with an offtaker that holds an investment-grade credit rating from Moody's and Fitch, though it did not disclose the offtaker. The deal is linked to Phase Five of the Oasis de Atacama Platform, known as Algarrobal. The agreement provides for the sale of 350 gigawatt hours per year for 12 years and will take effect on Jan. 1, 2028, Grenergy said.

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Cepeda questioned the results using unverified fraud narratives, elevating the threat of social unrest. In response, De la Espriella has pledged to defend democracy by any means necessary, appealing directly to the military. Geopolitics will heavily influence the remaining weeks as the administration of U.S. President Donald Trump strongly favors De la Espriella and is expected to deploy aggressive economic and political leverage—including strategic extradition requests, tariff threats and immigration tightening—to weaken Cepeda's prospects. While De la Espriella remains slightly favored due to a disciplined campaign strategy, the highly polarized three-week window faces extreme volatility, with potential disruptions ranging from unilateral government economic emergency decrees to targeted violence or foreign intervention that could distort the final outcome. We do not expect Petro to concede an election where Cepeda loses or facilitate a peaceful transfer of power."

Eileen Gavin, head of sovereign analysis at Verisk Maplecroft: "With election polling increasingly unreliable, De la Espriella had clearly consolidated support as the most high-profile 'anti-system' candidate. At the same time, his 'mano dura' security vow also resonated the most strongly, particularly over Valencia, whose gender also likely disadvantaged her. As is becoming the default in Latin American elections, the losing side has claimed irregularities, despite what appears to have been a fair and secure process. Efforts to sow doubts about the legitimacy of the process are intended to mobilize the loyalist Petro base. Uribismo's endorsement will presumably help De la Espriella, although more moderate centrists may hesitate slightly before throwing in their lot in with Colombia's 'Bukele.' It's clear where White House preferences lie, and this too will be influential—albeit potentially negatively, with Petro casting De la Espriella as a 'stooge' of the United States. For markets anxious about Colombia's worsening fiscal position and debt ratio under Petro, a De la Espriella victory would underpin expectations for fiscal consolidation and a slimming of the welfare state expanded by Petro. De la Espriella would also likely reverse Petro's anti-extractives stance. For more conservative Colombian voters and businesses, pledges of a return to tougher security policies will be the strongest reason to stick with De la Espriella in the runoff. But for others, particularly in rural areas, it will raise real apprehension about a return to a cycle of intense violence between the state security forces, leftist insurgents and some of the region's most powerful organized crime syndicates."

> **"Efforts to sow doubts about the legitimacy of the process are intended to mobilize the loyalist Petro base."**
>
> **— Eileen Gavin**

Glaeldys González Calanche, analyst for the South Andes at International Crisis Group: "The vote exposed a deeply polarized electorate. De la Espriella, who has aligned himself with leaders such as Donald Trump, Daniel Noboa and Nayib Bukele, has promised a sharp break from President Gustavo Petro's government. He favors a hardline security agenda that includes aerial bombardments, mega-prisons and scrapping the 2016 peace accord with the FARC. His campaign leaned heavily on social media and artificial intelligence, portraying Iván Cepeda as ideologically aligned with guerrilla groups. Cepeda, by contrast, hoped to rely on continuity and on Petro's approval rating, which remains around 40 percent, to carry him to a first-round win. He declined to debate other candidates and instead

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concentrated on drawing large crowds to public squares across the country. He ran an old-fashioned campaign that did not mobilize enough voters who traditionally abstain. As things stand, this is De la Espriella's election to lose. He will likely gain most of the 1.6 million supporters of Paloma Valencia, a more traditional right-wing candidate allied with former President Álvaro Uribe (both of whom endorsed De la Espriella promptly). Cepeda will now need to attract centrist and swing voters, while also seeking support from the roughly 400,000 voters who cast blank ballots. In speeches and social media posts, both De la Espriella and Cepeda have insulted each other, and the debate is only likely to become more acrimonious. Although both Petro and Cepeda initially cast doubt on the probity of the process, international observers have said the vote was transparent."

Maria Velez de Berliner, chief strategy officer at RTG-Red Team Group, Inc.: "De la Espriella's market capitalism and Cepeda's socialism are the main differences between the two. Violence Total, the result of Petro's Paz Total, propelled Abelardo de la Espriella to number one. We will not know who voted for De la Espriella's platform and who voted for De la Espriella as a vote against Petro's continuance, Iván Cepeda. We also will not know who, at the last minute, changed their vote from Paloma Valencia to De la Espriella to stop the continued development of socialist governance, which Cepeda's platform promised. The result of the June 21 runoff will be determined by where the votes of Sergio Fajardo and Paloma Valencia go, and whether the violence voters voted against continues along with the lawlessness that permeates the country.

> **"It all seems to indicate the votes of the wide opposition against Petro will go to De la Espriella."**
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> **— Maria Velez de Berliner**

It all seems to indicate the votes of the wide opposition against Petro will go to De la Espriella. This means the presidential election is De la Espriella's to lose. However, if he wins, as expected, Colombia's experiment with socialism will be over, unless De la Espriella's governance includes the millions to whom Petro gave voice. Whether De la Espriella will be able 'to change the history of Colombia permanently' remains to be seen, particularly if he decides to govern in the style of Javier Milei and Nayib Bukele. If he does, the voices of Cepeda's and Petro's people will make sure they are heard in public demonstrations and attacks against private property and people."

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

Upcoming Events

Cuba's Next Chapter

June 9, 2026 | 10:00 a.m. ET | Inter-American Dialogue

Twelfth Annual Building a Competitive U.S.-Mexico Border Conference

June 10, 2026 | 9:00 a.m. ET | Inter-American Dialogue

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