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FEATURED Q&A

Did Another Vote Affect Maduro's Grip on Power?

Venezuelan President Nicolás Maduro increased his party's control of the National Assembly and regional governorships in May 25 elections. // File Photo: Venezuelan Government.

Q Venezuelan President Nicolás Maduro's ruling party coalition won all but one governorship in regional elections on May 25, in a vote marked by low turnout and preconditions for opposition parties' participation, The New York Times reported. The ruling coalition also won more than 82 percent of the seats in the country's National Assembly, according to the country's electoral council. After the elections, Maduro's government appointed a governor of the Essequibo region, which Guyana administers but Venezuela claims; Guyanese and U.S. officials condemned the act as a violation of international law. How will the results of the May 25 elections affect Maduro's control of Venezuela's political institutions? To what extent could the elections change the opposition's ability to mobilize support? How will Maduro's appointment of a loyalist governor of 'Guayana Esequiba' affect ongoing tensions between Guyana and Venezuela?

A **Jennie K. Lincoln, senior advisor for Latin America & the Caribbean at the Carter Center:** "Venezuela's electoral exercise on May 25 was far from meeting international standards. After the fraudulent presidential election of July 28, the National Electoral Council (CNE) rewrote the electoral calendar to advance the legislative and gubernatorial elections and required candidates to accept the results of that election in order to participate. The CNE never produced data from the polling stations to defend the Maduro win. Thus, the Edmundo González/María Corina Machado opposition forces called for abstention in the May elections to continue the rejection of the legitimacy of the Maduro government. The CNE alternative math of July

Continued on page 3

TODAY'S NEWS

ECONOMIC

Venezuelan Oil Exports Steady in May: Reuters

Venezuela's average daily oil export figure declined by less than one percent between April and May, according to Reuters' analysis of shipping data and company documents.

Page 2

POLITICAL

Morena to Control Mexico's Supreme Court After Vote

Initial vote tallies show Mexico's governing Morena party likely won a majority of supreme court seats in the country's judicial elections on Sunday.

Page 2

BUSINESS

Brazil's BTG Eyes Return to Hong Kong: Executive

Brazilian investment bank BTG Pactual is looking to re-open an office in Hong Kong a decade after leaving the Chinese territory, BTG partner João Scandiuzzi told the South China Morning Post in a recent interview.

Page 3

Scandiuzzi // File Photo: LinkedIn Profile of João Scandiuzzi.

POLITICAL NEWS

Morena to Control Supreme Court After Judicial Elections

Preliminary elections results showed that Mexico's ruling Morena party will likely control the supreme court after the country held a first-of-its-kind national judicial election on Sunday, the Associated Press reported. Mexicans on Sunday voted for nine of 11 supreme court seats, as well as more than 2,600 federal, state and local judgeships. The vote was marked by low turnout, with just around 13 percent of registered voters casting a ballot, The New York Times reported. Still, that low turnout is generally in line with judicial elections that have happened elsewhere in the world in recent years, Mexican political analyst Viridiana Ríos told the New York Times. Around 87 percent of votes had been counted by Mexico's national elections authority as of this morning, according to the Associated Press. [Editor's note: See related **Q&A** in the May 27 issue of the Advisor.]

Guatemala Charges Colombian Officials With Corruption

A Guatemalan prosecutor issued arrest warrants on Monday for a group of people involved in a U.N. anti-corruption mission in Guatemala, including current Colombian Attorney General Luz Adriana Camargo Garzón and former Colombian Defense Minister Iván Velásquez, the Associated Press reported. Carmargo and Velásquez, who led the mission International Commission Against Impunity in Guatemala, known as CICIG, are being accused of illicit association stemming from investigations into bribes paid by the Brazilian construction company Odebrecht to Guatemalan officials, the AP reported. In a video posted to social media, Rafael Curruchiche, the head of Guatemala's Special Prosecutor's Office Against Impunity, alleged that, together with other officials involved in the U.N. mission, Velásquez and Camargo participated in a "criminal structure" led by the mission's former commissioner, which benefited businessmen from Odebrecht. Camargo and Velásquez were charged with obstruction of justice, criminal association, influence peddling and collusion, according to Curruchiche's video. He also called on Interpol to issue an alert for the officials' arrests. On Monday, Colombia's foreign ministry condemned Camargo and Velásquez's arrest warrants, claiming that Curruchiche's request to Interpol had no legal basis and is an "attack on the fundamental principles of international justice."

ECONOMIC NEWS

Venezuela's Oil Exports Hold Steady in May: Reuters

Venezuela's oil exports remained unchanged in May, as increased shipments to China offset a decline in cargoes bound for Europe and the United States, Reuters reported today, citing shipping data and internal documents from state-run PDVSA. The South American country saw 30 vessels leave its ports in May carrying an average of 779,000 barrels of crude oil and refined fuels, a decrease of less than 1 percent from April and an increase of around 1 percent compared to the same month of 2024, according to Reuters. U.S. export licenses for multinational firms to operate in Venezuela expired on May 27, but oil major Chevron had already seen its cargoes cancelled ahead of the deadline. Still, the wire service found that shipments of Venezuelan oil to the United States actually increased between April and May by around 8 percent, thanks largely to a large swap between Maurel & Prom and trading house Vitol, which was the final export transaction to be authorized by the U.S. Treasury Department. Venezuela's oil exports to China increased by 12 percent last month to an average of 584,000 barrels per day, with China accounting

NEWS BRIEFS

IMF Announces $1.5 Bn Package for Costa Rica

The International Monetary Fund on Monday approved a $1.5 billion, two-year line of credit for Costa Rica, Reuters reported. The IMF said that Costa Rica meets the requirements for Flexible Credit Line arrangements, which are reserved for nations with strong policy frameworks. The IMF said the credit line is meant to be a precautionary arrangement in the case of potential external shocks, and that it could request reduced access from Costa Rican authorities if external risks decline, according to the wire news service.

Canada's Carney Discusses Oil, Mining With Provincial Leaders

Canadian Prime Minister Mark Carney met Monday with the leaders of Canada's 10 provinces to discuss ways to spur economic growth, Reuters reported. Provincial premiers asked Carney to expedite permitting processes for new mining and energy projects, as well as reduce trading barriers between Canada's provinces, according to the wire service. Most premiers advocated for a new major oil export pipeline project from Alberta, but some disagreed regarding whether a new pipeline should be routed west to the Pacific Ocean or east to the Hudson Bay, Bloomberg News reported.

Telefónica Investigating Possible Cyberattack on Former Peru Subsidiary

Spanish telecommunications firm Telefónica announced Tuesday that it is investigating an "alleged" cyberattack affecting data from 1 million of its customers in Peru, Reuters reported. A hacking group is currently offering to sell a database from Telefónica containing information from 22 million customers around the world, according to the wire service.

for 75 percent of the total, Reuters reported. Venezuela last month began exporting heavier grades of crude—which have been traditionally reserved for U.S. gulf coast refineries—to Asia, the wire service found. [Editor's note: See related **Q&A** in the May 23 issue of the weekly Energy Advisor.]

BUSINESS NEWS

BTG Pactual Plans to Open New Office in Hong Kong

São Paulo-based investment bank BTG Pactual plans to open an office in Hong Kong, BTG partner and chief strategist João Scandiuzzi told the South China Morning Post in an interview published on Monday. BTG plans to return to Hong Kong more than 10 years after the bank left the Chinese special administrative region following the exit of its then-parent company, UBS. The announcement of BTG's potential re-opening of operations in Hong King comes around two weeks after Brazilian President Luiz Inácio da Silva traveled to mainland China last month and signed multiple agreements with his counterpart, Chinese President Xi Jinping, to enhance diplomatic and business ties between China and Brazil, The New York Times reported. Last week, BTG executives had taken separate trips to Hong Kong, Shanghai and Shenzhen, the South China Morning Post reported. It's unclear over what time frame BTG's re-opening of an office in Hong Kong could be completed. Scandiuzzi told the newspaper that in considering a return to Hong Kong, BTG is looking to deepen its engagement with high-growth sectors of China's economy like technology and energy. "Lots of Chinese companies, especially in the electricity sector, come to us when seeking investments in Brazil … I think the relationship between Brazil and China in general should be furthered," Scandiuzzi told the South China Morning Post. In addition to Brazil, BTG has offices in Argentina, Chile, Colombia, Mexico, Peru, Portugal, the United States and the United Kingdom.

FEATURED Q&A / Continued from page 1

28 continued with a misrepresentation of the participation, as well, reporting 42.5 percent versus 25.63 percent in a true calculation of votes. Two non-government-leaning opposition parties chose to participate with the premise that any win provides an opposition voice. They won three national seats (Henrique Capriles, Stalin González and Luis Emilio Rondón) and 13 regional seats. But the government capture of 23 of 24 governorships and 256 of 285 legislative seats assures continued control of all institutions. Government repression before, during and after the vote will impede any mobilization of the opposition and should face international condemnation. Similarly, the election of officials for territory in neighboring Guyana is another example of the hubris that marks the Maduro government's disregard for laws and rights."

Michael Shifter, former president of the Inter-American Dialogue: "Venezuela's farcical and clumsily managed regional elections are unlikely to have a significant impact on Maduro's control of the country's political institutions. Judging by the low turnout, the vote represented a resounding repudiation of Maduro's brutal rule. That popular support and any trace of legitimacy for the Venezuelan strongman has vanished was evident in the fraudulent July 28 election won by opposition candidate Edmundo González. Unsurprisingly, the regional elections have been followed by a wave of repression, chiefly targeting opposition figures and human rights groups. The regime unleashed a similar crackdown in the wake of the presidential vote 10 months ago. The opposition is divided. A more moderate faction, including two-time presidential candidate Henrique Capriles, participated in the May 25 elections, while the larger bloc, reflected in the leadership of María Corina Machado, decided to boycott the sham vote. Under current conditions, it will be exceedingly difficult for the opposition to get much traction. While anything can happen at any moment in Venezuela, the most likely scenario remains a continuation of the status quo. Maduro appears to still have a tight grip on the armed forces. And while the U.S. decision to revoke Chevron's license may hurt the Venezuelan economy, it is hard to see how it will achieve its goal and help bring the regime to an end. In Trumpian terms, Maduro still has some 'cards' at his disposal: Russia, China and Iran, not to mention the world's largest oil reserves. Maduro's endless and reckless provocations on Guyana will keep bilateral tensions high, but will probably not lead to a military conflict."

Betilde Muñoz-Pogossian, director of the department of social inclusion at the Organization of American States: "Popular sovereignty is a fundamental principle of politics that recognizes the authority and legitimacy of a government as deriving from the will and consent of the people. In Venezuela, this principle was powerfully reaffirmed in the last elections not through ballots, but through active abstentionism. On May 25, the ruling party claimed sweeping electoral victories: 22 of 23 governorships and over 82 percent of National Assembly seats. Yet the real headline was the massive abstention. Instead of signaling indifference, it was a deliberate act of civil disobedience. The low voter turnout of the last elections signaled to the ruling class that the electorate rejects the restrictive conditions under which the electoral process took place. More importantly, it conveyed dissatisfaction with the ongoing issues of hyperinflation, high unemployment rates, widespread poverty, and the exodus of nearly 8 million displaced Venezuelans. While one might argue that the results consolidate the ruling class's legislative and territorial dominance, the outcome in practice reveals a profound discontent among the citizenries. Additionally, the appointment of a de facto governor for the Essequibo region underscores the need

Continued on page 4

FEATURED Q&A / Continued from page 3

to assert control over the disputed territory. While this may be perceived as a strategic or performative action to demonstrate dominance, it risks precipitating a diplomatic crisis that could further undermine the country's international standing and provoke potential retaliatory measures from Guyana. In this context, and particularly during the transition out of the crisis, the involvement of the international community, including organizations such as the Organization of American States (OAS) now under new leadership, will be crucial. Now is the moment for democracies across the Americas to stand together and work collaboratively to ensure a future defined by justice, dignity and peace for all people in Venezuela."

Riyad Insanally, fellow at the Caribbean Policy Consortium and former ambassador of Guyana to the United States: "Venezuela's regional elections were conducted by a regime that is already regarded as having lost the national elections of 2024. These elections were accordingly boycotted by the opposition and clearly lacked legitimacy. The vote for Essequibo took place in a micro-district of some 21,000 voters in Venezuela's Bolívar state, on the Guyanese border, which Caracas created just for the elections. There were no polling stations in Essequibo and no Guyanese voted. That the Venezuelan authorities claim that a governor, six deputies to the National Assembly and seven representatives to a regional legislative assembly have been elected for Essequibo, is not only farcical but also a blatant and illegal attempt at annexation. Essequibo was never settled by Spanish colonists or by Venezuelans and has been internationally recognized as Guyana's sovereign territory since the 1899 Arbitral Award. Maduro and his regime are compounding their rejection of the rule of international law and the jurisdiction of the International Court of Justice to rule on the validity of the 1899 award by escalating a campaign of aggression and intimidation aimed at forcing Guyana to make some kind of territorial concession. Maduro is simultaneously denying the opposition its legitimate democratic rights and is trying to distract Venezuelans from their domestic political and economic woes by beating the drum of nationalistic interests. Guyana's diplomatic efforts, buoyed by its growing stature as a petro-state, have ensured that the weight of international opinion is firmly on its side. But tensions between the two countries will remain. Meanwhile, the Venezuelan opposition needs to continue working to mobilize international support to bring pressure to bear on the regime."

José Enrique Arrioja, managing editor of Americas Quarterly and senior director of policy at Americas Society/Council of the Americas: "The regional and legislative elections tightly reinforced Maduro's grip on the nation's political framework. His overwhelming control of the National Assembly and regional power now paves the way for a constitutional reform that will fundamentally alter the core of the country's political principles, thus far. An overhaul of the electoral system, aiming to introduce a 'Communal Circuit System' that will replace the current universal and direct voting system, is planned for 2026; in tandem or subsequently, a communal state is likely to follow. Maduro and his inner circle conceived the elections with an additional goal in mind: to marginalize the opposition and complete the obliteration of their role, attempting to suppress the vestiges of social discontent. Before the staged contest, the increasingly fractured opposition lacked not only economic resources and access to dwindling free media but also the real power to convene and mobilize civil society, as María Corina Machado, the most prominent leader, continues to be in hiding. The opposition—facing an even more challenging task and scenario—will need to regroup deeply to chart the next chapter versus a paradigmatically resilient opponent."

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