FEATURED Q&A

Does the U.S. Want Warmer Relations With Maduro?

A U.S. delegation traveled to Caracas to meet with Venezuelan President Nicolás Maduro and other officials in his government in early March. Characterized by Maduro as “respectful” and “cordial,” the meeting took place as the administration of U.S. President Joe Biden is seeking to boost global oil supplies in light of its decision to halt oil imports from Russia over the war in Ukraine. What do the visit and other recent communications mean for relations between the United States and Venezuela, and how can each country benefit from any agreements reached? What does the meeting suggest about the legitimacy and stability of Maduro’s rule in Venezuela, and where does it leave the U.S.-backed opposition? Would a potential easing of U.S. sanctions on the Andean country drive a wedge between Russia and Venezuela?

Asier Achutegui, former international affairs manager at PDVSA: “Even though Venezuela and the United States should be natural energy trading partners, politics have hampered this enormous commercial potential since the arrival of Hugo Chávez in 1999. Interestingly, most obstructions have come from the United States, while Venezuela was trying to insist on sticking to capitalist principles and leaving politics out of the energy relationship. By slowly making it more difficult for Venezuela to export oil to the United States and for U.S. companies to invest in Venezuela’s energy sector, different administrations have pushed Venezuela to look for new and more reliable partners. This peaked with Trump’s sanctions on the entire energy and financial sectors, forcing Venezuela to turn mainly to Russia.

Continued on page 3
Brazilian Justice Withdraws Order to Suspend Telegram

A Brazilian Supreme Court justice on Sunday withdrew an order he had made two days earlier to suspend messaging app Telegram after the company complied with orders to block accounts that supporters of President Jair Bolsonaro are accused of using to spread misinformation, The Wall Street Journal reported. The Supreme Court had given the Dubai-based company until Sunday to block the accounts in question and also name a representative in Brazil and formulate a plan to combat misinformation. The decision on Friday by Justice Alexandre de Moraes to block the messaging app in the country angered Bolsonaro’s supporters, who accused the high court of censorship. Bolsonaro criticized the decision, saying, “What is at stake here, in all of this, is our freedom,” The Wall Street Journal reported. After Moraes’ order on Friday, Telegram’s chief executive officer, Pavel Durov, said the company had missed emailed requests from the court to comply with its previous directives, The New York Times reported. “I apologize to the Brazilian Supreme Court for our negligence,” said Durov. Telegram then worked over the weekend to comply with the high court’s orders. It deleted classified information that was shared by Bolsonaro’s account, and it removed the accounts of a Bolsonaro supporter who has been accused of spreading misinformation, The New York Times reported. In revoking his suspension of Telegram, Moraes said Sunday that the app had shown “full compliance,” Reuters reported. “I revoke the decision of complete suspension of the operation of Telegram in Brazil,” said Moraes. The Supreme Court justice has led an inquiry into campaigns to spread misinformation, and he has accused some Bolsonaro supporters of spreading fabrications ahead of the country’s October presidential election, in which Bolsonaro is facing a tough challenge from former Brazilian President Luiz Inácio Lula da Silva.

Mexico’s López Obrador to Open New Airport

Mexican President Andrés Manuel López Obrador today is scheduled to inaugurate the new Felipe Angeles International Airport, a $4.1 billion project 27 miles from the center of Mexico City, which the president decided to build after canceling a separate $13 billion airport project that was already under construction when he halted it three years ago, the Associated Press reported. Critics have said the Felipe Angeles airport, which previously served as a military base, is too distant from Mexico City. It also lacks a train connection, though one is scheduled to be completed next year, Reuters reported. “It is such an important project that our adversaries want to sling mud at it,” López Obrador said last week, the AP reported. “There is a whole campaign refusing to recognize that was a very good decision,” the president added, referring to his move to cancel the much larger airport project, which he said was too expensive, geologically unsound and marred by corruption, Reuters reported. The Felipe Angeles airport is starting with only a handful of flights, including one to Caracas, the AP reported.

Chile’s Boric Signs United Nations’ Escazú Agreement

New Chilean President Gabriel Boric on Friday signed an agreement for the country to join the United Nations’ Escazú Agreement, an environmental treaty that Chile has previously refrained from joining, Al Jazeera reported. The agreement was signed by several countries in the region in 2018 and came into force last April. It is primarily focused on access to information and environmental justice in Latin America and the Caribbean, and it has the aim of protecting people’s rights “to live in a healthy environment and to sustainable development,”

Venezuela Has Failed to End Impunity for Rights Violations: Report

The government of Venezuelan President Nicolás Maduro has failed to carry through with its pledge to enact reforms to the country’s justice system and put an end to impunity to violators of human rights, a three-member fact-finding panel told the U.N. Human Rights Commission Friday in a report, The Voice of America reported. The report by the Independent International Fact-Finding Mission on Venezuela followed one in September that detailed deficiencies in the country’s human rights record.

Aris Gold Acquires 20 Percent Interest in Colombia Joint Venture

Vancouver-based gold producer Aris Gold Corp. has acquired a 20 percent joint-venture interest from an Abu Dhabi-based investment company for a gold project in Colombia, Dow Jones Newswires reported this morning. Aris has entered a definitive agreement with a subsidiary of Mubadala Investment Company PJSC to acquire the 20 percent stake for $100 million. Aris, which will become the operator of the gold project, said that the capital cost is estimated at around $1.2 billion, and that a feasibility study suggests an average gold production of 450,000 ounces per year.

U.S. Coast Guard Rescues 189 Haitians Off Country’s Coast

The U.S. Coast Guard on Saturday rescued 189 Haitians, including 17 children, 20 miles off the coast of Haiti, the Miami Herald reported. The sail freighter the Haitians were using was too small for such a large number of people, and weather conditions were bad. Coast Guard Cutters William Flores and Tahoma rescued the people off the boat.
Colombia’s Ecopetrol Launches Green Hydrogen Project

Colombia’s Ecopetrol on Friday launched its first green hydrogen pilot project at a company refinery in Cartagena, Reuters reported, citing a statement by the state-owned oil company. Ecopetrol CEO Felipe Bayón said in the statement that the energy company is “announcing a robust portfolio of initiatives that seek to develop (the hydrogen) industry” in Colombia. At its refinery in Cartagena, the energy company will produce 20 kilograms (44 pounds) of high-purity green hydrogen per day during the project’s three-month period. To meet these figures, the project will use 270 solar panels, a 50-kilowatt Proton Exchange Membrane electrolyzer and the refinery’s water, Reuters reported. Ecopetrol will invest some $2.5 billion in total until 2040—approximately $140 million per year—to produce zero- and low-emission hydrogen, according to the statement. Among other uses, the hydrogen produced will be used to power the refinery’s operations and to make low-carbon products for sale in the Andean country and abroad, Reuters reported.

In a Q&A published in the March 18 issue of the Dialogue’s weekly Energy Advisor, Luis Diazgranados, the Colombia operations manager at sustainable energy consultancy Hinicio, noted that while green hydrogen is not currently “cost-competitive” in comparison to conventional fuels, “governments in the region understand its potential to help them achieve their decarbonization goals, as well as other social and economic benefits.”

Boric signed the treaty on Friday. // Photo: Facebook Page of Gabriel Boric.

“Just as today we advanced signing Escazú, tomorrow we will continue for decent pensions, quality health and the eradication of gender violence in educational establishments,” Al Jazeera reported. Chile’s Congress must ratify Boric’s move for the country to join the treaty in order for the decision to take effect.

For support. These policies have pushed Maduro to create such a strong dependence on Russia that it would be inconceivable for him to jeopardize it. Breaking this bilateral relationship would imply losing access not only to Russian support in oil joint ventures, but also to spare parts for almost all of the country’s military arsenal, as well as IT security networks. It is unlikely that the United States would accept alleviating sanctions without demanding a clear distancing from Russia. This would be too high of a price for Venezuela to pay. However, as current oil prices are driven mostly by perception rather than fundamentals, this visit—an implicit sign that the U.S. government recognizes Maduro’s presidency—might have some effect as it will bring a glimpse of hope with the possibility of international oil companies being allowed to access the world’s largest oil reserves.”

Marco Rubio, vice chairman of the Senate Select Committee on Intelligence and senior member of the Senate Committee on Foreign Relations: “The Biden administration’s shameless decision to send emissaries to meet with Venezuela’s narco-dictator was not only a PR boost for the criminal Maduro regime, but also a slap to the face of the U.S.-recognized interim government led by President Juan Guaidó and the Venezuelan opposition. Begging for oil was such a disastrous move that the White House has reportedly backtracked, at least for now. But no matter what, Maduro has made clear his loyalty is with Putin.”

A

Vanessa Neumann, CEO of Asymmetrica and former Juan Guaidó-appointed Venezuelan ambassador to the United Kingdom: “Pulling Venezuela toward the United States when Russia is at its most isolated since the Cold War is certainly laudable, but the execution was clumsy and uncoordinated. Secretary of State Antony Blinken said it was about oil, but then had State Department spokesman Ned Price backtrack in light of the fierce and united backlash from both sides of the congressional aisle and electorally critical Florida. The Americans needed to astroturf the messaging with the Florida diaspora: explain that they are seeking a way out of the deadlock of Guaidó vs. Maduro, which does nothing for the Venezuelan people. As it played out, the Biden administration shot themselves in the foot heading into the midterms. The quest for a free and prosperous Venezuela should have been the message, even if pursuing U.S. interests in freed American hostages and cheap oil. If Venezuelans think they will get what they need, they will support the United States getting what it needs. Questions remain. If it is to retain any credibility, the United States will have to give some concession in exchange for the two freed hostages. Will that be Chevron’s pumping Venezuelan oil? The United States should not lift sanctions on non-Western companies. Why should they? Also, given Russia’s deep entanglement in PDVSA, we need clarification on how the revenues would be prevented from funding Putin’s war machine’s vast European ambitions but

Continued on page 4
benefit the Venezuelan people. Again, confidence-building measures must be centered around delivering for Venezuelan citizens: food, water, medicine, security, a more stable and growing economy and irreversible steps back to democracy, including votes for the six million in the diaspora.”

A Javier Coronado and Eric Pons, partner and associate attorney, respectively, at Diaz Reus: “It is uncertain what opportunity, if any, the war in Ukraine will create for the United States to wedge geopolitical ties between the Maduro regime and Russia. For decades, Russia and China (which has reportedly declared in official statements that its ‘friendship’ with Russia knows ‘no limits’) have spent substantial resources to bolster the finances and military forces of the government of Venezuela in exchange for crude supply and diplomatic allegiance. Putin has supported Maduro with billions of dollars in loans and military deals, as well as extensive training of Venezuela’s army, shielding Russian interests in the South American country. Conversely, the U.S. relationship with Maduro has been crippled for years, with the U.S. government recognizing Juan Guaidó as Venezuela’s president, enforcing broad economic sanctions related to Venezuela and actively investigating and prosecuting individuals connected to the Government of Venezuela for allegations of corruption and money laundering. Against this backdrop and considering the U.S. bipartisan opposition to a lifting of sanctions, as well as PDVSA’s complex infrastructural challenges to reanimate oil output, it is unlikely that the visit from Biden’s delegation to Venezuela and the other recent U.S. communications with Maduro will be fruitful, at least in the short term. These U.S. talks with Maduro, however, show that unforeseen times can push drastic measures, and over the medium-to-long term the U.S. Government might reconsider the blocking of certain assets of PDVSA, or license U.S. dealings otherwise prohibited by sanctions related to Venezuela, if necessary to balance oil supplies or help any other U.S. policy objective.”

Geoff Ramsey, director for Venezuela at the Washington Office on Latin America: “On March 5, at least three U.S. diplomats traveled to Caracas to meet with Maduro. While there, they also met with some in the Venezuelan opposition, including Gerardo Blyde, the head of the opposition delegation to the negotiations that began last year in Mexico City. In the days that followed, two detained U.S. citizens were released, and Maduro has given tentative signals that he may return to negotiations. This is a major shakeup of U.S. policy, and it’s not without risks. In order for this to succeed, the U.S. government will have to ensure a focus on restoring Venezuela’s democratic institutions. The Biden administration should work to reactivate negotiations in the Mexico City framework but also ensure that negotiations produce substantial reforms that can fulfill the fundamental human rights of the Venezuelan population. In supporting future negotiations, the United States and other governments need to keep their eyes on the prize. Any ‘reformatting’ of the talks, as the Maduro government is seeking, should create spaces for greater participation from civil society and victims—not for the Maduro to evade issues of justice and human rights. The truth is the international community should not support dialogue for dialogue’s sake. The fundamental objective should not be to normalize relations with a dictator, but rather to break the stalemate. If executed properly, this new approach stands a better chance at creating spaces for a democratic opening than the previous administration’s failed ‘maximum pressure’ campaign.”

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