

## Daily



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## MAX - Americas Region Daily Summary - July 12, 2024

### Highlights of the Day

- **Bolivia:** Intra-MAS clashes recorded before multi-party meeting in La Paz on July 10; rift between factions to exacerbate through medium-term
- **Colombia:** President Petro proposes fast-track mechanism to revitalize Paz Total talks, on July 11; endorsement by Congreso uncertain
- **Jamaica:** 48-hour curfew to remain in effect in St Catherine parish until 18:00 (local time) on July 13; avoid nonessential travel
- **USA:** Suspect enroute Ukraine to join neo-Nazi group arrested for plot against NJ power grids on July 10; wider ideological appeal amid war

### Actionable Items

**Americas: Heavy rains expected in parts of Mexico, wildfires prompt alerts in California, Hawaii as of July 12; remain abreast of updates**

**Current Situation:** In **Mexico**, over 200 residential buildings were affected after the overflowing of the Amacuzac and Tembembe River, in Puente De Ixtla and Miacatlan municipalities. Additionally, the Servicio Meteorologico Nacional stated intense rainfalls are expected to occur in Nayarit, Jalisco, Colima, Michoacan, Guerrero, Morelos, Veracruz, Oaxaca, and Chiapas on July 12. In the **USA**, the National Weather Service (NWS) issued flash flood warnings for areas in the states of Missouri, North Carolina, Kansas, and Virginia for July 12. The NWS has also issued excessive heat warnings in western parts of the USA including Arizona, California, Oregon, Idaho, Nevada, and Utah for July 12. In California, officials stated that the vista fire in the San Bernardino National Park is ongoing, which has reportedly triggered evacuations of Mt. Baldy ski resort and nearby hiking trails. In Hawaii, due to a wildfire near Haleakala National Park's Summit District, the area has been closed until further notice. Details on wildfire conditions in Arizona can be found [here](#). As of writing, over one million customers in Texas are affected by power outages following damage caused by Hurricane Beryl.

**Recommendations:** Those operating or residing in the aforementioned regions in Mexico and the USA on July 12 and the coming days are advised remain cognizant of authorities' updates regarding weather-related risks.

**Jamaica: 48-hour curfew to remain in effect in St Catherine parish until 18:00 (local time) on July 13; avoid nonessential travel**

**Current Situation:** A 48-hour curfew remains in effect in Homestead and the McVickers Lane area in Spanish Town, St Catherine parish since 18:00 (local time) on July 11 until 18:00 on July 13.

**Assessments & Forecast:** Although the trigger for the curfew remains unclear, it is highly likely that a security incident, like a gang-related shootout, may have prompted it. This can be supported by multiple reports including that of an individual being shot at, along St. John's Rd, Spanish Town while leaving a funeral home on July 9, and another individual being fatally shot at a gas station in Spanish Town on July 4. Moreover, the recurring imposition of curfews in St Catherine, particularly in the south, underscores persistent insecurity, primarily driven by territorial disputes among local gangs like Clansman gang's 'Tessa faction' and One Don gang involved in micro-trafficking. June 16 reports on an alleged local gang member's mother being fatally shot in St Catherine, further reiterates the threats associated with localized gang rivalries. Considering that most of these incidents involve drive-by shootings in public places, there is a latent risk of spillover violence.

**Recommendations:** Those operating or residing in St Catherine on July 12-13 are advised to avoid non-essential travel to Homestead and McVickers Lane due to the ongoing curfew. Allot for disruptions to travel near the aforementioned locations due to potential ad-hoc road closures and security checks.

## **Mexico & USA: Pro-Palestinian protests planned in Detroit, Mexico City, New York City on July 13-14; maintain heightened vigilance**

**Current Situation:** According to reports, pro-Palestinian protests demanding a amid the ongoing Israel-Hamas conflict are slated in Mexico and the USA on July 13-14. In Mexico City, a protest march is slated between the Angel de la Independencia and the Zocalo, from 16:00 (local time) on July 13. In Detroit, MI, a demonstration is slated in front of the Zekelman Holocaust Museum in Farmington Hills from 15:00 on July 14. In New York City, NY, a protest is slated at 72-31 Park Drive East in Queens from 17:30 on July 14.

**Assessments & Forecast:** Based on precedent, the protests in Mexico City and New York City are expected to draw turnouts in the mid-to-high hundreds each and carry a credible potential for escalation into localized unrest, including scuffles between protestors and security. Conversely, the protest in Detroit will draw an attendance in the high-dozens to low-hundreds and will transpire peacefully. A bolstered security presence can be expected near all protest sites to monitor proceedings and divert traffic, consequently causing disruptions to pedestrian and vehicular traffic in the vicinity.

**Recommendations:** Those operating or residing across the aforementioned locations in Mexico and USA on July 13-14 are advised to maintain heightened vigilance in the vicinity of the planned pro-Palestinian protests due to the potential for localized unrest.

## **Notable Events**

### **Bolivia: Intra-MAS clashes recorded before multi-party meeting in La Paz on July 10; rift between factions to exacerbate through medium-term**

**Current Situation:** On July 10, President Luis Arce-led Arcistas and Evo Morales-led Evistas factions of the left-wing ruling Movimiento al Socialismo (MAS) physically assaulted each other outside the Tribunal Supremo Electoral (TSE, supreme court) in La Paz. The clashes were reported prior to a multi-party, where it was decided to suspend primary elections in December due to scheduling conflicts with judicial elections.

**Assessments & Forecast:** The clash highlights the deepening rift within MAS, which has been the major ruling party since 2006, with both Arce and Morales vying to run as presidential candidates for the upcoming elections in 2025. With political parties now choosing the candidates following the cancellation of the primary elections, a consensus on MAS' presidential candidate will remain challenging, further exacerbating tensions between the two factions. This is especially expected after the June 26 coup attempt which has prompted mutual allegations of involvement in the coup. Meanwhile, with the governing MAS party embroiled in intra-party conflicts, attempts to alleviate the economic

crisis pertaining to fuel shortages, dwindling international reserves, and rising debt among others will remain limited in the medium term.

**Brazil: Lower House approves Lula-led tax reform bill on July 10; businesses to manage dual tax regime until complete transition**

**Current Situation:** On July 10 the lower house of Congress approved President Luiz Inacio Lula da Silva-proposed tax reform bill with [477 votes](#) in favor. The bill introduced in April, consolidates five existing taxes into a single consumption levy, a value-added tax (VAT). Additionally, it introduces taxes on products like cigarettes, alcoholic beverages, gambling games, and electric vehicles (EVs). Senate voting on the bill remains pending.

**Assessments & Forecast:** The reform is expected to significantly simplify the complex tax system, currently fragmented among federal, state, and municipal levels, raising tax compliance costs for businesses operating across different jurisdictions. However, that the comprehensive reform will be rolled out over 10 years, potentially reaching full implementation by 2033, implies that companies may face a challenging transition period, navigating dual tax regimes until the reform is fully established. Separately, the multiple amendments to the tax reform bill since April, including accepting Partido Liberal, opposition party's proposals of excluding beef from the new consumption tax, reflects the government's attempts to assuage opposition concerns and ensure the bill's smooth passage, with a similar outcome also expected for the Senate vote.

**Colombia: President Petro proposes fast-track mechanism to revitalize Paz Total talks, on July 11; endorsement by Congreso uncertain**

**Current Situation:** On July 11, President Gustavo Petro presented a plan to revitalize Paz Total peace negotiations with GAI (Illegal Armed Groups) nationwide, through a fast-track legislative mechanism, previously used in 2016, to adapt the Colombian regulatory order to reduce the time frame and accelerate the effectiveness of the implementation of peace agreements.

**Assessments & Forecast:** Given the sensitivities surrounding the nuances of the decades-long internal conflict with GAIs, this political development is likely to meet with clashing reactions. While multiple political leaders, including Culture Minister Juan David Correa, have expressed support for the plan, members of the opposition can be expected to denounce such plans, citing anticipations of the government's weakened approach to dealing with GAIs. Such perceptions are further likely to foster amongst the general public, given ongoing clashes between the military and Fuerzas Armadas Revolucionarias de Colombia dissidents, including the Estado Mayor Central (EMC), in Southwestern Colombia, amid the latter's Plan Pistola offensive targeting state security apparatus.

Further, the endorsement of the plan by the Congreso remains uncertain, given that the governing coalition maintains hold over only 104 of 296 seats in both houses.

### **Mexico & USA: Tariff imposed on certain foreign-origin steel, aluminum imports from Mexico on July 10; effort to curb Chinese circumvention**

**Current Situation:** On July 10, the White House, in a joint statement with Mexico, announced that steel imports from Mexico will face a 25 percent tariff unless it is certified as melted and poured in Canada, Mexico, or the USA. Aluminum imports will be imposed a 10 percent tariff from all countries except Canada and Mexico.

**Assessment & Forecast:** The development, which follows Washington's May 14 tariff hike on certain strategic Chinese imports, including steel, highlights effort to prevent circumvention of duties via Mexico, particularly amid concerns over Beijing's low-cost steel exports and unfair trade allegations from local industries. The move comes amid growing Chinese nearshoring in Mexico. Chinese FDI to Mexico increased 57 percent from 2022 to a record 6 billion USD total (FDI announcements) in 2023, partly resulting in Mexico becoming Washington's top exporter in 2023. To this end, the joint statement is notable in reflecting Mexico's cooperation under the US-Mexico-Canada Free Trade Agreement despite increasing Chinese FDI. Further, the tariffs show President Joe Biden's tough stance on issue ahead of the November 5 presidential elections, projecting support for local industries and unions.

### **USA: Suspect enroute Ukraine to join neo-Nazi group arrested for plot against NJ power grids on July 10; wider ideological appeal amid war**

**Current Situation:** On July 10, authorities arrested Andrew Takhistov at Newark Liberty International Airport (EWR). He was headed to Paris before going to Ukraine to join Russian Volunteer Corps (RVC), a pro-Ukrainian neo-Nazi paramilitary group fighting Russian force. Takhistov began discussing plans of attacking energy facilities in New Jersey with an undercover agent in January.

**Assessments & Forecast:** Given that Takhistov was under a constant law enforcement watch, the plot was unlikely to pose an imminent threat, despite the specific planning and instructions given to the undercover agent during visits to two substations in New Jersey in June and July. The plot aligns with the accelerationist ideology within far-right and white supremacist doctrines which seeks to destabilize society, with [energy facilities being a common target](#) as part of the narrative. Takhistov's intention to join RVC demonstrates the wider appeal of neo-Nazi ideologies amid the Russia-Ukraine conflict driven by the World War 2 context. RVC's ties to US-based Rise Above Movement white supremacist group and the 2022 death of a French volunteer amid the conflict, associated with

Ukraine's allegedly neo-Nazi battalion Azov Brigade, supports the same.

## Other Developments

- In **Argentina**, the Santa Fe government reported a 60.8 percent decrease in homicides in Rosario with 59 homicides reported between January-June, as compared to 160 homicides in 2023.
- On July 11, a drone-borne explosive attack by alleged Fuerzas Armadas Revolucionarias de Colombia (FARC) dissidents against a police station injured four police officials and stunned three civilians in Suarez, Cauca, **Colombia**.
- Per July 11 reports, the International Criminal Police Organization (INTERPOL) issued a red notice to capture Adolfo Macias Villamar, alias 'Fito', leader of the **Ecuador**-based Los Choneros criminal group. Fito, facing trafficking and homicide charges, had escaped from the Guayaquil Penitentiary on January 8.
- According to July 10 reports, the **US** Coast Guard identified over four **Chinese** Navy vessels sailing 124 miles north of the Amchitka Pass, near the Aleutian Islands in Alaska, within the US Exclusive Economic Zone between July 6-7.
- On July 11, the **US** Treasury Department imposed sanctions against multiple leaders of the Venezuelan-based transnational criminal organization Tren de Aragua (TdA) and offered over 12 million USD as a reward for information leading to their arrests.

# Notable Dates

8 DEC	Panama Holiday: Mother's Day
9 DEC	Antigua & Barbuda Holiday: V.C Bird's Day
9 DEC	Peru Holiday: Battle of Ayacucho Day
12 DEC	Mexico Holiday: Virgin of Guadeloupe Day
13 DEC	Saint Lucia Holiday: National Day
19 DEC	Anguilla (UK) Holiday: National Heroes & Heroines Day