



*The VRIC Monitor is a one-of-a-kind, monthly report from SFS tracking extra-regional influence in Latin America. VRIC stands for **V**enezuela, **R**ussia, **I**ran, **C**hina where Venezuela represents the Bolivarian Revolution and the broader Bolivarian Alliance or ALBA. Likewise, Iran represents the Iranian Revolution and a growing presence of Middle Eastern actors in Latin America, namely its chief proxy, Hezbollah. The monitor is comprised of open source information selected by SFS analysts and fellows. This is not a complete list of media reports on VRIC presence in Latin America, but a snapshot of open-source media highlighting the major areas of VRIC influence.*

## Overview

On July 9th, the head of the Pentagon's Southern Command, Admiral Craig Faller, provided testimony to the Senate Armed Services Subcommittee on Emerging Threats and Capabilities warning of the collective threat of Russia, Iran, and China in Latin America, especially in Venezuela. In his testimony, Admiral Faller encapsulates the challenge in Latin America posed by VRIC nations in his opening statement:

"The most disturbing insight, however, has been the degree to which External State Actors (ESAs)—China, Russia, and to a lesser extent, Iran, and North Korea—have expanded their access and influence in our neighborhood. Each actor engages in a wide array of concerning, potentially destabilizing activities, blurring the lines of what constitutes a traditional "military threat" through economic coercion, the systematic stealing of technology, pernicious disinformation campaigns, and malicious cyber activity."

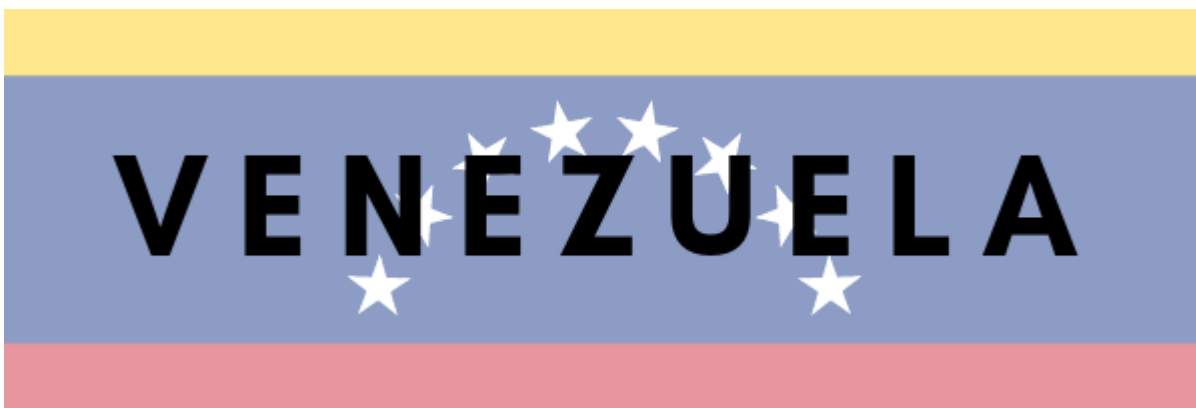
The VRIC monitor demonstrates Adm. Faller's point well. This summer has seen Russia continuously propagandize the Venezuela crisis, Iran's increased diplomatic engagement with the ALBA bloc, and China's "economic coercion" through infrastructure deals that blur its military footprint in the region. Moreover, the VRIC is quietly and gradually advancing on critical infrastructure projects in South America, to include the bi-oceanic railway between Peru, Bolivia, and Brazil, and nuclear cooperation with Bolivia and Argentina.

The ongoing crisis in Venezuela provides an opportunity for VRIC nations, namely Iran and Russia, to increase its diplomatic and military cooperation with the Maduro regime. A point that the U.S. Congress is increasingly paying attention to. Florida Senator Rick Scott outlined the VRIC challenge in June through both a CNBC op/ed and a speech at the Atlantic Council, stating:

“China continues to prop up the Maduro regime, along with Cuba, Russia and Iran. Why? It’s pretty simple. Venezuela, before the tyranny of Hugo Chavez and Maduro, was an economic hub with huge reserves of oil and other natural resources. It can become that again and China wants in on the ground floor.”

July showcased Venezuela at the center of an international front of so-called “resistance countries” as the VRIC promoted the Non-Aligned Movement summit and the 25th Foro de São Paulo Forum in Caracas. Meanwhile, military cooperation between Russia, Iran, and Venezuela, seems to be on the rise, as evidenced by joint military games held in Moscow in early August and joint calls by their respective national security advisors to increase international support for Maduro. Across the Caribbean, Nicaragua approved the entry of 160 Russian troops to train with their armed forces, namely the communications corps Blanca Stella Arauz Pineda, and the Nicaraguan Army’s Search-and-Rescue (SAR) unit and special operations command.

The coming election cycle in South America is critical for VRIC regional influence. The potential re-election of Evo Morales in Bolivia and the possible return to power of Cristina Fernández de Kirchner in Argentina will provide the VRIC tremendous momentum heading into 2020. The recent election primary results in Argentina suggest this opportunity may become a reality.



The Trump administration has increased the economic pressure against the Maduro regime, who is increasingly turning to its VRIC allies for strategic support. Russia is aiding Venezuela’s illicit gold trade by providing airliners to export the gold, which finds its way to a Ugandan refinery before vanishing. Iran’s Foreign Minister Mohammad Javad Zarif recently visited Venezuela in mid-July for the Non-Aligned Movement summit in the midst of heightened tensions with the United Kingdom and the United States. The three countries



(Russia, Iran, and Venezuela) recently engaged in a military tank “biathlon” competition in Moscow that some analysts call “the blending of sport, warfare, soft power, and spectacle.”

Meanwhile, Nicolás Maduro recently withdrew from failed negotiations in Barbados after the U.S. issued new sanctions blocking any U.S. person or entity from doing business with the Maduro regime. This comes after a serious provocation when the Venezuelan Air Force “aggressively shadowed” a U.S. intelligence aircraft performing a reconnaissance mission off the Caribbean coast.

The crisis in Venezuela is gradually growing in international scope reflected by the [59 nations](#) that sent delegations to the August 6th Lima Group meeting in Peru, to include Morocco, Israel, and South Korea. Boasting his own regional alliance, the Maduro regime spent at least \$200 million to host his allies in Caracas in late July for the 25th Foro de São Paulo (FSP) Forum, a gathering of Communist, Marxist, and Socialist political parties from throughout Latin America. Among the many goals of the FSP, as stated in its [official declaration](#), is the reelection of Evo Morales in Bolivia and the return to power of Cristina Fernández de Kirchner in Argentina. The results of the Argentine election primary in August heavily favored Alberto Fernández, whose running mate is the former president Cristina Fernández de Kirchner, while Evo Morales leads his closest opposition candidate in Bolivia by 11 points. The Argentina election, along with that of Uruguay, will be held on October 27th and the Bolivia election earlier on October 20th.

This election period in South America is pivotal as several countries in the continent plunge into a political crisis. Paraguay was recently engulfed in a political storm over a secret energy deal with Brazil, which almost resulted in the impeachment of its president. Peru’s president has called on its Congress to advance elections to next year. Hanging in the balance, Bolivia’s Evo Morales seeks to capitalize on this political instability by making headway on the Port of Ilo project with Peru, and a new binational cabinet with Paraguay. This strategic alliance between Peru-Bolivia-Paraguay is aimed at building a bi-oceanic railway and waterway connecting the Atlantic to the Pacific.

## VENEZUELA AID TRACKER

|                               |   |
|-------------------------------|---|
| <a href="#">United States</a> | <b>\$76 million dollars</b>                   |
| <a href="#">Argentina</a>     | <b>Help unit</b>                              |
| <a href="#">Canada</a>        | <b>\$39 million dollars</b>                   |
| <a href="#">Chile</a>         | <b>17 tons of food &amp; medical supplies</b> |
| <a href="#">China</a>         | <b>200 tons of medicine &amp; supplies</b>    |



|                                    |  |
|------------------------------------|--|
| <a href="#"><u>Cuba</u></a>        | <b>Medical aid to transplant patients</b>                        |
| <a href="#"><u>EU</u></a>          | <b>€65 million euros</b>   |
| <a href="#"><u>Germany</u></a>     | <b>€5 million euros</b>  |
| <a href="#"><u>Iran</u></a>        | <b>Unspecified pledge &amp; medical aid</b>                      |
| <a href="#"><u>Italy</u></a>       | <b>€2 million euros &amp; medical aid to transplant patients</b> |
| <a href="#"><u>New Zealand</u></a> | <b>\$500,000 dollars</b>   |
| <a href="#"><u>Palestine</u></a>   | <b>Surgical team</b>   |
| <a href="#"><u>Russia</u></a>      | <b>335 tons of food &amp; medical supplies</b>                   |
| <a href="#"><u>Spain</u></a>       | <b>€2 million euros</b>  |
| <a href="#"><u>Sweden</u></a>      | <b>\$7 million dollars</b>                                       |
| <a href="#"><u>Taiwan</u></a>      | <b>\$500,000 dollars</b>   |
| <a href="#"><u>Turkey</u></a>      | <b>Medical aid to transplant patients</b>                        |
| <a href="#"><u>UAE</u></a>         | <b>Dh10 million</b>  |
| <a href="#"><u>UK</u></a>          | <b>£6.5 million pounds</b>                                       |

- Crews from 22 countries took part in a tank “biathlon” competition near Moscow that was part of a Russian international military competition called the “Army Games.” It was the fifth annual competition the country has held, and several nations — some neutral or allied to Russia — turned up for the event. Syria, which is currently in its eighth year of civil war, participated in the event as well as Venezuela, Mongolia, Kazakhstan, and Iran. - [Euronews on 08-AUG](#)
- The Trump administration has frozen all Venezuelan government assets in a dramatic escalation of tensions with Nicolás Maduro. The ban places Maduro’s socialist administration alongside a short list of adversaries from Cuba, North Korea, Syria, and Iran that have been targeted by U.S. actions. - [The Associated Press on 06-AUG](#)
- As Venezuela collapses into an economic depression like few seen in the last century, the isolated government of Nicolás Maduro still has one cash cow left: Gold. As a result, the country’s gold production is rising dramatically — and shipments of the metal are being smuggled, often through neighboring Colombia, into one of the world’s largest markets for gold: Miami. - [Miami Herald on 23-JULY](#)
- Despite the chaos in Venezuela, Caracas will host this year’s meeting of the Sao Paulo Forum — an event which will bring together hundreds of socialists and communists who support the Maduro dictatorship — at a cost to Venezuela of at least \$200 million, and will be held within days of a new national blackout that has left the country in the dark. - [PanAm Post on 23-JULY](#)
- Iranian state media reports that Iranian Foreign Minister Mohammad Javad Zarif was



in the Venezuelan capital to attend talks with Nicolás Maduro where the two sides exchanged views on bilateral ties. Earlier in the day, the Iranian minister also met with Venezuelan Vice President Delcy Rodríguez. Zarif is slated to take part in the Ministerial Meeting of the Non-Aligned Movement (NAM) Coordinating Bureau (CoB) to be held in Caracas, from July 20-21 under the theme, “Promotion and Consolidation of Peace through Respect for International Law.” He will also meet with a host of Venezuelan officials before making a visit to Nicaragua and Bolivia. - [Mehr News on 21-JULY](#)

- The U.S. military rejected Venezuela’s claim that a U.S. intelligence aircraft flew over the South American nation’s airspace, saying the American jet was over international waters and had been “aggressively shadowed.” The U.S. Southern Command said that the U.S. EP-3 “was performing a multi-nationally recognized & approved” mission when shadowed “at an unsafe distance” by a Venezuelan SU-30 Flanker, jeopardizing the crew and aircraft. - [Bloomberg on 20-JULY](#)
- According to U.S. indictments, former government officials, regional experts, officials linked to the Iran-backed militant group Hezbollah, and members of Maduro’s government built a massive drug syndicate to become conspicuously wealthy— while most of the country increasingly struggled to find food to eat, or medicine to care for the sick. - [Yahoo Finance on 10-JULY](#)
- With Venezuela in default on about \$175 billion in foreign debt, the political opposition intends to begin restructuring debt payments to prevent creditors from seizing assets, but negotiations with creditors could fall apart as regime change efforts falter. - [Stratfor on 28-JUNE](#)
- Officials in Colombia expressed “concern” after Venezuelan forces illegally entered their territory during the June 22nd weekend in the eastern border region of Guainía. - [Breitbart on 26-JUNE](#)
- The regime of Nicolás Maduro is selling off his country’s gold reserves. Some of it has passed through a secretive operation in East Africa, a gambit that evades U.S. sanctions. - [The Wall Street Journal on 18-JUNE](#)
- The Central Bank of Venezuela has printed new banknotes of 10,000; 20,000; and 50,000 bolivar denominations which began circulating June 13th. With their release, the financial institution aims “to make the payment system more efficient and facilitate business transactions.” - [Bitcoin on 14-JUNE](#)
- Pedro Mendoza, known as the “Russian,” because of military schooling in the country allied with the Maduro administration, reports having a lot of data on the influence of countries like Cuba, Russia, and China that are key in understanding the Venezuelan crisis. - [VOA on 13-JUNE \(content in Spanish\)](#)
- Social media platform Twitter reported having eliminated multiple fake accounts



which advanced propaganda from countries such as Iran, Russia, and Venezuela.

- [Infobae on 13-JUNE \(content in Spanish\)](#)

- More than 228,000 weapons and ammunition belonging to the National Bolivarian Armed Force (FANB) and the National Police Corps might be in the hands of Colombian terrorists on Venezuelan soil, as well as the paramilitary known as “illegally armed colectivos” that support the regime of Nicolás Maduro. - [Diálogo on 06-JUNE \(content in Spanish\)](#)

## THE ALBA

- According to the Nicaraguan Institute of Tourism, more than 5,000 Cubans arrived in Nicaragua during the first five months of 2019, an increase of almost 900 percent compared to the 566 who arrived in the country in 2018. Far from being attracted to the country’s touristic landmarks, most Cubans are there for covert activities to help President Daniel Ortega and his wife, Vice President Rosario Murillo, remain in power. - [Diálogo on 10-AUG](#)
- Landlocked Paraguay has been engulfed in a political storm that has seen both its president and vice president nearly impeached in recent weeks. The crisis began on July 23rd when Pedro Ferreira, the head of the state-owned energy company National Electricity Administration (ANDE), resigned. Ferreira claimed that he was being pressured to add his signature to a secret energy deal with Brazil that had been negotiated behind closed doors by high-ranking officials in May. Ferreira described the deal as constituting “high treason.” - [World Politics Review on 08-AUG](#)
- Paraguay’s President Mario Abdo launched a tender to carry out studies to build a third bridge connecting the country with Brazil, part of the so-called bioceanic highway corridor. - [BNAmericas on 22-July](#)
- On June 21st, the U.S. Treasury Department imposed sanctions on four high-ranking Nicaraguan government officials for allegedly preventing their country’s citizens from exercising fundamental freedoms. - [Reuters on 21-JUNE](#)
- Carlos Mesa Gisbert, a former president of Bolivia, says voters should choose him over President Evo Morales in elections this October because he has better policies and because, after 13 years in power, Morales is a near-dictator of the left who could turn the country into another Venezuela. - [Bloomberg on 20-JUNE](#)
- Cuba’s state security is pressuring dissidents to go into exile in its attempt to weaken opposition on the Communist-run island, a non-governmental human rights organization said. - [UK Reuters on 19-JUNE](#)
- Hours after the creation of the binational cabinet between Paraguay and Bolivia, a meeting was set to revise the external commercial protocols of the Bolivian Port of Ilo.



- [La Razon on 13-JUNE \(content in Spanish\)](#)
- Paraguayan President Abdo Benítez and Bolivian President Evo Morales created the first binational cabinet to generate more integration between the two nations. - [El Deber on 12-JUNE \(content in Spanish\)](#)
- Nicaragua has released more than 100 political prisoners under a new law that frees people arrested amid a year of anti-government protests while also protecting police and others who violently clamped down on the demonstrations. - [The Guardian on 11-JUNE](#)
- Haiti's High Court of Auditors released a 600 plus-page report as a deeper audit regarding the mismanagement of the PetroCaribe funds. The corruption scandal surrounding PetroCaribe, a regional energy programme orchestrated by Venezuela intended to provide petroleum products to Haiti under preferential terms. - [Global Voices on 09-JUNE](#)
- Bolivian state media reports that the Bolivian and Paraguay external affairs ministers signed a mutual agreement that would provide security and defense in both countries. - [Cambio on 06-JUNE](#)
- On June 4th, the Trump administration ended the most popular forms of U.S. travel to Cuba, banning cruise ships and a heavily used category of educational travel in an attempt to cut off cash to the island's communist government. - [AP News on 04-JUNE](#)

# RUSSIA

Moscow continues to serve as a lifeline for the Maduro regime in Caracas, while expanding its presence in Nicaragua and Bolivia. The recent withdrawal of Rosneft and Rostec personnel from Venezuela furthered fan speculation that Russia is losing interest in Venezuela, nevertheless, on June 24th, another plane of Russian military-technicians landed in Caracas, showing that Putin's play in Venezuela is all but over. A week earlier, on June 13th, Maduro gave Russia concession to two new gas deposits in the Parai peninsula allowing Russia the potential to begin manufacturing and shipping liquified natural gas (LNG), in the highly contested eastern territorial waters between Venezuela and



Guyana.

In Nicaragua, in the midst of a fierce standoff between Daniel Ortega and the opposition in mid-June, the National Assembly approved the arrival of 160 Russian troops to train with their counterparts in the Nicaraguan Armed Forces. In July, Vladimir Putin welcomed Bolivian President Evo Morales to Moscow for a series of talks on “strategic cooperation,” including a Russian research nuclear reactor in the Andean nation. Russia has an increased interest in critical infrastructure projects in Latin America, including intra-state railways in Cuba, Mexico, Argentina, Colombia, and the bi-oceanic railway between Brazil, Peru, and Bolivia.

- Russian oil products are making their way to sanction-stained Venezuela, affording a reprieve for the Latin American nation as it battles persistent fuel shortages. Venezuela received at least 616,000 barrels of gasoline and 500,000 of vacuum gas oil, a feedstock used to produce gasoline, in June and July. The cargoes sailed from the Black Sea port of Taman to Malta, where they were transferred to other vessels heading to Venezuela, according to people familiar with the cargoes and ship-tracking data compiled by Bloomberg. - [Bloomberg on 31-JULY](#)
- Venezuela borrowed \$10 billion from Russia to buy combat fighters and tanks. Although Venezuela’s inability to repay loans, Russia continues to support their ally because of the representation of Russia’s symbolic advancement in Latin America. - [Israel Noticias on 28-JULY](#)
- Russian state media reports that Russian Foreign Minister Sergey Lavrov said the country will continue to develop military, technical, and economic cooperation with Cuba, after talks with his Cuban counterpart, Bruno Rodriguez Parrilla. - [TASS on 24-JULY](#)
- The Kremlin confirmed that it sent more Russian experts to Venezuela to work on “military-technical cooperation.” Deputy Foreign Minister Sergey Riabkov said the technicians will be dedicated to maintaining equipment previously supplied to the Chavista regime. - [Infobae on 25-JUNE](#)
- Russian President Vladimir Putin said his country will join the Central Bioceanic Railway Corridor project, which will connect the Atlantic and Pacific Oceans by train through Brazil, Bolivia, and Peru. Moscow also announced the opening of its market for Bolivia’s agricultural products - [UrgenteBo on 11-JULY \(content in Spanish\)](#)
- Bolivia’s President Evo Morales and his Russian counterpart Vladimir Putin signed agreements in Moscow on energy, industrial, agricultural and military issues and discussed the Venezuelan crisis negotiations that are taking place in Norway between delegates of Juan Guaidó and Nicolás Maduro. - [MercoPress on 12-JULY](#)



- Malaysian state media reports that Bolivia is interested in purchasing Russian military equipment, and considers replacing US T-33 jet trainers with Russian analogues, Bolivian President Evo Morales said in an interview with Sputnik. Morales is set to pay a visit to Moscow on July 11th for talks with Russian President Vladimir Putin. - [Bernama on 03-JULY](#)
- The Nicaraguan National Assembly has approved the entry of military personnel from countries including Mexico, Russia, Taiwan, and Venezuela, between July 1st and December 31st to carry out training exercises and improve bilateral military relations. A number of Nicaraguan defense personnel will also travel abroad. - [Janes on 01- JULY](#)
- An accord signed by both Russia and Venezuela earlier this month will give Rosneft tax breaks to produce and export gas from the Patao and Mejillones fields off Venezuela's east coast. The deal underscores how Russia is both propping up and gaining from the Maduro regime. - [Bloomberg on 20-JUNE](#)
- Nicolás Maduro gave Vladimir Putin two new gas deposits to Russia, giving him 100% of the project and all gas rights; with it Putin challenges the government of the United States and reinforces his stay in the South American country. - [PanAm Post on 13-JUNE \(content in Spanish\)](#)
- Russia has decided to begin funding an ambitious project to develop an inter-country rail system in Latin America, beginning in Cuba. - [La Republica on 09-JUNE \(content in Spanish\)](#)



# IRAN



In the midst of Tehran's heightened tension with Washington and London over hostilities in the Strait of Hormuz, Iranian Foreign Minister Mohammad Javad Zarif took a three-country tour of Latin America visiting Nicaragua, Venezuela, and Bolivia in July. The result is several bilateral agreements, such as increased economic cooperation with Nicaragua, the establishment of a nanotechnology research laboratory and UAV facility in Bolivia, and the domestic production of wagons in Venezuela. Zarif's visit to Venezuela coincided with the Non-Aligned Movement summit where he met with several African leaders, calling for an



international front supporting Maduro. This echoed Iran's head of national security, Ali Shamkani, who made a similar statement in June while attending the 10th National Security Forum in Russia. Zarif's Latin America tour came after the 25th anniversary of the AMIA attack, where Argentina officially designated Hezbollah as a foreign terrorist organization.

The Hezbollah terror designation in Argentina came after a series of workshops between the Trump administration and several countries in South and Central America. In June, the State Department organized a two-day workshop in Buenos Aires on Hezbollah's illicit activities with representatives from Argentina, Chile, Colombia, Panama, Paraguay, and Peru. The workshop was in advance of the July 19th Western Hemisphere Ministerial on Counterterrorism hosted by the Macri government in Buenos Aires, where no fewer than 18 regional governments signed a [joint communique](#) acknowledging Hezbollah's presence in Latin America.

In late June, Paraguay extradited to the U.S. a high-level Hezbollah financier, Nader Mohammad Farhat, for narco-trafficking and money-laundering charges. In July, [U.S. Treasury's OFAC listed](#) an important Hezbollah ESO operative, Salman Raouf Salman, as a specially designated global terrorist and [State's Rewards for Justice Program](#) offers up to a \$7 million for information leading to the identification or location of Salman. Salman was implicated in the 1994 AMIA attack in Argentina and has been accused of continuing to carry out various other terrorist operations worldwide.

- Iranian state media reports the Minister of Finance and Public Credit of Nicaragua, Iván Acosta Montalván, heading a high-ranking economic delegation, is visiting Tehran on an official trip on August 10th. According to the Iranian Ministry of Foreign Affairs, he is scheduled to hold talks with Iranian Foreign Minister Mohammad Javad Zarif during his stay in Tehran. In July, Zarif traveled to Nicaragua after wrapping up his stay in New York for a UN meeting. - [Mehr News on 10-AUG](#)
- Iranian state media reports that an MOU was inked between Iran's Ministry of Roads and Urban Development (or Islamic Republic of Iran Railways - RAI) and the Iran-Venezuela binational bank to support the domestic production of wagons in Venezuela. RAI agreed to finance 40% of the production and the binational bank another 40% with the remainder being left to those purchasing the wagons. - [Mehr News on 07-AUG](#)
- Bolivia is set to procure unmanned aircraft systems (UASs) from Iran following a meeting between high-ranking government officials from both countries on July 23th. Bolivian Minister of Foreign Affairs Diego Pary announced that a memorandum of understanding (MOU) has been signed for academic and technological transfers between both countries, related to the areas of defence technology, following a meeting between Iranian Foreign Minister Mohammad Javad Zarif and Bolivian



- President Evo Morales. Pary announced the establishment of a nanotechnologies research laboratory at the military-run university Escuela Militar de Ingeniería (EMI) and a postgraduate academic exchange between both countries. - [Janes on 25-JULY](#)
- State media reports that at the signing in Santa Cruz of a memorandum of understanding to transfer technology to build a nanotechnology lab in Bolivia, Iranian Foreign Minister Javad Zarif noted that improving people's medical care is the secret of progress and development by the nations that are determined to keep their independence. - [Prensa Latina on 24-JULY](#)
  - Iranian Foreign Minister Mohammad Javad Zarif's recent visit to Nicaragua has been interpreted as a decision by Daniel Ortega to "flee forward" at a time when he is being harassed by international economic sanctions, mainly from the United States, in view of the growing deterioration of the freedoms in the country. - [Infobae on 24-JULY \(content in Spanish\)](#)
  - Iranian state media reports that Secretary of Iran's Supreme National Security Council Ali Shamkhani, in a meeting with his Venezuelan counterpart Pascualino Angiolillo Fernandez, reiterated Tehran's support for Maduro, and called for the formation of an international front to support the democratically elected president of the Latin American country. - [Fars News on 19-JUNE](#)

## HEZBOLLAH

- The United States on Friday imposed sanctions on a senior Hezbollah operative it said coordinated the 1994 bombing of a Jewish community center in Argentina's capital Buenos Aires, in which 85 people died. In a statement, the State Department also offered a \$7 million reward for information on the whereabouts of Salman Raouf Salman, also known as Samuel Salman El Reda, who it said helped plan and carry out the attack in Argentina. - [Reuters on 19-JULY](#)
- Argentina designated Hezbollah a terrorist organization on Thursday, July 18th and ordered a freeze on the financial assets of the group, which has been blamed for two terrorist attacks in the country. - [The New York Times on 18-JULY](#)
- The Argentinian government of Mauricio Macri released a list of newly designated terrorist organizations, including the pro-Iranian Hezbollah group for its participation terrorist activities in Israel and AMIA. The United States and Israel made a joint request to Argentina to classify the Lebanese based group as a terrorist organization. - [La Nación on 09-JULY \(content in Spanish\)](#)
- A top Hezbollah financier was extradited to the U.S. from Paraguay to face charges of a \$1.4 million drug money laundering scheme. At the request of the U.S. government, Nader Mohammad Farhat was arrested in May 2018 in the Ciudad del Este, called the

“Triple Frontier” since the area borders Paraguay, Brazil, and Argentina - [The Clarion Project on 25-JUNE](#)

- Venezuelan Representative of the National Assembly, Franco Casella, spoke about the ties between the Maduro regime and the Islamic-Lebanese terrorist organization Hezbollah, in an interview with El Mundo at the Mexican Embassy in Caracas. - [La Gran Epoca on 17-JUNE \(content in Spanish\)](#)
- The United States and the Government of Argentina convened a workshop on countering Hezbollah’s terrorist and illicit activities in the Western Hemisphere on June 11th-12th in Buenos Aires. Law enforcement, prosecutors, and financial practitioners attended from Argentina, Chile, Colombia, Panama, Paraguay, and Peru, as did representatives from Ameripol. The workshop was held in advance of the upcoming Western Hemisphere Ministerial that the Government of Argentina will host July 19th in commemoration of the 25th anniversary of the Hezbollah attack on the Mutual Israelite Association of Argentina community center in Buenos Aires. - [U.S. Department of State on 12-JUNE](#)
- A major Iranian-backed terrorist group is using drug trafficking operations in Venezuela to fund operations in the Middle East, Secretary of State Mike Pompeo said. - [Washington Examiner on 11-JUNE](#)



As the U.S.-China trade war persists, the PRC increasingly solidifies its alliances in Latin America, particularly in the telecommunications industry. Huawei recently applied to trademark their iOS operating system and potentially offer their blockchain based technologies throughout Latin America. Brazil seems to be one of the first countries to look at this technology and is reportedly in talks with Huawei for 5G infrastructure deals. Meanwhile, the Chilean government recently stated it will not exclude Huawei from its choice of service providers pointing to the fall of the price of copper as a result of the “trade war between the world’s two largest economies ... and major trade partners” of Chile. Moreover, Argentina’s Jujuy province recently purchased \$30 million in surveillance



technology from ZTE.

Aside from telecommunications, China continues to leverage its economic influence for greater defense cooperation in Latin America. Peru is one of the most recent additions to the Belt and Road Initiative and has begun engaging in military cooperation through a \$7 million pledge from the PRC to donate military equipment to the Peruvian Armed Forces. The PRC is also fitting an old Uruguayan navy ship with an onboard laboratory that is believed to be more geo-political in nature. Lastly, Mexico's Foreign Secretary visited China in early July after the G-20 summit for a "wide-ranging" agenda of strategic cooperation. Shortly after, representatives of the Workers' Party of Mexico traveled to North Korea.

- A Chinese contractor has agreed to shore up Venezuela's derelict refining network to ease fuel shortages, potentially complicating the Trump administration's push for regime change in the oil-rich country. Wison Engineering Services Co., a Shanghai-based chemical engineering and construction company that is using China's 'Belt and Road' infrastructure program to expand overseas, agreed last month to repair Venezuela's main refineries in exchange for oil products including diesel, according to people with knowledge of the deal. - [BNN Bloomberg on 08-AUG](#)
- Uruguay explores the ocean, with help from China. China is fitting an old Uruguayan navy ship with a lab to study the ocean, while some question the nature of the agreement. - [China Dialogue on 05-AUG](#)
- ZTE has partnered up with the Universidad Distrital Francisco José de Caldas (UDFJC), Colombia to support the development of 5G initiatives in the country. The 5-year partnership will involve the Chinese telecom equipment maker and UDFJC "training 5G talents together," in addition to making "technical preparations" so that Colombia will eventually be ready to deploy 5G networks. - [ZD Net on 02-AUG](#)
- Cuban and Chinese universities are moving forward with the creation of a joint "International Research Institute of Artificial Intelligence." The project is intended to bring economic benefits to ailing Cuba while enlisting more scientists in China's bid to achieve AI dominance, the countries confirmed this week. - [Breitbart on 31-JULY](#)
- China's Xinhua news agency published images Sunday, July 14th of the debut of a new, Chinese-built railway connecting Havana to Santiago de Cuba, the largest cities on the east and west coasts of the island, respectively. - [Breitbart on 15-JULY](#)
- Gerardo Morales' government in Jujuy, Argentina hired a Chinese company to develop a monitoring system with 600 security cameras worth \$30 million. - [Pagina 12 on 11-JULY \(content in Spanish\)](#)
- In Argentina's remote northern province of Jujuy, Chinese telecoms giant ZTE is installing a little slice of the Asian nation's vast surveillance state - security cameras



- that the local government says will help to curb street crime. - [Reuters on 05-JULY](#)
- Foreign Secretary Marcelo Ebrard began a visit to the People's Republic of China today to give renewed impetus to trade and investment, given the close political dialogue between both countries. - [Mexican Ministry of Foreign Affairs on 01-JULY](#)
  - Argentina indicated its interest on Tuesday in moving forward with China on initiatives including construction of the country's fourth nuclear power plant and exporting locally processed soymeal to China, the government said following bilateral meetings in Beijing. - [Reuters on 25-JUNE](#)
  - Antigua plans to construct a sprawling "Chinese colony" complete with factories, homes, and holiday resorts across a pristine marine reserve in Antigua have ignited a storm of controversy on the Caribbean island. - [The Guardian on 20-JUNE](#)
  - Recent reports indicate that Chinese tech giants Alibaba and Tencent have laid off staff and slowed down the rate of investment in startups, just as China's central government has also reduced state-funded tech financing. - [BNamericas on 17-JUNE](#)
  - Chile will not exclude Chinese telecoms gear maker Huawei from its choice of service providers when it introduces its 5G technology network, the Latin American nation's vice-minister for trade said. - [Nikkei Asian Review on 17-JUNE](#)
  - Brazil wants Chinese investment in infrastructure projects as long as investors create local jobs and play by Brazilian rules, Vice President Hamilton Mourao told Reuters in an interview. - [Reuters on 13-JUNE](#)
  - A recent delivery of 200 electric buses from Chinese manufacturers BYD and Yutong, with more orders to come, is advancing Chile's goals for electric-powered public transit — 80% by 2022 and 100% by 2040. - [Axios on 13-JUNE](#)
  - Chinese telecommunications hardware giant Huawei is studying the entire Latin American market and considering expanding its operations, Cointelegraph Brazil reports. On June 11th, a Huawei executive said at the CIAB Febraban conference that it is possible its blockchain-enabled products and services will soon be available on the continent. - [CoinTelegraph on 13-JUNE](#)
  - Francisco Sucre, the president of Venezuela's Foreign Policy Commission in the country's parliament and Guaidó aide, said China must cut its ties with Maduro in Venezuela. - [Nikkei Asian Review on 12-JUNE](#)
  - The Defense Ministries of Peru and China signed a defense cooperation agreement that states China will donate approximately \$7 million in military equipment in 2020. - [Defensa.com on 10-JUNE \(content in Spanish\)](#)
  - The wheels are turning on Didi Chuxing's (ride-hailing service) first major expansion in Latin America after the Chinese ride-hailing firm announced moves into Chile and Colombia to double its presence in the region. - [TechCrunch on 07-JUNE](#)



## **NORTH KOREA**

- Korean state media reports that a delegation of the Workers' Party of Mexico led by Renata Libertad Avila Valadez, member of its National Executive Commission, arrived in Pyongyang on July 8th. - [KCNA Watch on 08-JULY](#)
- North Korean state media reports Naguanagua City (in Venezuela) awarded the "Naguanagua City Order," the highest order of the city, to Supreme Leader Kim Jong Un on the occasion of the "period of the international action for peace, prosperity and reunification of the Korean peninsula" and the first anniversary of the adoption of the historic June 12th DPRK-US Joint Statement. - [KCNA Watch on 19-JUNE](#)

*Disclaimer: The VRIC Monitor does source a limited amount of media reports from state-owned or -controlled media outlets from VRIC nations. These media reports are carefully selected and solely intended to report on cultural, diplomatic, economic, or military activities that are not reported on by other media and relevant for understanding VRIC influence in the region. Given the inevitability that state propaganda will be mixed into these articles, we ensure that reporting from state-media outlets is no more than 20 percent of the overall VRIC Monitor and exclude any opinion pieces or anti-US (anti-West) declarations of any kind.*