CC LATAM

¡Bienvenidas y bienvenidos to El CC, CCLATAM's newsletter!. Every other week you'll find the main events shaking up Latin America, from Ushuaia in the south to Los Algodones in the north. Sign up here to stay updated on the region. Get in touch with us, we may feature an excerpt of your response in the next newsletter.

2026: Elections, Geopolitics, and Latin America's Test of Relevance

By the close of 2025, Latin America had largely moved past crisis management and into a phase of recalibration. Inflation eased unevenly, fiscal space narrowed, and access to global capital became more conditional. Security concerns deepened across cities and borders, while climate exposure shifted from long-term vulnerability to immediate constraint. These pressures were broadly shared. What differed—often sharply—was how governments chose to respond, and how voters evaluated those responses.

The political signal of 2025 was neither ideological nor uniform. Across the region, electorates demonstrated limited appetite for grand doctrinal projects and increasing impatience with underperformance. Security, cost of living, and the basic reliability of public institutions consistently ranked above partisan alignment. **Conservative or market-oriented victories in Argentina, Chile, Ecuador, and Honduras** reflected domestic corrections rather than a coordinated realignment, just as **Uruguay's return to a left-of-center government and Mexico's strong continuity confirmed that alternative governing models remain electorally viable**. Latin America did not shift in one direction; it redistributed political risk.

That reality frames 2026, a year in which elections will unfold sequentially across the region, coinciding with a less permissive global environment and a more explicitly transactional international order. In this context, elections are no longer merely domestic milestones. They function as signals—to investors, partners, and geopolitical actors—about institutional reliability, policy continuity, and execution capacity.

The electoral cycle opens in February 2026 with Costa Rica, long regarded as one of the region's most institutionally stable democracies. The campaign is expected to center on security, fiscal rigidity, and the sustainability of the social model rather than ideological transformation. Costa Rica's vote sets the tone for the year: moderation under pressure, with credibility as the main currency.

Shortly thereafter, **Peru votes in April 2026**, following years of executive-legislative conflict and political churn. Here, the election is less about redefining policy direction than about restoring governability. Macroeconomic orthodoxy has largely endured; what remains uncertain is whether political fragmentation can be reduced enough to allow the state to function predictably.

The cycle then moves to **Colombia in May–June 2026**, where the election will serve as a referendum on recalibration. After a full term of left-of-center governance, voters will weigh ambition against delivery—particularly on security, energy transition pacing, and fiscal discipline. The outcome will matter less as an ideological signal than as a test of whether adjustment within a progressive framework can retain legitimacy.

The anchor event arrives in **October 2026 with Brazil's general elections.** As the region's largest economy and a central diplomatic actor, Brazil's vote will reverberate far beyond its borders. The core question is not rupture versus continuity, but whether incremental reform, institutional re-anchoring, and Brazil's renewed international engagement—especially on climate—can command sustained public support. Brazil's choice will shape regional narratives about gradualism itself.

Later in the year, Nicaragua's November 2026 elections will unfold in a far more constrained institutional environment. While expectations of competitiveness remain limited, the election will still carry implications for regional diplomacy, migration dynamics, and relations with the United States and multilateral institutions.

Running in parallel to this Latin American calendar is a political milestone with outsized regional implications: the 2026 U.S. midterm elections. While midterms do not redefine executive power, they shape the bandwidth, tone, and predictability of U.S. engagement abroad. For Latin America, the implications are tangible. Congressional dynamics influence trade policy, migration enforcement, sanctions, development finance, and climate-related funding. They also affect how consistently Washington pursues nearshoring, hemispheric supply-chain integration, and security cooperation.

Overlaying all of this is a U.S. posture that increasingly resembles a modernized, operational Monroe Doctrine—less rhetorical, more transactional. Under a second Trump administration, hemispheric policy has become more explicitly interest-driven, centered on migration control, supply-chain security, energy independence, and strategic distance from extra-hemispheric rivals. **Paradoxically, this approach may increase Latin America's relevance rather than diminish it**. Nearshoring, food security, critical minerals, and maritime routes all place the region closer to the core of U.S. strategic priorities.

At the same time, Europe's engagement with Latin America is becoming more pragmatic and more selective. Long-stalled trade agreements are being reconsidered through the lenses of resilience, energy security, and geopolitical diversification. The European Union's emphasis is shifting from declaratory alignment to execution: regulatory clarity, environmental credibility, and infrastructure readiness. Latin America's value to Europe will hinge on its ability to deliver dependable partnerships in energy, agri-food, digital infrastructure, and critical raw materials.

Asia's role continues to evolve as well. **China remains a central economic partner,** but with a more disciplined and selective investment approach than in the previous decade. **Japan, Korea, and India** are deepening engagement in infrastructure, technology, and industrial cooperation. Capital remains available, but it increasingly rewards institutional strength, social license, and fiscal realism.

In this environment, **Latin America's challenge is not choosing between the United States, Europe, or Asia.** It is managing relevance without overexposure—leveraging geopolitical interest while preserving autonomy and institutional coherence.

That is why the 2026 elections matter so deeply. They do not herald an ideological turning point. They represent a credibility test. Voters will reward governments that demonstrate control over inflation, seriousness about security, realism on fiscal policy, and competence in execution. Those that fail to translate adjustment into tangible outcomes will face correction, regardless of where they sit on the political spectrum.

Latin America enters 2026 more constrained, but also more central to global strategy. The decisive divide is no longer left versus right, or openness versus protectionism. It is between states capable of execution and those drifting amid complexity. In a world of tighter capital and sharper geopolitics, capacity itself has become the region's most valuable asset.

CCLATAM Editorial Board

La Charla

*We keep the best for last. This week our dear [Andres Schipani]— Argentinian-born journalist, globetrotter by nature, **now serving as South Asia correspondent for the Financial Times- sums up the year that India, the world's fifth-largest economy, got closer to Latin America.** Known for his adventurous reporting, sharp analytical insight, and off-duty love for polo, Andres brings a unique vantage at the intersection of Latin America and South Asia.*

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Earlier this year, the image of outgoing Chile's President [Gabriel Boric]stared down from roadside posters in [New Delhi] as the host government rolled out the red carpet for a five-day visit under the slogan **"Bienvenido",** or welcome in Spanish, aiming to securing India with the critical minerals it needs for its energy transition. Standing by the president of a country rich in copper and lithium, Prime Minister [Narendra Modi] emphasized **"partnerships"** in critical minerals, saying a **"new energy"** has come to the relationship with the "entire" Latin America.

As trade negotiations between New Delhi and Washington have stumbled in recent months, Modi is pushing through deals with Latin America. Last month, India just concluded key rounds of trade negotiations with Peru and Chile, signalling a clear strategic focus on Latin America. The [India–Peru Trade Agreement] made notable progress last month on areas such as critical minerals, pharmaceuticals, and food processing. The third round of [India–Chile CEPA] negotiations highlighted cooperation on investment, intellectual property, and supply-chain resilience.

Trade with Brazil has also grown. In October aircraft maker Embraer opened a subsidiary in India during the visit of vice president Geraldo Alckmin. **Luiz Inácio Lula da Silva is expected in New Delhi in January**. All of this comes as India has been ramping up its charm offensive to Latin America in order to shore up its access to minerals as it rushes to catch up with China. India, the world's fastest-growing major economy, is earmarking billions of dollars in subsidies for electric vehicles manufacturing, renewable technology and electronics that rely on supplies of such minerals which the country lacks. After Boric's visit, Modi said that their links include "the possibility of long-term supply of minerals and materials from Chile to India."

Chile's Codelco, the world's biggest miner of copper, which is critical for the transition to net zero carbon emissions, and state-run Hindustan Copper agreed on a mining deal. Codelco, which is taking a majority stake in Chile's SQM, the world's second-largest **lithium** producer, also discussed "feasible" supplies of lithium, a key component for electric vehicle batteries, to India. Chile's state-run copper giant also agreed to supply copper concentrates to the Adani Group, owned by one of India's most powerful tycoons, which is close to Modi.

Latin America has the world's largest lithium reserves and New Delhi is pushing state-owned mining groups to pursue mineral reserves in the "**lithium triangle"** where most of the region's proven resources are located, between Argentina, Bolivia and Chile, as it seeks to expand industries such as electric vehicles and renewables, where Beijing has a clear commanding head start. **Compared to India, China has invested heavily in Chile, Peru and the Democratic Republic of Congo, the world's largest copper producers and Bolivia, a major holder of lithium.**

While lithium was only recently found in India's disputed northern territory of Jammu and Kashmir and the central state Chhattisgarh, India has modest reserves of copper in Rajasthan, Jharkhand and Madhya Pradesh. Such mineral shortfalls highlight the challenges facing its green energy transition but also the potential to deeper ties with Latin America. India's total trade with the region stood at **$35.7bn in the fiscal year 2023-2024.**

This could grow following India's first-ever acquisition of lithium resources abroad. Last year, India signed a deal with Argentina to lease five lithium blocks for exploration, and eventual extraction, in a "historic" deal between India's state-owned Khanij Bidesh India and Catamarca Minera y Energética Sociedad del Estado, which is owned by the provincial government. Modi visited Buenos Aires in July, where he met Argentina's President Javier Milei to discuss India's access to critical minerals and the expansion of the India-Mercosur trade agreement.

In March, New Delhi hosted the largest-ever India-Latin America business gathering with a focus on minerals that are crucial to meet its ambitious goal of having 30 per cent of vehicles on its roads powered by electricity by 2030 and and his commitment of reaching net zero carbon emissions by 2070 in the third-biggest carbon polluter globally. To such ends, the world's most populous nation opened several new embassies in Latin America since Modi took office a decade ago, the latest in Bolivia last month, looking for access to lithium deals.

India wants to portray itself as the leader of the Global South. Two years ago Modi led a successful call for the G20 to admit the African Union as a full member. **The relationship with Latin America is still defined more by potential and intent rather than presence**. But India needs to sustain 1.4bn people and, partly, to do that, it needs the resources that Latin America has.

Elsewhere in LATAM

🇺🇸🇵🇪🇪🇨🇬🇾🇵🇦🇹🇹🇩🇴The Trump administration has signed a series of security and military cooperation pacts with countries such as Ecuador, Peru, Guyana, Trinidad&Tobago, Dominican Republic and Panama increasing U.S. presence under the banner of fighting "narco-terrorism," a move critics describe as aggressive regional posturing.

🇧🇷🇺🇾🇵🇾🇦🇷🇧🇴🇨🇦**Canada and the Mercosur trading bloc** (Argentina, Brazil, Paraguay, Uruguay, and Bolivia moving toward full membership) have accelerated negotiations toward a comprehensive free trade agreement expected by the end of 2026. This development reflects growing diversification of trade ties beyond traditional partners and responds in part to U.S. protectionist pressures.

🇧🇷🇺🇾🇵🇾🇦🇷🇧🇴The EU has delayed signing its long-negotiated trade agreement with **Mercosur** until early January, after both Italy and **France** sought more time to manage strong domestic opposition from farmers. Mercosur — comprising **Brazil**, **Argentina**, **Paraguay** and **Uruguay** — has expressed frustration at the delay, though Brazil's president **Luiz Inácio Lula da Silva** signalled flexibility, keeping alive hopes that the EU's largest-ever free trade deal can still be finalised early in the new year.

🇺🇳🇦🇷🇨🇱🇨🇷The race to succeed António Guterres, who steps down as UN secretary-general in December 2026, is beginning to take shape, with diplomatic convention pointing to a candidate from Latin America. Among the leading contenders is Rafael Grossi, 64, an Argentine diplomat who currently heads the International Atomic Energy Agency. Also in the mix is Michelle Bachelet, a former Chilean president and ex-UN human rights chief whose résumé spans executive leadership and multilateral diplomacy. Costa Rica's Rebeca Grynspan, now secretary-general of UNCTAD, brings a strong economic and development background shaped by years in senior UN and national leadership roles. Together, the candidates reflect competing visions for guiding the UN through an era of geopolitical tension, inequality, and institutional reform.

🇺🇸🇻🇪Over the past 10 days, pressure on Venezuela has intensified as the administration of Donald Trump stepped up sanctions enforcement, including the interception of Venezuelan oil shipments, moves Caracas has condemned as piracy and said it would challenge at the United Nations. At the UN Security Council, U.S. officials said Washington aims to cut off resources to President Nicolás Maduro and alleged narcotics networks, drawing sharp objections from Venezuela and its allies. China, a major buyer of Venezuelan crude, criticized unilateral sanctions and warned against disruptions to global oil markets. While European governments urged restraint and dialogue to prevent further escalation. In Latin America, Brazilian President Luiz Inácio Lula da Silva called for diplomacy over coercion, highlighting widening geopolitical divisions over Venezuela's oil, security and political crisis.

🇭🇳Honduras' presidential election has concluded after weeks of dispute, with conservative candidate **Nasry "Tito" Asfura** declared the winner by the national electoral council, securing just over 40 per cent of the vote and narrowly defeating rival **Salvador Nasralla.**

🇦🇷Argentina's Senate approved President Milei's 2026 budget, marking the first time the libertarian leader will govern with a fiscal plan of his own since taking office. Passed comfortably after October's midterm elections, the budget reinforces Milei's market-friendly, austerity-driven agenda and targets a primary surplus, offering reassurance to investors. However, lawmakers kept some higher social and education spending intact, underlining that despite growing momentum, Milei still faces limits and must negotiate with opposition blocs as he pushes ahead with reforms in Argentina.

🇵🇦A $23bn deal backed by **BlackRock** to acquire dozens of ports worldwide, including strategic assets linked to the **Panama Canal**, is in jeopardy after China's state-owned shipping group **Cosco** demanded a majority stake. The transaction, agreed in principle with Hong Kong conglomerate **CK Hutchison** and involving **Mediterranean Shipping Company**, has become entangled in geopolitical tensions after drawing praise from former US president **Donald Trump** and criticism from Beijing.

La Cita

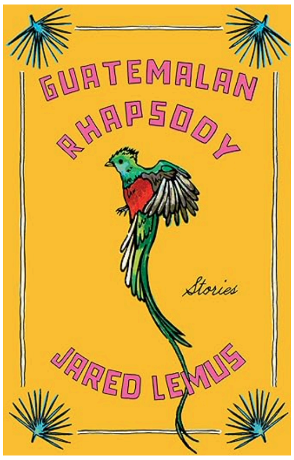
The biggest thing in life is to learn how to give out love, and to let it come in

George Foreman, American Professional Boxer, two times world heavyweight champion, minister and author.

El Evento

After the incredible success of the 2025 edition, we are thrilled to announce that the 2nd edition of the Digital Summit LATAM will take place once again in Madrid — at the iconic Casa de América — on 26 and 27 February 2026. This new edition will be even bigger and bolder counting on world-class speakers from Latin America, Europe, the Middle East, and the United States; new strategic partnerships and sponsor; cutting-edge discussions on AI, connectivity, regulation, inclusion, and digital transformation. Together with our partners DPL News, we will continue building the platform where Latin America meets the world — including Europe, the Middle East, and beyond — to shape the future of our digital society.

La Lectura



You should read *Guatemalan Rapsody* by [Jared Lemus,]() for its powerful, lyrical portrait of Guatemala, blending personal storytelling with sharp cultural insight. In a short, immersive read, Lemus captures the country's rhythm, history and resilience, offering a fresh and deeply human perspective that stays with you

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Thank you for reading, nos vemos en la próxima.