

## BUSINESS NEWS

## Venezuela's PDVSA Eyes 105 Contracts by End of Year

Venezuela's state oil company, PDVSA, intends to close 105 oil and gas contracts before the end of 2026, its president, Héctor Obregón, said Friday at a business event in Caracas, Reuters reported. Sixty-one are signed and 44 are pending, and about 70 percent cover new fields. Obregón said the company's output should reach 1.5 million barrels per day by the end of 2027, up from about 1.2 million now. PDVSA's refineries, which are prone to fires and power cuts, are processing 350,000 barrels a day, enough to cover domestic gasoline demand, he said. Acting Venezuelan President Delcy Rodríguez cited the same tally last Thursday at the 82nd annual assembly of the business federation Fedecámaras, according to a statement from Venezuela's hydrocarbons ministry. The statement said the deals include a binational agreement with the United States to extract 65 billion barrels of crude.

## Genneia Opens 129-Megawatt Solar Plant in Argentina

San Juan Sur, a 129-megawatt solar plant in Argentina's Sarmiento department, was inaugurated by power producer Genneia and is now the most powerful photovoltaic facility operating in San Juan province, the provincial government said, Renewables Now reported Friday. The \$110 million project covers 500 hectares and uses 250,000 bifacial panels. Its electricity will be sold to large industrial customers. The plant can power about 90,000 homes and avoid roughly 160,000 tons of carbon dioxide emissions a year. San Juan Sur is Genneia's fourth solar complex in the province, after Ullum I, II and III, Sierras de Ullum and Tocota III. It lifts the company's operating capacity there to 350 megawatts and the province's solar farms to 24, Renewables

## THE DIALOGUE CONTINUES

### How Much Will New Financing Bolster Bolivia's Economy?

**Q** **Bolivia's Senate on Sept. 18 ratified a \$1.9 billion financing agreement with the International Monetary Fund that will also help the country access billions of dollars more from the World Bank, Inter-American Development Bank and other institutions for a broader financing package of more than \$5 billion. The deal came as President Rodrigo Paz's government is grappling with falling international reserves and fiscal deterioration. How much could the deal with the IMF and potential financing from other institutions strengthen Bolivia's fiscal situation? What will the end of fuel subsidies, as required under the IMF deal, mean for Bolivian households and businesses, and how is the government planning to soften that blow? How likely is the IMF program to succeed without triggering a social and economic shock?**

**A** **Steven E. Hendrix, managing director at Hendrix LLC and former USAID senior coordinator at the U.S. State Department:**  
 "In 1985, facing hyperinflation and economic collapse, President Víctor Paz Estenssoro warned that 'Bolivia se nos muere.' The structural adjustment that followed transformed the Bolivian economy. Four decades later, Bolivia again faces a structural crisis, but the deepest problem is no longer simply fiscal or monetary. It is whether the country can recover effective government after decades in which corruption, state capture, politicized institutions and declining administrative capacity steadily weakened

the state itself. The IMF package may help prevent financial collapse. It can rebuild reserves, ease the foreign exchange shortage and unlock additional multilateral financing. Ending an unsustainable fuel subsidy may also be unavoidable, although the effects on transportation, agriculture, businesses and household budgets will be painful and will require carefully targeted protection for the most vulnerable. But the financial crisis is best understood as a symptom of a larger breakdown. Bolivia has to restore the capacity to manage public resources, deliver services, enforce rules fairly and command public confidence. President Rodrigo Paz has described the country's deeper crisis as moral and institutional. In that sense, Bolivia does need structural adjustment again, but of a very different kind. The central task now is to reclaim the state: professional institutions, transparent government, accountability, an independent justice system and enough administrative capacity to turn policy into results. Marcelo Quiroga Santa Cruz made the struggle against corruption and abuse of public power central to his political life. Bolivia's present crisis is different, but the underlying question is again whether public institutions serve the country or those who capture them. The IMF can help keep Bolivia financially afloat. It cannot answer that larger question for Bolivians."

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**EDITOR'S NOTE: The comment above is a continuation of the Q&A published in the Oct. 9 issue of the Advisor.**

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Now reported. Genneia Chairman Jorge Brito, San Juan Gov. Marcelo Orrego and Genneia Chief Executive Bernardo Andrews attended the inauguration, Infobae reported. Brito said the company has invested more than \$2 billion

over the past decade and now has more than 1.7 gigawatts of renewable capacity in nine provinces. He described the plant as part of its role as a "strategic partner for the development of mining," according to Infobae.