# THE ENERGY INTEGRATION IN SOUTH AMERICA: AN ANALYSIS OF PREFERENCE FORMATION IN BRAZIL BY BILATERAL AGREEMENTS

Lilian da Silva, Instituto de Energia e Ambiente, Universidade de São Paulo (USP), +551130913496, liliandasilva@usp.br Célio Bermann, Instituto de Energia e Ambiente, Universidade de São Paulo (USP), +551130912636, cbermann@iee.usp.br

# Overview

Since the early 2000s, the South America regionalism lives a multidimensional trend, including energy as a new theme of integration discussions. Given this scenario, the main of this research is to understand how Brazilian preferences formationabout energy happens. In addition, secondary objectives are: (i) study the history of energy integration in South America, with a focus on Brazil; (ii)understand the negotiation process and formulate an ideal type for energy integration agreement; (iii)recognize the benefits and difficulties of choosing a bilateral or multilateral energy agreement.

### **Methods**

In order to answer these questions, this research adopted the approach of Two-Level Games by Robert Putnam (1988), due to its ability to relate the dynamics of internal politics with the foreign policy, allowing the analysis of negotiations for energy integration agreement.

#### Results

Most of the bilateral projects presented in this paper refers to conventional energy sources, the use of fossil fuels and the construction of hydropower plants. In general, they represent cooperative actions with physical interconnections, but do not develop a political and regulatory coordination as the concept of integration predicts.

The Peru-Brazil Energy Agreement has not been ratified and is inert due to the retreat of Peru after a government change added to the lack of a jurisdictional definition that bases the undertakings. On the other hand, the South American Energy Treaty, under UNASUR, faces obstacles to consensus on the agreement writing and the institutional model that will support it.

According to the Two-Level Games, the Brazilian preferences formation about energy integration agreement involves internal constraints, such as the power distribution among actors, different interests, coalitions and institutions; but also external constraints, resulting from the negotiators strategies at the international level.In addition, the pressures on the decision-makermust be considered, represented by the inter-bureaucratic bargaining, private sector, social movements and international institutions.

## **Conclusions**

The research concluded that the difficulty to coordinate multiple actors, interests, expectations and legal systems in more than one sphere of negotiation explains the slowness of energy integration process in South America. So, it is not just alack of political will or a paymaster absence. Therefore, to solve immediate issues, Brazil has opted for bilateral agreements, without abandoning the discussions in multilateral forums.

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