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FEATURED Q&A

How Much Will the G7 Vaccine Donation Help Latin America?



Much of Latin America has experienced a slow rollout of Covid-19 vaccines. // File Photo: Peruvian Government.

Q U.S. President Joe Biden and G7 leaders in June committed to donating more than one billion Covid-19 vaccine doses for the world, including Latin American and Caribbean countries, with more than 500 million doses coming from the United States. How significant is the announced donation by the G7? To what extent has Latin America's slow vaccine rollout been affected by a limited supply of doses, and do countries in the region have the necessary logistics and financial resources in place to make sure the shots are administered? As inoculation advances in the region, what is the most likely timetable for back-to-normal protocols and the expected pace of economic recovery?

A Mauricio Claver-Carone, president of the Inter-American Development Bank: "The G7's commitment to donate vaccines to poor countries, including in Latin America and the Caribbean, is a welcome and very important step toward the region's recovery. In recent weeks, the region has suffered from about 150,000 new daily Covid cases and more than 4,000 daily deaths. South America has eight times the world's death rate. These are some of the worst numbers since the pandemic began, which is why the IDB has taken numerous initiatives to speed up equitable vaccine distribution. More than a third of all new Covid cases are in our region, which accounts for 32 percent of worldwide deaths, even though it represents 8 percent of the world's population. This health crisis has led to the worst economic crisis in 200 years. The region urgently needs vaccines. Only 21 percent of its population has received at least one dose—half the level of OECD

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TODAY'S NEWS

POLITICAL

Lula Could Defeat Bolsonaro in First Round: Poll

Former Brazilian President Luiz Inácio Lula da Silva could defeat current President Jair Bolsonaro in the first round if the country's election were held now, according to a new poll.

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BUSINESS

Glencore to Buy Out Partners in Cerrejón Mine

Glencore has agreed to acquire the stakes in the Colombian coal mine that it does not already own from Anglo American and BHP.

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POLITICAL

Colombia Offers Reward After Attack on Duque's Helicopter

Colombia's government is offering a reward of approximately \$796,000 for information about an attack Friday on a helicopter carrying President Iván Duque. No one was injured or killed in the attack.

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Duque // File Photo: Colombian Government.

POLITICAL NEWS

Colombia Offers Reward in Attack on Duque's Helicopter

Colombia's government is offering a reward of three billion pesos (\$796,000) for information about an attack that happened Friday on President Iván Duque's helicopter, BBC News reported Sunday. No one was injured or killed in the attack on the helicopter, which was carrying Duque as well his defense and interior ministers and the governor of Norte de Santander province, which borders Venezuela, Agence France-Presse reported. The helicopter was struck by gunfire, which left bullet holes in its tail and main blade. "It is a cowardly attack, where you can see bullet holes in the presidential aircraft," Duque said in a statement. The president's office released photographs showing the damage. Duque and the other officials had just left the town of Sardinata and were headed to the city of Cúcuta when the helicopter came under fire. The Catatumbo region, where the officials had attended an event, is a major coca-growing region. Guerrillas of the National Liberation Army (ELN) are active in the area, as are former Revolutionary Armed Forces of Colombia (FARC) rebels and other criminal groups involved in drug trafficking, Reuters reported. Duque did not say who he believed carried out the attack, the Associated Press reported. However, he said the incident would not make him stop fighting terrorism, drug trafficking and other organized crime. "The message is that Colombia is always strong in the face of crime and our institutions are above any threat," he said.

Brazil's Lula Could Defeat Bolsonaro in First Round: Poll

Former Brazilian President Luiz Inácio Lula da Silva could defeat current President Jair Bolsonaro in the first round if the country's

presidential election were held now, according to a new opinion poll, Reuters reported Friday. In the survey, 49 percent of respondents said they would vote for Lula, versus 23 percent for Bolsonaro. The poll, by Inteligência em Pesquisa e Consultoria (IPEC), was published Friday in daily newspaper O Estado de S. Paulo. In order to Brazil's presidential election in the first round, a candidate would need more than 50 percent of the valid votes. However, that figure excludes blank or invalidated ballots, so the 10 percent of respondents who said in the poll that they would vote blank ballots suggest Lula could win the presidency in the first round, Reuters reported. Bolsonaro has lost a considerable amount of support over his handling of the Covid-19 pandemic. Since the pandemic began, Brazil has recorded more than 18.4 million cases of the disease, the third-highest in the world after the United States and India, according to Johns Hopkins University. Brazil also has recorded more than 513,000 Covid-19 deaths, more than any other country in the world except the United States, which has recorded more than 603,000 deaths. In the IPEC poll, center-left former legislator Ciro Gomes had 7 percent support, while center-right São Paulo Governor João Doria had 5 percent and former Health Minister Luiz Henrique Mandetta had 3 percent, Reuters reported. The poll, conducted from June 17-21, had a margin of error of two percentage points.

ECONOMIC NEWS

Bitcoin May Mean Risks for Banks in El Salvador: Fitch

El Salvador's embrace of Bitcoin as legal tender could mean higher risks for banks, including violations of anti-money laundering rules and terrorism financing, ratings agency Fitch said in a report published Friday. Bitcoin is set to become El Salvador's second official currency alongside the U.S. dollar on Sept. 7, if a recent appeal on the legislation's unconstitutionality does not modify its implementation. After

NEWS BRIEFS

Costa Rica's Attorney General Resigns Amid Sprawling Graft Probe

Costa Rican Attorney General Emilia Navas resigned on Friday amid a sprawling corruption graft probe that has gained traction in recent days, Reuters reported. Navas said she was resigning to avoid perceived conflicts of interest as her husband represents some of the defendants in the case, which involves construction companies allegedly paying bribes in exchanging for securing government contracts. Authorities have carried out dozens of raids, with at least 30 people arrested in connection with the probe. [Editor's note: See related [Q&A](#) in the June 23 issue of the Advisor.]

U.S. VP Harris Visits Border With Mexico

Kamala Harris on Friday made her first trip to the U.S.-Mexico border as vice president with a visit to a migrant processing center in El Paso, Tex., as well as a U.S. Customs and Border Protection facility, CNN reported. The visit followed her trip this month to Mexico and Guatemala amid criticism that she had not gone to the border. Harris also spoke with five young Central American girls during the trip.

Peru's Castillo Says He'd Keep Central Bank Chief

Peruvian socialist presidential candidate Pedro Castillo said on Saturday that he would keep Julio Velarde as the head of the central bank if his razor-thin lead over rival Keiko Fujimori in the June 6 election is confirmed as expected, Reuters reported. In a speech to supporters, he said he hoped Velarde would remain to help ease "peace of mind economically" and boost investment in the country. Castillo maintains a 44,000-vote lead over Fujimori, but the official result has been held up as Fujimori has claimed fraud and is seeking to disqualify votes cast in favor of Castillo.

that date, all businesses will be required to accept Bitcoin unless they lack access to the technology needed to process the transactions. President Nayib Bukele pushed for the legislation to formalize Bitcoin, claiming the move will promote financial inclusion, facilitate remittances and attract investment to the country, Julia Yansura, program manager for Latin America and the Caribbean at Global Financial Integrity, told the Advisor in a June 15 [Q&A](#).

BUSINESS NEWS

Glencore to Buy Out Partners in Cerrejón Mine in Colombia

London-listed miner Glencore will buy out its partners' interests in the Cerrejón open-pit thermal coal mine in Colombia, one of the world's largest, the Financial Times reported today. Under the deal, Glencore agreed to acquire the 66.6 percent in the project that it does not already own from Anglo American and BHP. It will buy the interests for \$249 million each in cash. The company expects to recover its investment less than two years after the acquisition is complete, according to the report. Both transactions are still subject to several competition authority and regulatory approvals. It is expected to close in the first half of next year. Cerrejón is one of the largest surface mining operations in the world, moving some 550 million metric tons per year, International Mining reported. The sale would mark Anglo American's last stage of transition away from thermal coal, chief executive Mark Cutifani said in a statement, International Mining reported. "During that transition, we have sought to balance the expectations of our wide range of different stakeholders as we have divested our portfolio of thermal coal operations," he added. Glencore said today that it aims to cut its total emissions by 50 percent by 2035 based on 2019 levels, up from a previous goal of 40 percent. The company said its goal reflects full ownership of Cerrejón, the Financial Times reported.

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countries—and reports show that essential second doses are lagging. We must do more to speed up vaccine distribution on an equitable basis. Helping countries to obtain and administer vaccines is part of Vision 2025, the IDB's broader plan to help the region recover from the pandemic and usher in an era of sustainable growth. The IDB both appreciates and supports the G7's commitment, which adds to our own vaccine work in the region. Our vaccine support is part of a broader response; we approved a record \$21.6 billion in new financing across sectors and a \$1 billion program to help borrowing member countries buy and distribute vaccines. We are also helping countries with storage, transportation and logistical issues, as well as with vaccine communications campaigns. We have helped 10 countries acquire and finance the purchase of vaccines. We are also the first multilateral development bank to offer an indemnity guarantee instrument to help governments negotiate vaccine deals with pharmaceutical companies. Getting people vaccinated is of paramount importance, not just to keep people healthy, but also to ensure that the region's recovery begins as quickly and as equitably as possible."

A Katherine Bliss, senior fellow at the CSIS Global Health Policy Center: "The G7 pledges to donate millions of doses of Covid-19 vaccines are an important demonstration of political commitment but fall far short of what is truly needed to scale up and equitably distribute vaccines globally. Most countries in Latin America and the Caribbean have joined Covax, the vaccine pillar of the global Access to Covid-19 Tools (ACT)-Accelerator, either through the Advance Market Commitment (AMC) for lower-income countries or by self-financing purchases of Covid-19 vaccines through the facility. But Covax-procured doses have been slow to arrive because the surge of cases in India, where many of the Covax shots are

produced, led to a slowdown of vaccine exports that is likely to continue over the next few months. Beyond Covax, many countries in the region have been unable to negotiate purchase deals with vaccine manufacturers, leading some to turn to vaccines that the WHO has not yet approved. While Bermuda, Chile and Uruguay have managed to reach relatively high vaccine coverage, more populous countries, including Brazil, Mexico and Colombia, are struggling to meet the needs of their populations. The fact that the region has a strong track record of delivering routine immunizations to children bodes well for the distribution of Covid-19 vaccines once they are available, but health systems must ensure that adequate financing, communications and training are in place to adapt existing programs to serve adults, and people must have confidence in the vaccines and be willing to receive the shots, as well."

A Julio Frenk, president of the University of Miami and former secretary of health of Mexico: "The donation announced by the G7 is a very welcome decision—one that demonstrates global solidarity and U.S. leadership in the fight against Covid-19. This is also enlightened self-interest, as we have seen over the past 16 months that no country is safe until every country is safe. However, there is a difference between vaccines and vaccination. Because Latin America and the Caribbean is a heterogeneous region, there are stark differences among countries with respect to both vaccine supply and health system capacity. To win the race against variants—especially the more contagious Delta variant—countries must accelerate the pace of vaccination. For instance, Mexico is securing the necessary doses of vaccines. Its main goal now should be to vaccinate 80 percent of the adult population and a significant proportion of adolescents ages 12-18 before the start of winter and its anticipated spike in cases. It is concerning that prior to this month's

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elections, Mexico was able to deliver one million vaccines per day, but this number has dropped considerably afterwards. The good news is that, although the current administration has weakened its once-robust vaccination system, it is still capable of delivering the necessary inoculations to its population. The question is whether its government will make doing so its top priority.”

A **Arachu Castro, Samuel Z. Stone Chair of Public Health in Latin America at Tulane University's School of Public Health and Tropical Medicine:** “The world needs 11 billion vaccine doses as soon as possible to reach herd immunity, and the G7, in a largely complacent fashion, has committed a meager 9 percent of this figure between now and next year. The pandemic will continue to take many more human lives and livelihoods at this slow pace of pledges, and further divide

“**The pandemic will continue to take many more human lives and livelihoods at this slow pace of pledges...**”

— Arachu Castro

us between the vaccinated and the rest. In Latin America and the Caribbean alone, we still need at least 652 million doses to reach that immunity threshold. Moreover, like most matters in the region, the distribution is highly unequal: while Chile and Uruguay have successfully deployed vaccines, not a single dose has yet reached Haiti. To speed vaccine distribution, patent waivers and technology transfer agreements should be front and center of any serious discussion to end the pandemic, in addition to speedy

donations. In sum, one billion doses fall short of a real commitment of solidarity with the unvaccinated world.”

A **María Luisa Ávila, chief of the infectiology department at the National Children's Hospital in San José and former Costa**

Rican health minister: “The G7 leaders ended the summit in Cornwall with an ambitious agreement: the donation of one billion Covid-19 vaccines to developing countries. However, their ‘generosity’ comes late. According to the Goalkeepers 2020 report of the Gates Foundation, through data modeling from Northeastern University, the equitable distribution of a vaccine against Covid-19 would have prevented 61 percent of deaths versus 33 percent that it would avoid by vaccinating high-income countries first. The Covax mechanism will be used to distribute part of the donated vaccines. From its conception, Covax was intended to promote equity and solidarity. However, it failed to fulfill its objective, as it was subject to the ‘will’ of rich countries, which monopolized a large part of global vaccine production. The United States, according to data from Duke University, by August 2020 had secured 800 million doses through seven agreements with six companies. The United Kingdom did the same with five agreements that would allow it to vaccinate 225 percent of its population. Vaccines should be a good of humanity; the pandemic does not recognize borders, so vaccines should not either. To stop the pandemic, the WHO has suggested that it is necessary to vaccinate at least 70 percent of the world’s population. It is necessary to rethink the distribution and production of vaccines with an equity dimension in the face of future health emergencies; otherwise, no country will be safe. In an interrelated world, public health solutions must be global, not fragmented.”

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