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FEATURED Q&A

Can Latin America Develop New Ways to Procure Vaccines?



Covid-19 has raised questions about how the supply of vaccines can be more sustainable beyond the pandemic. // File Photo: Mexican Government.

Q The World Bank in June pledged to boost available funding for Covid-19 vaccine purchases and deployment to \$20 billion from a previous target of \$12 billion. Meanwhile, the United States and other wealthy countries in recent months have pledged donations of millions of vaccines for poorer countries, including many in Latin America and the Caribbean. However, Covid-19 has raised questions among health policy experts over the sustainability of immunization programs beyond the pandemic and how new models could be developed to reduce the need for future emergency donations. What sources of domestic revenue could be tapped for more sustainable vaccination programs in Latin America and the Caribbean, and how could vaccinations be better addressed in health system planning? How can public and private insurance systems be improved in order to better handle immunizations? What models for public-private partnerships offer the most promise for financing inoculations?

A Tyrone Brewer, president for Latin America at MSD (known as Merck & Co. Inc., in the United States and Canada): "The pledges made by the World Bank and bilaterally by countries to support the Covid-19 response in Latin America are critical. The region remains a hotspot for cases and currently leads the world in related deaths. However, we cannot remain in response mode and must look toward strengthening our systems for the future. Strong primary health care systems and prevention programs, of which immunization is a cornerstone, are critical to recovery, future pandemic preparedness and health system resiliency. Latin America has had a long history of regional

Continued on page 3

TODAY'S NEWS

POLITICAL

Top U.S., Mexican Officials Discuss Migration Flows

Top U.S. and Mexican officials met in Mexico City to discuss migration flows to the United States. Mexican Foreign Minister Marcelo Ebrard and U.S. Homeland Security Secretary Alejandro Mayorkas were among the officials involved in the discussions.

Page 2

BUSINESS

Great Wall Motors Shifting Some Investments to Brazil: Report

Great Wall Motors reportedly will shift some of its investments to Brazil following a year-long delay in receiving government approvals in India.

Page 3

POLITICAL

Brazil Lawmakers Reject Voting System Changes

The lower chamber of Brazil's Congress rejected changes to the country's voting system in a defeat for President Jair Bolsonaro.

Page 2



Bolsonaro // File Photo: Brazilian Government.

POLITICAL NEWS

Top U.S., Mexican Officials Discuss Migration Flows

Top U.S. officials met Tuesday in Mexico City with high-level Mexican government officials to discuss migration flows to the United States, Reuters reported. "The delegations agreed to expand cooperation in order to manage orderly, safe and regular migration flows with respect for the human rights of migrants and asylum seekers," Mexico's Foreign Ministry said in a statement. The meeting included Mexican Foreign Minister Marcelo Ebrard, U.S. Homeland Security Secretary Alejandro Mayorkas, National Security Advisor Jake Sullivan and the National Security Council's senior director for the Western Hemisphere, Juan Gonzalez, Reuters reported. After the meeting, Ebrard said in a tweet that Mexico's relations with the United States were "going very well" and that the talks were "productive." In addition to discussing ways to slow the flow of migrants attempting to cross into the United States, the officials discussed the countries' response to the Covid-19 pandemic, as well as economic and security issues, the Associated Press reported. Mexico's Foreign Ministry said the delegations had examined recent immigration flows and agreed to strengthen cooperation in order to achieve safe and orderly migration, the AP reported. Ebrard said at a news conference earlier on Tuesday that the talks would also address efforts to reopen the U.S.-Mexico border, in addition to measures that the United States has proposed in order to contain immigration from Central America, Reuters reported. Tuesday's talks came a day after U.S. Vice President Kamala Harris and Mexican President Andrés Manuel López Obrador in a call discussed migration, the pandemic and the need to strengthen the economies of Central American countries. Harris and López Obrador also talked about a plan for the United States to send doses of Covid-19 vaccines to Mexico. On Tuesday, Ebrard said the United States had agreed to send Mexico 8.5 million more

vaccine doses. The United States this month is to send the neighboring country up to five million doses of the AstraZeneca vaccine and 3.5 million doses of the Moderna vaccine.

Colombia's FARC Recruited 18,600 Children: Tribunal

The now-demobilized Revolutionary Armed Forces of Colombia, or FARC, rebel group recruited more than 18,600 children into its ranks in the 20 years preceding its peace accord with the government in 2016, a special tribunal that investigates war crimes announced Tuesday, the Associated Press reported. The Special Jurisdiction for Peace said it will call on former FARC leaders to testify about their recruitment of children. The estimate of the number of children recruited into the guerrilla group came from 31 databases assembled by government investigators, human rights groups and relatives of the youths who were recruited, the AP reported. "A provisional estimate, which could be even greater, of 18,667 boys and girls used in the conflict by the FARC is, without a single doubt, one of the most terrible acts that could have happened during the conflict," tribunal magistrate Eduardo Frentes said at a news conference, Reuters reported.

ECONOMIC NEWS

Peruvian Miners Will Pay \$3 Bn in Taxes: Industry Group

Peruvian miners will pay a record 12 billion soles (\$3 billion) in taxes this year, more than double the amount they paid in 2019 before the pandemic, the National Society of Mining, Oil and Energy said in a statement on Tuesday, Reuters reported. Mining is an important source of tax revenue in Peru, which is the second-largest copper producer in the world after Chile. Higher copper prices and a weaker local

NEWS BRIEFS

Brazil's Lower House Rejects Changes to Voting System

The lower house of Brazil's Congress on Tuesday rejected changes to the country's voting system in a defeat for President Jair Bolsonaro, Reuters reported. Bolsonaro pushed the measure to require some electronic ballot boxes to produce paper receipts. He has claimed fraud, without providing evidence, in the voting system as his public support has dropped amid what critics say is his mismanagement of the Covid-19 pandemic. The disease has killed more than 564,000 people in Brazil, more than any other country except the United States, according to Johns Hopkins University.

Tropical Storm Fred Takes Aim at Haiti, Dominican Republic

Tropical Storm Fred is heading toward the Dominican Republic and Haiti today, with forecasters warning of heavy rains and possible flooding and mudslides, the Associated Press reported. Fred on Tuesday passed by the U.S. Virgin Islands and Puerto Rico, where some power outages were reported. Fred was centered 115 miles east-southeast of Santo Domingo early today, moving west-northwest at 15 miles per hour, the U.S. National Hurricane Center said.

Minera Lumina Copper Says it Regrets Strike at Chile's Caserones Mine

Minera Lumina Copper said on Tuesday that it regretted workers' decision to leave contract negotiations and strike at its Caserones mine in Chile, Reuters reported. The union said on Monday that talks with the company had gone nowhere and that it had no choice but to walk out. Tuesday was the first day of the strike after the two parties completed a 10-day period of government-mediated talks.

currency this year have driven up revenues for miners as well as increased their tax bills, Reuters reported. The industry group said miners paid 4 billion soles in taxes in 2020 amid coronavirus-related lockdowns and about 4.8 billion soles in 2019. The statement came a day after new Finance Minister Pedro Francke said Peru could hike mining taxes without affecting competitiveness. In an interview with Reuters, Francke said leftist President Pedro Castillo's government could boost taxes in the sector in order to fund promised public programs.

BUSINESS NEWS

Great Wall Motors Reportedly Will Shift Investments to Brazil

Chinese automaker Great Wall Motors will shift some investments from India to Brazil following a year-long delay in winning government approvals in the Asian nation, Reuters reported today, citing three unnamed sources with direct knowledge of the matter. The reallocation could be of as much as \$300 million of the \$1 billion investment originally planned for India. "Brazil is almost a done deal, and it did not make sense to keep the funds blocked for India," one of the sources told Reuters, explaining the reasoning behind the shift. The sources also said that James Yang, who led the company's unit in India, would assist with operations in the South American nation. They added that Great Wall is close to acquiring a former plant of Germany-based automaker Daimler in Brazil. There had been reports earlier this year that Great Wall had finalized the acquisition of a Mercedes-Benz plant in Iracemápolis, in São Paulo state, according to local newspaper O Globo. Mercedes-Benz is a subsidiary of Daimler. The companies have not officially announced a deal. Bloomberg News also reported earlier this year that the two firms were in talks about a potential transaction, which could total several hundred million dollars. The German automaker stopped car production in Brazil in December, citing difficult market conditions.

FEATURED Q&A / Continued from page 1

and national-level commitment to vaccine access. However, the pandemic has revealed longstanding challenges with immunization systems. To accelerate recovery on routine vaccination rates, expand access to new vaccines and equip public health systems to address emerging infectious diseases, immunization programs require sustained and increased financing. The region has experimented with financing and program implementation options, from incentivizing private company contributions to leveraging a strong primary health care network to deliver vaccination services. Looking ahead, governments can build on these models and work with stakeholders, including insurers and the private sector, to prioritize funding for vaccines and establish financing mechanisms. This will enhance access and uptake of vaccination across the life course, generating health and broader societal benefits. By committing to long-term prioritization and solutions, countries can advance Latin America's leadership in immunization programming."

A **Carlos Espinal, director of the Global Health Consortium, and Francisco Becerra, scientific advisor at the Robert Stempel College of Public Health & Social Work at Florida International University:** "Expenditures on immunizations have increased due to the purchasing of Covid-19 vaccines. However, this budget increment is dedicated solely to these vaccines. In middle- and low-income countries, such funding is based mostly on external loans and an increase in external debt. According to the World Bank, following the increases in government spending due to Covid-19, including an important increase of health expenditures, most countries will hold back fiscal policies in 2021 and 2022 with a potential fall in government spending per capita. Vaccination coverages have been greatly affected in Latin America and the Caribbean. The coverage in 2020 for DPT3 (diphtheria, pertussis, tetanus) was

84 percent, which translates into 2.2 million children being vulnerable to these diseases. MMR2 (measles, rubella) dropped to 61 percent and polio3 to 61 percent. As a result, in 2019-2021 we have seen serious outbreaks of measles (32,453 cases) and diphtheria (634 cases). Preliminary data estimates that

“ Covid-19 vaccination should not come at the expense of other essential health services...”

— Carlos Espinal & Francisco Becerra

the costs to recover vaccination coverages could be 2.1 percent of GDP in low-income countries and 0.7 percent in middle- and low-income countries. To achieve the goals of the immunization programs, including Covid-19 vaccination, strong government and private health sector commitments will be needed to increase health expenditures, specifically in immunization programs. Covid-19 vaccination should not come at the expense of other essential health services and/or at the reduction in goals and operational activities of routine vaccination programs. How can we ensure that the population has access to vaccines, starting with the most disadvantaged? How can we ensure the financial and operational sustainability of the immunization programs in the Covid-19 era? These are two challenges for national immunization programs today."

A **Rocío Sáenz, executive director of the Health Equity Network of the Americas, and Arachu Castro, Samuel Z. Stone Chair of Public Health in Latin America at Tulane University:** "As the epicenter of the Covid-19 pandemic, Latin America has exposed the extremely high vulnerability of its population and the realization that public health actions constitute a public good. First, it has been

Continued on page 4

FEATURED Q&A / Continued from page 3

impossible to procure personal protective equipment and supplies for diagnosis and contact tracing. Second, it has resulted in limited economic growth in a region with a predominantly informal labor market and a high percentage of population groups that cannot meet their basic needs for survival with dignity. Third, the region has underfunded, fragmented and segmented health systems. However, the region also has research capacity, scientific development and technological innovation centers that should be strengthened to discover and manufacture vaccines. We call on governments, health authorities, industries and multilateral organizations to prioritize simultaneous access to vaccines in the region. This access would help to rapidly increase the protection of the population and reduce dependence on entities and mechanisms located outside the region to obtain vaccines and other supplies, particularly when they are most needed. Therefore, we suggest developing cooperation programs that prioritize the transfer of innovation and technology, the training and qualification of specialized human resources, the equipment of national and regional laboratories, and the development of platforms for the exchange of information. These programs should also include establishing multisectoral networks in which scientists, civil society, decision makers and industry share the goal of increasing the production and availability of any vaccine, whether routine or for emergencies. Helping future generations to develop and access more and better tools is an inescapable ethical and political commitment."

A **Jarbas Barbosa, assistant director of the Pan American Health Organization:** "This question highlights two overarching issues. The first is how to ensure equitable access to vaccines in an emergency context. Certainly, the COVAX initiative set out to do this. However, without agreements to share the limited production capacity, combined with countries with higher purchasing power

buying out stocks, the reality is that many countries were, and still are, left behind. Today, our region remains the hardest-hit by Covid-19, yet less than 20 percent of people in Latin America and the Caribbean have completed their vaccination schedules, and this percentage is even lower in some countries and territories. With the emergence of variants of concern, including Delta, which is driving new infections around the world, the need to ramp up vaccination is increasingly urgent. While we commend the countries

“**While we commend the countries that have shared vaccines with our region, the truth is that we need more...**”

— Jarbas Barbosa

that have shared vaccines with our region, the truth is that we need more, and we need them now. The second, and slightly trickier, issue is how to reduce the need for these emergency donations as we move forward in the pandemic and beyond: PAHO has been working with COVAX to ensure that at least 20 percent of people in the region get vaccinated in 2021 to combat the acute phase of the pandemic. Obviously, we are not there yet, but in the medium to long term, 20 percent coverage is not nearly enough. We need to vaccinate at least 70-80 percent of people to control transmission of Covid-19, and in order to get shots into arms, it is vital that we increase our countries' purchasing power. This is why our Revolving Fund has recently launched a plan to improve access to additional Covid-19 vaccines for countries in Latin America and the Caribbean, complementing efforts made through COVAX and donations from other countries."

The Advisor welcomes comments on its Q&A section. Readers can write editor Gene Kuleta at gkuleta@thedialogue.org.

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