

WEEKLY REPORT



06/26/21

POLITICS

BOLSONARO DENIES "ACT OF CORRUPTION" IN HIS GOVERNMENT WHEN TALKING ABOUT COVAXIN

President Jair Bolsonaro spoke today, June 24, about the process of acquiring Covaxin, a Covid-19 vaccine from India's Bharat Biotech, now the target of an investigation by the Brazilian Senate's Covid CPI after a denunciation of irregularities by federal deputy Luis Miranda and his brother, Luis Ricardo Miranda, an employee of the Ministry of Health. Bolsonaro classified the story that appeared in the press as a "fabrication" and denied any act of corruption in his government. Yesterday, the secretary-general of the presidency, Onyx Lorenzoni, announced that the government would file a formal complaint against Luis Miranda, who confirmed that he had personally alerted Bolsonaro to contractual irregularities. [Read more.](#)

BRAZIL'S PROSECUTOR'S OFFICE CALLS FOR CRIMINAL INVESTIGATION INTO GOVERNMENT PURCHASE OF INDIAN VACCINE

The Federal Prosecutor's Office (MPF) decided to forward to the criminal area part of an investigation surrounding the purchase of the Indian Covaxin vaccine by the Jair Bolsonaro government. Federal District Prosecutor Luciana Loureiro Oliveira saw evidence of crime in the contracting and pointed to "interests divergent from the public interest." The price paid for the product, US\$15 per dose, was 1,000% higher than estimated by the manufacturer itself 6 months before the purchase. [Read more.](#)

BOLSONARO GOVERNMENT CONSIDERS GIVING UP ON COVAXIN

The federal government is considering terminating the contract with Precisa Medicamentos, the company set to bring the Bharat Biotech vaccine to Brazil. This comes after President Jair Bolsonaro was quoted in testimony about suspicious negotiations to acquire the Indian vaccine Covaxin. The document signed in February was for the purchase of 20 million doses, 20% of which would be imported with conditional authorization from Anvisa, for R\$ 1.6 billion. [Read more.](#)

BRAZIL'S CONTROVERSIAL ENVIRONMENT MINISTER RESIGNS

Brazil's Minister of Environment, Ricardo Salles, one of Jair Bolsonaro's Cabinet members most questioned for positions apparently contrary to environmental preservation, and who is under investigation for corruption, announced Wednesday, June 23, his resignation from the post. Salles, whom Bolsonaro repeatedly defended despite criticism from environmental groups and even allied politicians for his controversial positions, resigned when the Supreme Court is investigating charges against him for allegedly favoring a logging group after an operation against illegal logging in the Amazon. [Read more.](#)

POSITIVE EVALUATION OF BOLSONARO GOVERNMENT FALLS FROM 28% TO 23% - IPEC SURVEY

The positive assessment of the government of President Jair Bolsonaro fell to 23%, according to a survey published Thursday by Intelligence in Research and Consulting (Ipec). Those who think the government is excellent/good are down five percentage points from February, when

28% thought the government was good. However, the proportion who thought it was bad/terrible increased from 39% to 50%. The percentage rating it as fair declined from 31% in February to 26% in June. [Read more.](#)

LULA DA SILVA LEADS BRAZIL 2022 ELECTION POLL, WITH 49% VS. 23% BOLSONARO – IPEC

Former President Luiz Inácio Lula da Silva from the left-wing Workers' Party (PT) leads the 2022 presidential race with 49% of voting intentions in the first Ipec poll, 26 percentage points ahead of right-wing President Jair Bolsonaro (no party affiliation), who has 23%. Lula has 11 percentage points more than the sum of his possible opponents and would win the election in the first round if the elections were held today. [Read more.](#)

SUPREME COURT JUSTICE GILMAR MENDES THROWS OUT ALL OF MORO'S JUDGEMENTS AGAINST LULA

Supreme Court Justice Gilmar Mendes threw out Sergio Moro's judgments in cases in which the former judge acted against former president Lula (PT) in the 13th Federal Court of Curitiba—the Atibaia site and the purchase of a property for the Lula Institute cases. [Read more.](#)

WHAT'S LACKING FOR BRAZIL'S EX-PRESIDENT LULA TO BE COMPLETELY FREE

With the dismissal of the lawsuit that dealt with the alleged receipt of kickbacks from entrepreneurs in exchange for advantages in the government, ex-president Lula has come closer to ending the long list of legal proceedings he had been facing since leaving the Presidency. [Read more.](#)

CENTRAL BANK RAISES BRAZIL'S GDP FORECAST IN 2021 TO 4.6%

The Central Bank (BC) revised its forecast for Brazilian gross domestic product (GDP) growth in 2021 to 4.6% from 3.6%, mainly reflecting the better-than-expected result in the first quarter of the year – despite the resurgence of the pandemic – and the indicators available for the current quarter. The information comes from the BC June Inflation Report (IR), released this Thursday. [Read more.](#)

BRAZIL GOVERNMENT CONSIDERS LOWERING 2024 INFLATION TARGET TO 3%

The government is leaning toward setting a more ambitious inflation target of 3% for 2024 in an attempt to signal a commitment to anchoring expectations, according to three people familiar with the discussion. The final decision has not yet been made and some members of the economic team still advocate maintaining the target at 3.25%, the same level established for 2023. [Read more.](#)

BRAZIL'S SECOND PHASE TAX REFORM BILL PROPOSES TAX CUTS FOR INDIVIDUALS, TAXES ON DIVIDENDS

On Friday, June 25, Brazil's government unveiled the second phase of its wider tax reform bill, in which it aims to reduce income tax for up to 30 million workers, exempt 16 million from paying any tax at all, and increase levies on financial market capital gains. Brazil's tax system is widely seen as one of the most complex and regressive in the world, and the government insists that simplifying it and reducing the overall tax burden is crucial to fostering sustainable, long-term investment and economic growth. [Read more.](#)

BRAZIL EXTERNAL ACCOUNTS SEE SURPLUS OF \$3.84 BI IN MAY

Brazil's external accounts saw a positive balance of \$3,840 billion in May, as per data released today (Jun. 25) by the country's Central Bank. In May 2020, impacted as the month was due to the COVID-19 pandemic, a deficit was reported at \$519 million in current transactions, which are sales and purchases of goods and services and income exchange with other countries. For the 12-month period ending in May, a \$8.367 billion deficit was registered in current transactions, 0.55 percent of the country's gross domestic product (GDP), compared to the negative balance of \$12.726 billion (0,86 percent of the GDP) in April 2021 and a deficit of

\$65.155 billion (3,85 percent of the GDP) in the equivalent period ending in May 2020. [Read more.](#)

MOVEMENT ON BRAZIL BORDERS DOWN 67.8% IN 2020

Restrictions on the international mobility of people, introduced by a number of countries due to the pandemic, led to a 67.8 percent reduction in the entry and exit movement in Brazil compared to 2019. The data can be found in the yearly report from the Observatory of International Immigration (OBMigra), linked to the country's Ministry of Justice and Public Security, and were disclosed during an online event Tuesday (Jun. 22). [Read more.](#)

AMBASSADOR YANG WANMING SAYS CHINA AND BRAZIL MUST 'STRENGTHEN MUTUAL TRUST'

With the progression of Brazil's Covid CPI and the release of Itamaraty documents showing tensions between China and the Brazilian government, it is Chinese Ambassador Yang Wanming who has taken on the role of mediator in the conflict. Recently, the diplomat wrote an article with a message to the 'crazy' Bolsonaroists who insist on beating the so-called Chinese "communism." [Read more.](#)

HEALTH

HOUSE OF REPRESENTATIVES PASSES MP 1040/2021, WITH THE END OF PRIOR APPROVAL OF PHARMACEUTICAL PRODUCT PATENTS BY ANVISA

The Plenary of the House of Representatives approved, this Wednesday (23), Provisional Measure 1040/2021, which seeks to modernize the country's business environment. Among the proposals for changes in legislation is the end of the need for prior consent from the National Health Surveillance Agency (Anvisa) in granting patents for pharmaceutical products and processes. According to Congressman Marco Bertaiolli (PSD-SP), with the suppression of art. 229-C, the relationship between INPI and Anvisa will be harmonized and, thus, it will be possible to "save up to two years in the process of analyzing such patents". The MP also revoke the sole paragraph of art. 40 of the Industrial Property Law, which allows the extension of patents in the event that the INPI is prevented from analyzing them within the legal term due to judicial pending or force majeure. The revocation is in line with the recent decision of the Federal Supreme Court, which considered the sole paragraph of art.40 to be unconstitutional. [Read more.](#)

BRAZILIAN PHARMA INDUSTRY EXPAND LAUNCHES BY UP TO 30% WITH NEW PATENT TERM

The suspension of the additional term for pharmaceutical drug patents defined by the Federal Supreme Court (STF) released around 3,500 patents to the market and sparked a race among Brazilian industries to put new generic formulas on the shelves. Previously, companies earned a "bonus" in the period if the National Institute of Industrial Property (Inpi) took more than ten years to analyze a patent registration. As a result, protection rights could exceed the original limit of a maximum of 20 years. In May, the STF revoked part of Article 40 of the Industrial Property Law (LPI), together with the patents on pharmaceutical products and equipment in the healthcare area that had already been extended. [Read more.](#)

CONGRESSMAN REQUEST URGENCY FOR BILL THAT SUSPENDS THE ANNUAL DRUG READJUSTMENT

Congressman Isnaldo Bulhões Jr. (MDB-AL) presented the application 1362/2021, requesting that the Bill 939/2021, which amends Law No. 10,742, of October 6, 2003, which establishes rules for the regulation of the pharmaceutical sector, to suspend the annual adjustment of drug prices for the year 2021, proceed to urgent procedure. [Read more.](#)

URGENCY APPROVED FOR THE PROJECT THAT DEALS WITH THE EXPANSION OF ORAL CHEMOTHERAPY ON THE ANS LIST

The Plenary of the Chamber of Deputies approved, on Wednesday (24), the request for urgency in the appreciation of Bill 6330/2019, which amends Law No. 9,656, of June 3, 1998 (Law about Health Insurance Plans), to expand the access to antineoplastic treatments at home for oral use by users of health care plans. The project can now be deliberated by the Plenary of the Chamber of Deputies. [Read more.](#)

CORONAVIRUS MAKES EARLY DIAGNOSIS OF OTHER DISEASES DIFFICULT IN BRAZIL

In an article published in Folha de S.Paulo this Thursday (24), Geraldo Faria, president of the Brazilian Society of Urology (São Paulo) and member of the American Association of Urology and the European Association of Urology, highlights that we are experiencing one of the worst moments of health in Brazil. In addition to the Covid-19 pandemic, with its numerous social, economic, and political consequences, the decrease in the identification of new cases of patients diagnosed with prostate, kidney and bladder tumors concerns the urological medical community. A survey carried out by the Brazilian Society of Urology of São Paulo, in partnership with São Paulo health institutions responsible for the care of SUS patients, shows that the pandemic generated an average and severe reduction of 26% in the number of new cases of kidney tumors, prostate and bladder. [Read more.](#)

BATCH OF 3 MILLION DOSES OF JANSSEN VACCINE DONATED BY THE U.S. ARRIVES IN BRAZIL

Three million doses of Covid Janssen vaccine, donated by the U.S. government, landed at Viracopos International Airport in Campinas (SP) on Friday morning, June 25. The lot has a value of R\$145 (US\$29) million. [Read more.](#)

GOV'T: ALL BRAZILIANS AGED ABOVE 18 TO BE VACCINATED BY SEPTEMBER

The first shipment, with 1.5 million doses of the vaccine against COVID-19, from Janssen, Johnson & Johnson's pharmaceutical unit, arrived this morning (Jun. 22) in Brazil. In all, 38 million doses have been ordered from the company by the Brazilian government. "Another 1.5 million doses of hope for the Brazilian population. This vaccine has the advantage of working with a single dose, which enables us to make progress in our immunization program. We are sure that by September we will have immunized all the population aged above 18. This is our hope of bringing an end to the pandemic character of this disease," said Minister Marcelo Queiroga. He was present when the vaccines were delivered. [Read more.](#)

ANVISA PRESIDENT URGES PEOPLE TO GET SECOND DOSE OF VACCINE

Antonio Barra Torres, director-president of Brazil's national sanitary regulator Anvisa, urged people who have received the first dose of the vaccine against COVID-19 to get the second dose when the right time comes, thus completing the immunization cycle. At the opening of the 12th meeting of the agency's directors' board, Torres noted the importance of wearing masks and the other recommendations by the world's main sanitary authorities, like social distancing, and keeping one's hands appropriately clean. "At this point, the vaccines represent the best verified, credited, and efficient pharmacological measure available in the market across the world," Torres declared, underscoring the role of the second dose of the vaccine. [Read more.](#)

BRAZIL REACHES OVER 500 THOUSAND DEATHS FROM COVID-19

Brazil's Ministry of Health has disclosed the new figures on the COVID-19 pandemic in the country: 17.9 million cases of the disease confirmed and 501.8 thousand deaths. Recovered cases total 16.2 million. According to the data sent to the ministry by state health secretariats, 44.1 thousand new cases and 1,025 fatalities were registered from Saturday to Sunday. [Read more.](#)

SIX BRAZILIAN CAPITALS HAVE OVER 90% ICU OCCUPANCY FOR COVID-19

ICU (Intensive Care Unit) bed occupancy exclusively for patients with Covid-19 presents a rate of at least 90% in 6 capital cities in 4 Brazilian regions this week, shows a survey conducted by Folha de S.Paulo newspaper. The current high demand has improved from last week's scenario, when 10 state capitals and the Federal District were in this situation, but it is far from comfortable. There are 11 capitals with rates of at least 80% this week, according to data from the local health secretariats, compared to the 13 registered the week before. [Read more.](#)

OSMAR TERRA ADMITS ERROR IN PANDEMIC PROJECTION IN FEDERAL PANDEMIC HEARINGS

Congressman Osmar Terra (MDB-RS) admitted in hearings that he was wrong in the projections about deaths and duration of the coronavirus pandemic. He also presented a view on herd immunity that contradicts what he had previously said. Terra, Jair Bolsonaro's ally and appointed as a member and "godfather" of the parallel cabinet, denied that there is an advisory structure from the head of the Executive to the Ministry of Health. He also said he had "zero" influence over the president. [Read more.](#)



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