

# WEEKLY REPORT



10/09/21

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## POLITICS

### **LULA KEEN TO DEBATE BOLSONARO ON REBUILDING BRAZIL IN 2022 CAMPAIGN**

Former leftist President Luiz Inacio Lula da Silva said on Friday that he looks forward to a debate about Brazil's future in next year's presidential campaign, attacking far-right President Jair Bolsonaro without openly declaring his candidacy. Lula has spent months preparing another run for president, first in private talks with party leaders to form a coalition and now, increasingly, at public events where he has highlighted rising poverty and inflation in the pandemic-torn country. [Read more.](#)

### **DEM AND PSL MERGE, FORMING BRAZIL'S LARGEST POLITICAL PARTY, CALLED UNIÃO BRASIL**

DEM (Democrats, center-right) and PSL (Social Liberal Party, right) approved, in conventions held this Wednesday (6) in Brasilia, the merger between the two parties. The new party will be called União Brasil. The Superior Electoral Court (TSE) still needs to approve the new amalgamation. The leaders of DEM believe that the merger process will take three months to be analyzed by the court. [Read more.](#)

### **NEW POLITICAL PARTY UNIÃO BRASIL TO PRESENT CANDIDATE FOR 2022 PRESIDENTIAL ELECTIONS**

Federal deputy Luciano Bivar, the PSL national president, on Thursday (7) announced that União Brasil, the new party created from the DEM and PSL merger, will present a candidate to the presidency of the country in the 2022 elections. "I can assure Brazilians that União Brasil will present a candidate for the presidency", Bivar said. [Read more.](#)

### **BRAZIL SUPREME COURT GRANTS 30 DAYS TO QUESTION BOLSONARO ON POTENTIAL POLICE INTERFERENCE**

A year away from the next presidential election and down in the polls in the event of a potential candidacy of ex-president Luiz Inácio Lula da Silva, Bolsonaro is also under investigation for divulging confidential information. [Read more.](#)

### **BRAZIL ECONOMY MINISTER CALLED TO EXPLAIN OFFSHORE FUNDS TO CONGRESS**

Brazil's lower house of Congress agreed on Wednesday to call Economy Minister Paulo Guedes to explain his offshore investments before the plenary following revelations published as part of the Pandora Papers investigation. Guedes has denied any wrongdoing, ethical or legal, saying he declared the investments and relinquished management of an offshore holding company in 2018 before he entered government. [Read more.](#)

### **CONSUMER INFLATION IN BRAZIL RISES 1.16% IN SEPTEMBER – HIGHEST MONTHLY RESULT SINCE 1994**

As measured by the Broad National Consumer Price Index (IPCA), Brazil's official inflation stood at 1.16% in September, after 0.87% in August. It is the highest result for the month since 1994 - when the variation was 1.53%, soon after the Real Plan was launched. The accumulated result over 12 months reached the double-digit mark, with an appreciation of 10.25%. It is the

highest rate for a 12-month period since February 2016 (10.36%). The information was released by the Brazilian Institute of Geography and Statistics (IBGE). [Read more.](#)

### **IN BRAZIL GASOLINE PRICES ARE UP ALMOST 40% IN 12 MONTHS**

Gasoline prices rose 2.32% in September, according to the Broad National Consumer Price Index (IPCA), the government's official inflation indicator released by the Brazilian Institute of Geography and Statistics (IBGE). According to the institute, gasoline accumulates 39.60% inflation in 12 months through September. Gasoline was not the only oil derivative to become more expensive in September. The IBGE advised that the price of bottled gas also continued to rise in September, up 3.91% for the month. [Read more.](#)

### **CENTRAL BANK WILL STICK TO INFLATION TARGET IN 2022**

The Central Bank will not tolerate higher inflation in the short term and may raise the benchmark interest rate as much as necessary to achieve the inflation target in 2022. This was the message from the president of the monetary authority, Roberto Campos Neto, in a live-streamed interview with Valor on Monday. According to Mr. Campos, the Central Bank will not employ an adjusted target to make a more gradual convergence of inflation, as advocated by some economists. They argue that a too intense monetary tightening could further compromise the recovery of activity. [Read more.](#)

### **INDUSTRIAL PRODUCTION IN BRAZIL DROPS IN 7 OF THE 15 LOCATIONS SURVEYED IN AUGUST -IBGE**

The production of Brazilian industry fell in seven of 15 locations surveyed in August, compared to July, according to data from the Regional Monthly Industrial Survey (PIM Regional), released on Friday (08) by the Brazilian Institute of Geography and Statistics (IBGE). In relation to August 2020, there was a decline in nine of the 15 locations surveyed. [Read more.](#)

### **HOUSEHOLD DEBT REACHES 74% IN SEPTEMBER**

The number of families in debt broke a record for the fifth consecutive time in the September Consumer Indebtedness and Default Survey (Peic), announced Monday by the National Confederation of Commerce of Goods, Services and Tourism (CNC). In the survey, the portion of people in debt was 74% last month. In addition to being higher than in August (72.9%) and in September 2020 (67.2%), the share was the largest for the survey, which started in 2010. For CNC's economist Izis Ferreira, the Brazilian people are using credit to make up income and make ends meet at the end of the month. She did not rule out new records in the level of household debt. [Read more.](#)

### **CORPORATE INSOLVENCY EXPECTED TO SURGE IN BRAZIL IN 2022**

The number of company insolvencies in Brazil could close the year up 6% and jump by 32% in 2022, projected Euler Hermes, a global leader in credit insurance. In 2019, the number of insolvency cases in Brazil was 2,887, falling to 2,078 last year, a drop of 28%. But this year the figure is expected to rise to 2,200 and jump to 2,900 next year. [Read more.](#)

### **COMPANIES SPEND US\$33 BILLION A YEAR COMPLYING WITH TAX REGULATIONS IN BRAZIL**

According to IBPT, the cost is a result of the number of tax rules in Brazil. The institute estimated that 6,782,002 rules have been issued in the country since the enactment of the 1988 Constitution. Taxation accounts for 6.58% of these rules. [Read more.](#)

### **OECD AND U.S. SIGNAL OPENNESS TO NEW ENTRANTS, INCLUDING BRAZIL**

Brazil's accession to the OECD is back on the agenda this week, during the Organization for Economic Cooperation and Development's annual ministerial meeting which began on Tuesday, October 5, in Paris. With the coronavirus pandemic and a diplomatic deadlock between Americans and Europeans on the issue, the accession of new countries has been paralyzed for months. [Read more.](#)

**WORLD BANK RAISES EXPECTATIONS FOR BRAZIL'S ECONOMIC GROWTH**

The World Bank today, October 6, reported that the Brazilian economy is expected to grow 5.3% in 2021. A more optimistic estimate than the 4.5% increase the institution projected for the country in June this year. [Read more.](#)

**GOVERNMENT MULLS INJECTING FOREX RESERVES INTO BRICS BANK**

The government may use part of its foreign exchange reserves to make a contribution of \$100 million to \$200 million in the New Development Bank (NDB), the BRICS bank, said Economy Minister Paulo Guedes. The move would not impact the value of the reserves, nor their purpose, according to his view. "Instead of having a deposit in a certain bank, I will have paid-in capital in an international state-owned bank," he said Monday at an event by the Federal Court of Accounts (TCU). The minister stressed that the reserves belong to the Brazilian people. [Read more.](#)

**BRAZIL RECOGNIZED BY WORLD BANK AS 7TH IN DIGITAL GOVERNANCE AMONG 198 COUNTRIES**

Brazil has been recognized by the World Bank as the world's 7th most mature country in Digital Governance. The result was assessed in the GovTech Maturity Index 2020, a ranking that evaluates the current state of digital transformation of public services in 198 economies worldwide. There is no other country ahead in the Americas, even including the United States and Canada. Among the top 10, Brazil is the only country with over 100 million inhabitants. [Read more.](#)

**BRAZIL, ARGENTINA AGREE ON FRAMEWORK TO LOWER MERCOSUR TARIFFS**

Argentine Foreign Minister Santiago Cafiero and Brazilian counterpart Carlos Alberto Franco França on Friday agreed on a framework to reduce Mercosur's common external tariff, the two countries said. Members of Mercosur, a common market formed by Argentina, Brazil, Paraguay, and Uruguay, have for years discussed a tariff reduction to help increase trade between Mercosur countries and the rest of the world. [Read more.](#)

**BRAZIL'S BOLSONARO PUSHES FERTILIZER PROJECT AS HE WARNS OF SHORTAGE**

Brazilian President Jair Bolsonaro said on Thursday his government planned to develop a project aimed at increasing the country's production of fertilizer and making it less reliant on imports. Speaking during his weekly live broadcast on social media, Bolsonaro did not provide many details on the project but said it would be presented next month and improve the use of raw materials available in Brazil. [Read more.](#)

**LACK OF CONTAINERS IMPACTS AGRIBUSINESS SHIPMENTS**

The global shortage of containers has impacted Brazilian agribusiness shipments by more than \$1 billion this year, according to a survey by the Parliamentary Agricultural Front (FPA) seen by Valor. The document, made in partnership with organizations in the sector, asks the federal government for short and medium-term solutions so that this bottleneck stops affecting deals with foreign buyers. The study points out that the impact on exports of poultry, eggs and pork alone was \$436.9 million from January to July. In the case of coffee shipments, the impact was around \$500 million between May and August. Tobacco shipments were impacted by about \$170 million. Brazil's agribusiness exported \$83.6 billion between January and August. [Read more.](#)

**AIR CARGO TRANSPORT REACHES ALL-TIME HIGH IN BRAZIL**

The demand for international cargo transport by air is quite heated. The volume of cargo transported to and from Brazil between January and August of this year reached 625.7 thousand tonnes, up 13.5% year over year and the highest since official records began, in 2000. This is explained, in part, by the lack of containers in maritime transport, which is cheaper

than air transport. And it signals that a good number of companies are resuming business with greater force after the worst period of the pandemic. [Read more.](#)

### **DOMESTIC FLIGHTS REACH 80% OF PRE-PANDEMIC LEVELS IN BRAZIL**

Domestic flights have recovered 80 percent of the levels of passengers they had before the COVID-19 pandemic in Brazil, said Tourism Minister Gilson Machado in an interview to Agência Brasil during the Expo 2020 in Dubai, in the Arab Emirates. "The hub in [the city of] Recife, for instance, has 115 percent of the air flow. We also see hotel bookings for the end of the year; there are no hotel [rooms available] in the Brazilian Northeast for addresses in ecotourism, in Natal Luz de Gramado, and Canela," the minister said. International flights, however, are still far from a recovery. According to Machado, international air travel currently has 30 percent of the passengers from before COVID-19. [Read more.](#)

## **HEALTH**

### **STF DECISION ON REIMBURSEMENT TO PRIVATE HOSPITALS PUTS PRESSURE ON THE SUS PAYMENTS**

The solution found by the Federal Supreme Court (STF) to reimburse private hospitals for tables and indices of the National Supplementary Health Agency (ANS), and not the Unified Health System (SUS), in case of patient care by court order, played light on the distance of prices paid per procedure in the SUS table compared to those charged in the market. The state prosecutors fear the disincentive of accreditation of private hospitals to SUS — since the values of the ANS are more attractive — and a possible increase in the judicialization of health. [Read more.](#)

### **BRAZIL HEALTH REGULATOR SIMPLIFIES CANNABIS IMPORTATION**

A resolution published by the Brazilian Health Regulatory Agency (ANVISA) aims to optimize the evaluation process for importing cannabis-based products for medical purposes. According to the regulator, the goal of Collegiate Directive Resolution (RDC) 570/2021 is to reduce the time needed to approve the registration and enable patients to have faster access to these products. The growing demand for the importation of these products has led to a delay in ANVISA's decisions, which, according to the agency, may impact patients' health. [Read more.](#)

### **BRAZIL REGULATOR TO PROBE HOSPITAL CHAIN OVER USE OF HYDROXYCHLOROQUINE**

The Brazilian agency that regulates health insurance plans has opened an investigation into allegations that a hospital chain tested unproven drugs on elderly COVID-19 patients without their knowledge, the regulator's director told a Senate inquiry on Wednesday. It was the first instance of a regulatory agency pledging to investigate misdeeds at Prevent Senior, a major healthcare chain serving tens of thousands of patients in the Sao Paulo area. Paulo Rebello Filho, head of the National Regulatory Agency for Private Health Insurance Plans (ANS), said his staff has detected "assistance abnormalities" at Prevent Senior and the health chain will be put under special technical supervision. [Read more.](#)

### **BRAZIL REACHES 600,000 COVID-19 DEATHS UNDER WARNINGS THAT CARE MUST REMAIN**

Brazil has reached 600,000 Covid-19 deaths more than a year and a half after the pandemic hit. The sad record contrasts with the most recent figures on the evolution of the disease across the country, which point for the first time to an easing of the health crisis due to mass vaccination. Experts argue that although the data points to better days compared to the worst moment of the pandemic, it still stands at a high level and does not allow reducing social distancing measures and mask use. In September, there were 16,275 deaths from the novel coronavirus, the lowest monthly number in 2021 and at the same level as a year ago, when a

sharp worsening of the pandemic, due to the collapse of the health system in Manaus and the arrival of the second wave, was not foreseen. [Read more.](#)

### **BRAZIL HAS LINED UP 350 MILLION COVID-19 VACCINE DOSES FOR 2022, HEALTH MINISTER SAYS**

Brazil's Health Minister Marcelo Queiroga said on Friday the country has already acquired, or is in advanced talks to secure, around 350 million vaccine doses for 2022. Queiroga said that although Sinovac's (SVA.O) Coronavac vaccine was not currently part of plans for the national campaign next year, it could be incorporated if it receives full approval from Brazil's health regulator. [Read more.](#)

### **COVID -19: BRAZIL PLANS TO DISCONTINUE USE OF SINOVAC VACCINE IN 2022**

The Brazilian Ministry of Health on Thursday announced that it plans to discontinue the use of the Covid-19 vaccine developed by Chinese laboratory Sinovac as of 2022, due to its "low effectiveness" in the population over 80 years of age. In a document submitted to the Senate committee investigating the Brazilian government's management of the coronavirus, the Ministry pointed out that, in addition, the Coronavac vaccine is only temporarily approved by the health authorities. [Read more.](#)

### **BRAZIL IN TALKS TO BUY UP TO 150 MLN PFIZER COVID-19 VACCINES FOR 2022**

Brazil is in talks to buy up to 150 million doses of the Pfizer (PFE.N) COVID-19 vaccine for next year, according to a document sent by the Health Ministry to a Senate inquiry on Thursday. The document was shared with the inquiry, which is probing Brazil's handling of the pandemic, after senators requested information on plans for the country's vaccination campaign next year. The Health Ministry said it was negotiating the purchase of 100 million doses with Pfizer, with a possibility of acquiring another 50 million doses. [Read more.](#)

### **PFIZER STUDY TO VACCINATE WHOLE BRAZILIAN TOWN AGAINST COVID-19**

Pfizer Inc (PFE.N) will study the effectiveness of its vaccine against COVID-19 by inoculating the entire population over the age of 12 in a town in southern Brazil, the company said on Wednesday. The study will be conducted in Toledo, population 143,000, in the west of Parana state, together with Brazil's National Vaccination Program, local health authorities, a hospital and a federal university. [Read more.](#)

### **BRAZIL TO CONTRIBUTE TO RESEARCH INTO NEW DRUG AGAINST COVID-19**

The Oswaldo Cruz Foundation (Fiocruz) will be part of an international phase-three study into drug Molnupiravir, manufactured by pharmaceutical company MSD. The goal is to ascertain its efficiency in preventing the spread and transmission of COVID-19 among people exposed to the coronavirus. The announcement was made Wednesday (Oct. 6) by Fiocruz. Set to start next week, the research will be conducted simultaneously at seven centers in Brazil, two under the responsibility of Fiocruz, in the states of Mato Grosso do Sul and Rio de Janeiro. Researchers Julio Croda and Margareth Dalcolmo will work as coordinators. [Read more.](#)

### **MORTALITY HIGH AMONG COVID-19 PATIENTS WHO DEVELOPED HEART DISEASE**

A study by the Heart Institute (Incor), linked to the Hospital das Clinicas of the University of São Paulo (USP) Medical School, showed a high hospital mortality rate (42%) among patients with COVID-19 who developed heart issues because of the disease. The research, published in the online scientific journal IJC Heart & Vasculture, also revealed that 71 percent of patients needed intensive care while hospitalized and 54.2 percent showed lesions in the cardiac muscle. As aggravating factors, the study also identified previous heart failure, found in 12.6 percent of participants, changes in the cardiac echo (6%), acute coronary syndrome (5.7%), and heart arrhythmia (4.5%). [Read more.](#)



**COVID-19 BRAZIL: SÃO PAULO STATE ASSESSES RELAXING MASK USE IN NEAR FUTURE**

The state Coronavirus Contingency Center stated that mask use, along with vaccination, was responsible for reducing the transmission of the novel coronavirus. It was also crucial in preventing the spread of the Delta variant, which is currently predominant in the state. [Read more.](#)

**FIOCRUZ REPORT SHOWS SUCCESS OF VACCINATION AGAINST COVID-19**

The COVID-19 Observatory Report published Thursday (Oct 7) by the Oswaldo Cruz Foundation (Fiocruz), shows that the success of the vaccination in preventing serious and fatal forms of the disease is reflected in the number of cases and deaths, as well in the steady ICU occupancy rate for adults in public hospitals, low in most states. Fiocruz researchers believe, however, that people must be careful and continue wearing masks and observing other preventive measures, like keeping hands sanitized and social distancing, as the rate The recommendation was made as the home permanence rate has been near zero since July, which means people are circulating on the streets at a rate similar to pre-pandemic levels. [Read more.](#)

**MPF INVESTIGATES FEDERAL COUNCIL OF MEDICINE FOR CONDUCT IN COVID PANDEMIC**

The MPF (Federal Public Ministry) opened an inquiry to investigate the conduct of the CFM (Federal Council of Medicine) in the face of drugs without proven efficacy against the coronavirus. [Read more.](#)

**NATIONAL CONGRESS PASSES BILL ALLOCATING R\$ 63 MILLION FOR RADIOPHARMACEUTICAL PRODUCTION**

The National Congress approved, in a deliberative meeting held this Thursday (7), the Bill 16/2021, which opens a supplementary credit of R\$ 690 million for various ministries. The resources to produce radiopharmaceuticals, which are used in cancer treatments, were increased from R\$ 26 million in the original text to R\$ 63 million. [Read more.](#)

**NATIONAL CONGRESS LAUNCHES PINK OCTOBER BREAST CANCER AWARENESS CAMPAIGN**

The National Congress officially launched the Pink October campaign this Monday (4). The beginning was marked by the lighting of the towers and domes of the Congress with the campaign's theme. The Pink October movement began in the 1990s in the United States. Since then, the campaign has been held annually in the month of October. It aims to draw society's attention to the importance of preventing breast cancer. [Read more.](#)

**PUBLIC HEARING HIGHLIGHTS THE IMPORTANCE OF THE NAVIGATION PROGRAM FOR BREAST CANCER PATIENTS**

In a public hearing held in the Chamber of Deputies on Thursday (7), the importance of the navigation program for patients with breast cancer was discussed. The debate, which integrates the actions of Pink October, was held by the Commission for the Defense of Women's Rights, together with the Commission for Social Security and Family and the special commission designed to monitor actions to combat cancer in Brazil. The Coordinator of the Patient Navigation Program of the Rio de Janeiro State Department of Health, Sandra Gioia, reported that the program, which was implemented in 2019, in São João de Meriti, aimed at monitoring patients with breast cancer, reduced the time between the diagnosis and initiation of treatment of the disease. He explained that patient navigators are trained professionals who facilitate the journey in the SUS, facing social, socioeconomic, and personal barriers to access treatment. He stressed that patient navigation should not be seen as an additional expense for health systems, but as an opportunity for the prevention and early treatment of the disease. According to Sandra, after the implementation of the navigation program, the compliance rate with the 60-day law increased from 27% in 2019 to 86% in 2020. According to the secretary, navigation helps to overcome barriers, making treatment more efficient. [Read more.](#)

**BRAZILIAN FEDERATION OF HOSPITALS PREDICTS A 30% INCREASE IN CARDIAC SURGERIES AFTER THE PEAK OF THE COVID EPIDEMIC**

The Brazilian Federation of Hospitals (FBH) estimates that this year there has already been a 30% increase in the number of cardiac surgeries performed compared to the same period in 2020. This percentage, however, is much lower than the actual repressed demand of patients who suspended elective surgical procedures of the Covid-19 pandemic. [Read more.](#)



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