# WEEKLY REPORT



10/23/21

## **POLITICS**

### BRAZIL SENATORS DROP CALL FOR COVID-19 HOMICIDE CHARGE AGAINST BOLSONARO

Brazilian senators investigating the handling of the country's COVID-19 outbreak have dropped a recommendation from their draft report that President Jair Bolsonaro be charged with genocide and homicide, instead accusing him of "crimes against humanity." Senators leading the congressional probe met late on Tuesday to discuss a report prepared by opposition Senator Renan Calheiros and agreeing to remove the homicide and genocide accusations due to what one senator called technical reasons. The draft report still needs to be voted on by the Senate commission and could be vetoed and altered. Read more.

### SENATORS RECOMMEND CHARGES AGAINST PRESIDENT BOLSONARO, 69 OTHER PEOPLE

A report from a panel of senators' investigation, scheduled to be voted on next week, hits hard the Bolsonaro administration hardcore. The report put together by Senator Renan Calheiros (Brazilian Democratic Movement, MDB, of Alagoas), which may still undergo changes, targets not only ministers and aides of President Jair Bolsonaro, but also part of the governing coalition in Congress, government allies in social media and even influential people in civil society. Senator Calheiros recommends charges of aggravated murder and prevarication against Mr. Bolsonaro, besides eight other crimes. A previous draft recommended charging Mr. Bolsonaro of genocide of indigenous people, but that part was excluded from the final report. The blueprint seen by Valor recommends charges against 70 people and two companies. Besides President Bolsonaro, the list includes four ministers, two former ministers, six deputies, a senator (Flávio Bolsonaro, a son of the president), a councilman (Carlos Bolsonaro, another of the Mr. Bolsonaro's sons), three aides or former aides of the president, four businesspeople close to the government and six bloggers aligned to President Bolsonaro, among others. Read more.

### BRAZIL'S MARKETS CALMED BY GUEDES VOW TO STAY ON, NAMING OF NEW TREASURY OFFICIAL

Brazil's currency and stocks pared losses on Friday as the economy minister dismissed rumors he would resign and tapped an ex-planning minister to replace a senior Treasury official who quit over plans to boost spending ahead of the 2022 election. Economy Minister Paulo Guedes said he would remain in place and announced the appointment of Esteves Colnago, a former central bank civil servant, to replace outgoing Special Treasury and Budget Secretary Bruno Funchal. Guedes told journalists it was "natural" that Funchal had resigned given he disagreed with altering the constitutional spending cap to allow for increased spending on an expanded welfare program planned by far-right President Jair Bolsonaro. Read more.

### BRAZIL FINANCE MINISTER SAYS WELFARE PLAN MAY REQUIRE FISCAL WAIVER

Brazil's economy minister opened the door on Wednesday to a one-off breach of a constitutional spending cap to pay for a bigger welfare program proposed by Brazilian President Jair Bolsonaro. Economy Minister Paulo Guedes made his comments after financial markets closed. They appeared to contradict Bolsonaro's assurances, hours earlier, that Brazil could more than

double payouts of its main welfare program without stretching the strict fiscal rules. "Yesterday we decided to raise the old 'Bolsa Familia' to 400 reais, given that the emergency (pandemic) cash aid is coming to an end," Bolsonaro said in Ceara state, referring to a welfare program now paying an average of 190 reais per month. Read more.

### BRAZIL TREASURY OFFICIALS QUIT AS GOV'T LOOKS TO LIFT SPENDING LIMIT

Four senior Brazilian Treasury officials resigned on Thursday amid signs the government is looking to lift a constitutional spending cap, hammering Brazil's stocks and currency while driving up interest rate futures. With Bolsonaro's popularity slipping and headlines focused on a Senate inquiry calling for criminal charges based on his handling of the pandemic, the president has pushed for more government spending ahead of next year's election. Read more.

### BRAZIL TO GRANT FUEL RELIEF TO 750,000 TRUCKERS, BOLSONARO SAYS

Brazilian President Jair Bolsonaro said on Thursday that his government has decided to grant about 750,000 truckers fuel relief to offset price rises, a few hours after repeating that a planned new welfare program will not breach a constitutional spending cap. His remarks on aiding truckers spooked investors who already feared that government spending on the new 'Auxilio Brasil' welfare program would widen its budget deficit. The Brazilian real extended losses against the U.S. dollar after Bolsonaro's comments, plunging more than 2%, while the Bovespa stock index (.BVSP) was down more than 4%. Read more.

### TRUCKERS IN BRAZIL DISBAND BLOCKADE AFTER PROVOKING FUEL SHORTAGES

Truckers blockading a major refinery in the Brazilian state of Minas Gerais disbanded on Friday, allowing fuel supplies to normalize in the nation's second most populous state. The protesters, principally truckers who deliver fuel, had been demanding a decrease in taxes on diesel. Since Thursday, they had blocked roads near the REGAP refinery near state capital Belo Horizonte, an action that spooked industry leaders and motorists and caused some gas stations in Minas Gerais to run low on fuel. Truckers have grown increasingly vocal in recent months as a rise in global crude prices has pushed up the cost of diesel domestically and eaten into margins. Trucker groups have threatened a general strike next week, a move that could prove crippling for Brazil's economy, if widely observed. Read more

## BRAZILIAN FUEL DISTRIBUTORS FEAR SHORTAGES AS PETROBRAS SET TO MISS DEMAND

Brazilian state-run oil company Petrobras (PETR4.SA) confirmed it will not be able to meet "atypical demand" from fuel distributors in November that has surpassed its production capacity, raising fears of supply shortages in the country. Petroleo Brasileiro SA, as the company is formally known, said in a security filing late on Monday that it has received orders way above previous months. According to Petrobras, diesel demand from fuel distributors is up 20% from November 2019, a period prior to the COVID-19 pandemic, while gasoline demand rose 10% in the same comparison. Read more.

### HAWKISH CALLS FOR BRAZIL OCTOBER RATES MEETING GROW ON FISCAL WORRIES

Brazil's benchmark interest rate is set to rise at least another 100 basis points on Wednesday as the central bank reacts against fears of worsening inflation expectations from fiscal worries, a Reuters poll showed. The bank's rate-setting committee - known as Copom - will hold its hawkish stance, with policymakers possibly expressing concerns about the introduction of new welfare plans that may breach stringent fiscal rules. Read more.

### **CONGRESS MAY PUT OFF FEDERAL DEBT PAYMENT UNTIL 2030**

The value of the court-ordered debts deferred as of 2022 may reach R\$346.7 billion in 2030, considering the design defined in the report of the Constitutional Amendment Proposal (PEC) that deals with the matter, released last week. By 2025, the amount may reach R\$118.9 billion, according to estimates by technicians in Congress. The projections in the Parliament consider

that 10% of the payments of the bulk of judicial sentences would have a 40% discount for the private sector, to be carried out before the debts are issued by the courts. Read more.

### BRAZIL TO HAVE 27% OF U.S. STANDARD OF LIVING BY 2060, OECD SAYS

The standard of living of Brazilians could almost stagnate over the next 40 years: from 23% of the U.S. equivalent today to only 27% in 2060 if there is no major structural overhaul in the country. The convergence on the Chinese and Indian side is much faster. The projection is from the Organization for Economic Co-operation and Development (OECD), in a study released Tuesday on the long-term fiscal pressure in its 38 member countries, aiming to give a dimension of the challenges ahead. Read more.

### AGREEMENT WITH MERCOSUR DEPENDS ON BRAZIL AT COP26, EU SAYS

The plans Brazil announces at the Climate Conference (COP26) in Glasgow, less than a couple of weeks from now, will have an impact in Europe on the development of discussions about the European Union-Mercosur free trade agreement. That is the opinion of the influential president of the European Parliament Committee on Environment, Public Health and Food Safety, Pascal Canfin. In an interview to Valor, he said that nowadays in Europe the credibility of President Jair Bolsonaro in the environmental area is close to zero and waits to see what the positioning of Brazil. In any case, he warns that the EU-Mercosur agreement only has a chance of being approved in the European Parliament with the inclusion of sanctions in case Brazil and its partners do not uphold their commitments in the environmental area. Read more.

### **ENVIRONMENT MINISTER DEFENDS "GLOBALIZATION" OF ETHANOL**

In an event promoted Wednesday by Valor, Environment minister Joaquim Leite said he will propose at COP26, which will start on the 31st in Glasgow, Scotland, "more financial ambition to encourage programs such as the Brazilian ethanol". He defended the use of biofuel on a large scale to reduce carbon emissions and the ethanol combustion car as an alternative to the electric car. According to Mr. Leite, it is necessary to look at the electric car in a broad way, with a global perception, in order to realize that the infrastructure needed to make it viable is still very fragile. "We don't have cities with a power plug every block in the world, or in Brazil", he said. For him, ethanol is a "green job" solution for Brazil and for countries with less qualified labor, such as the Africans. Read more.

#### **BRAZIL EXPANDS CARBON EMISSION REDUCTION TARGETS**

The new version of the Sector Plan for Adaptation and Low Emission of Carbon in Agriculture, or Plano ABC+, intends to slash carbon emissions by 1.1 billion tons until 2030—seven times as much as the original plan, whose first stage was conducted over the last decade. The Plano ABC+ will be presented by the Brazilian government in the next United Nations Climate Change Conference, COP26, to be held in Scotland from October 31 to November 12. The revised targets were disclosed Monday (Oct. 18) by Brazil's Minister of Agriculture, Livestock, and Supply Tereza Cristina. To reach them, the government plans to introduce sustainable production technology in 72.68 million hectares across the country in the next nine years, among other measures. The area is equivalent to twice the size of the UK. Read more.

#### **BRAZIL HAS POTENTIAL TO REACH \$100BN IN CARBON CREDITS BY 2030**

Brazil's potential for generating revenue from carbon credits could reach \$100 billion by 2030, depending on how Article 6 of the Paris Agreement will be unlocked and implemented, according to a study by the International Chamber of Commerce (ICC) in the country with consultancy WayCarbon. ICC's secretary general John Denton sent a letter to ministers of more than 130 countries pointing out as a high priority for the private sector at COP26 in Glasgow an agreement with "robust and functional" rules to put the Article 6 of the Climate Agreement of Paris in operation on international carbon markets. Read more.

### SEAT OF AMAZON COOPERATION ORGANIZATION INAUGURATED IN BRAZI

The headquarters of the Amazon Cooperation Treaty Organization (ACTO)—an intergovernmental body formed by eight Amazon countries: Bolivia, Brazil, Colombia, Ecuador, Guiana, Peru, Suriname, and Venezuela, all signatories in the Amazon Cooperation Treaty—have been inaugurated in Brasília. The ACTO is Latin America's only socio-environmental bloc. At the ceremony, Brazil was represented by vice-President Hamilton Mourão, who has been chair of the country's National Legal Amazon Council since the beginning of last year, spearheading government measures on deforestation and fires in the Amazon biome—the planet's biggest rainforest, brought to the attention of nations across the world. Read more.

#### CARGILL TAKES NEW STEP TO ELIMINATE DEFORESTATION IN SUPPLY CHAIN

Cargill, the world's largest agribusiness company and leader in grain exports in Brazil, where it has been since 1965, made progress in mapping 100% of its soy supplier areas in the region known as Matopiba, a confluence between the states of Maranhão, Tocantins, Piauí and Bahia. According to Cargill's sustainability manager Renata Nogueira, around 4,700 farms in the region were mapped. In total, these properties occupy 1.8 million hectares and are responsible for the production of 6 million tonnes of grain (basically soy and corn). Read more.

#### EMBRAER'S ORDERS RECOVER PRE-PANDEMIC LEVELS

The firm order backlog of Embraer, the world's third largest aircraft manufacturer, continued to gain steam in the third quarter and reached \$16.8 billion, back to the level seen in the last three months of 2019, before the damage caused by the Covid-19 pandemic in global civil aviation. The 30 deliveries made in the period were below the total of 34 jets recorded in the second quarter of this year. The company, however, stuck on course to meet the projection for 2021. From January to September, Embraer delivered 86 aircraft, of which 32 commercial jets and 54 executive jets. For 2021, the estimate is for deliveries of 45 to 50 commercial jets and 90 to 95 executive jets. Read more.

# HEALTH

# CONSULTORES

### Relações Governamentais

# COMPULSORY LICENSING IN HEALTHCARE DIVIDES OPINION OF INDUSTRY EXPERTS

During the Health Summit 2021, an event held by the newspaper O Estado de S. Paulo to debate the future of health in Brazil after the pandemic, experts discussed innovation and investments in research. Participated the meeting Abner Lobão, executive director of Medical Affairs at Takeda; Elizabeth de Carvalhaes, executive president of Interfarma; Margareth Pretti Dalcolmo, pulmonologist and researcher at the Oswaldo Cruz Foundation; Sue Ann Costa Clemens, professor of Global Health at the University from Oxford and director of the Oxford-Brasil Vaccine Group; and Esper Kallás, infectious disease physician and professor at USP. During the event, it was clear that Brazil still has a lot to evolve. According to Elizabeth, the country has a lot of clinical research, "but it has a lot of homework to do". Read more.

### MINISTRY OF HEALTH IS DIVIDED, ANVISA DOES NOT VOTE AND CONITEC HAS A TIE ON COVID'S TREATMENT IN SUS

The vote by Conitec (National Commission for the Incorporation of Technologies in the SUS) on the report that does not recommend the "Covid kit" for patients with suspected or diagnosed Covid-19, undergoing outpatient treatment, ended in a tie. At a meeting held on Thursday (21), the Ministry of Health was divided. Representatives of five secretariats voted against the opinion, that is, they tried to avoid an unfavorable manifestation by the federal government to the use of drugs that were not effective for the pandemic, such as hydroxychloroquine. Two other areas of Health were in favor of the text. Adding the votes of other representatives, the score was 6x6. The opinion will be submitted to public consultation. After being consolidated, it will return to the committee's agenda. Of the entities, the CFM (Federal Council of Medicine) was against the report. The ANS (National Supplementary Health Agency), CNS (National

Health Council), Conass (National Council of Health Secretaries), Conasems (National Council of Municipal Health Secretariats) were favorable. Anvisa (National Health Surveillance Agency) participated in the meeting but did not vote because its representative was in a flight. Read more.

## CNS WILL HOLD SEMINAR ON ACCESS TO BIOLOGICAL AND BIOSIMILAR MEDICINES IN BRAZIL

The National Health Council (CNS), through the Intersectoral Committee on Science, Technology and Pharmaceutical Assistance (Cictaf), will hold on October 29, from 2 pm to 6 pm, the Seminar Panorama of Access to Biological and Biosimilar Medicines in Brazil. The event will be open to the public, broadcast on CNS' Facebook and YouTube. Read more.

#### **ENTITIES UNITE AGAINST THE BACKSLIDING IN HEALTH PLAN COVERAGE**

Associação Medica Brasileira, Idec, APM, Procon, MP/Health Prosecutor's Office and OAB unite against setbacks in the coverage of health plans. To talk about the topic, Revista Brasil invited Marun David Cury, director of the Associação Médica Brasileira (AMB). Maurun Cury comments that he is about to be judged by the STJ, a decision that may limit the procedures covered by the companies to a list of the National Health Agency (ANS), called the list of procedures, but the entities are calling for the list of services provided by the plans to be what is foreseen by the WHO. Today the plans meet an explanatory list which is the minimum list and justice understands that, in addition to the minimum list, they also need to meet the International Classification of Diseases, recommended by the World Health Organization - WHO. What is to be voted on in the STJ is that the list be restrictive, what is in the WHO and that is over. Read more.

## AT A MEETING OF THE SUPPLEMENTARY HEALTH CHAMBER, PARTICIPANTS ANALYZE THE IMPACTS OF THE PROVISIONAL MEASURE ON HEALTH PLANS

On Wednesday (20), the 107th Ordinary Meeting of the Chamber of Supplementary Health (CAMSS) of the National Supplementary Health Agency (ANS) was held. One of the topics discussed was the agenda of the National Federation of Supplementary Health (FenaSaúde) in order to analyze the impacts of Provisional Measure 1.067/2021 regarding health plans. Hellen Miyamoto, Health Technology Assessment Manager, brought a brief timeline of Bill No. 6330/2019, and presented some points of concern on the subject. Read more.

### SUS LOSES R\$ 23 BILLION FROM THE BUDGET IN 2022 AND MAY HAVE TO TAKE OVER TREATMENTS INSTEAD OF HEALTH PLANS

The National Health System (SUS) will lose R\$ 23 billion in the 2022 budget, due to the end of urgent funds transferred to face Covid-19, and, in addition to having to attend to the numerous consequences left by the disease, it may also having to take care of patients from health plans if the Superior Court of Justice (STJ) decides that companies in the sector should only pay for procedures listed on the National Health Agency's list. The warning was made on Thursday by the prosecutor Arthur Pinto Filho, from the Public Prosecutor's Office for Health in São Paulo, who participates alongside more than 30 medical and citizen defense organizations in a campaign against the STJ's change of understanding. Read more.

## PUBLIC HEARING DEBATES THE CONSEQUENCES OF THE PANDEMIC ON ACCESS TO BREAST AND UTERINE CANCER TESTS

In a public hearing held in the Chamber of Deputies this Thursday (21), the consequences of the pandemic for the diagnosis and treatment of breast and uterine cancer in Brazil were discussed. The event, which integrates the actions of Outubro Rosa, was conducted by the Commission for the Defense of Women's Rights, in conjunction with the Commission for Social Security and Family and the Special Commission designed to monitor actions to combat cancer in Brazil. Read more.

#### DEBATERS ASSESS IMPACT OF DELAY IN ANNUAL RESEARCH ON CHRONIC DISEASES

The House of Representatives' Social Security and Family Committee held a virtual hearing this Tuesday (19) to assess the progress of Vigitel 2021, the Surveillance of Risk Factors and Protection for Chronic Diseases by Telephone Survey. Conducted since 2006, it is part of the monitoring system of risk factors for Chronic Non-Communicable Diseases (NCDs), of the Ministry of Health. Read more.

#### DRUG SALES IN SUPERMARKETS DIVIDE OPINIONS IN DEBATE

The Chamber of Deputies' Social Security and Family Commission analyzes Bill 1774/19, which allows the sale of over-the-counter medications (MIPs) in other commercial establishments, in addition to pharmacies. According to the text, these drugs can be sold in supermarkets or similar establishments. Currently, Law 5991/73 only allows the sale of these products in pharmacies, drugstores, or distribution in medicine stations. The commission heard on Monday (18) representatives of the government, pharmacists, industry, and supermarkets about the proposal. Read more.

#### PUBLIC HEARING DEBATE ON RADIOPHARMACEUTICALS AND RADIOISOTOPES

This Tuesday (19), the Special Committee destined to give an opinion to the PEC 517/2010 of the Chamber of Deputies, held a public hearing to debate the authorization of the production, commercialization and use of radioisotopes for research and medical use. The meeting arose from the approval of Requests No. 1, No. 4, No. 6, No. 9, and No. 11 of 2021, authored by Deputies General Peternelli (PSL-SP), Alexandre Padilha (PT-SP), Jorge Solla (PT-BA) and Dr. Zacharias Calil (DEM-GO). Read more.

### COMMITTEE PASSES BILL TO TURN THE NOTIFICATION OF RARE DISEASES MANDATORY

The Senate Social Affairs Committee (CAS) approved, on Tuesday (19), the assent of Senator Eduardo Girão (Podemos-CE) to Bill 4691/2019, which intends to make the notification of rare diseases mandatory. Authored by senator Leila Barros (Cidadania-DF), the proposal amends Law No. 6,259, of October 10, 1975, which provides for the organization of Epidemiological Surveillance actions, on the National Immunization Program and establishes norms related to notification compulsory disease. Read more.

## ALLIED AGAINST CANCER, THE HPV VACCINE STILL SUFFERS PREJUDICE AND ADHERENCE BELOW EXPECTATIONS IN BRAZIL

A vaccine that can stop some types of cancer. What seems like a dreamed news is already a reality. But the curious thing is to think that a large part of the population is not taking advantage of this opportunity due to misinformation and prejudice. As highlighted by the Globe, it is the vaccine against HPV, the human papillomavirus. This virus is responsible for virtually all cases of cervical cancer, the leading cause of cancer death in women in the North region and the second in the Northeast and Midwest regions, having caused more than 6,500 deaths in the country in 2019 alone. According to the National Cancer Institute (Inca), other than non-melanoma skin cancer, cervical cancer is the third most frequent malignant tumor in the female population (behind breast and colorectal cancer), and the fourth cause of death of women in Brazil related to the disease. Read more.

#### **BUTANTAN STUDY SHOWS HIGHER EFFICIENCY OF CORONAVAC**

The study on the efficiency of vaccine CoronaVac, being carried out by Butantan Institute analyzing the immunity of the population of Serrana, São Paulo, found that 99 percent of the people showed seroconversion—i.e., they have developed the antibodies against a COVID-19 infection—three months after receiving the second dose of the inoculation. These are the first figures from the Butantan research on the city that saw the execution of Project S—whereby all the population aged 18 and above were immunized, in February. The indicator was higher

than the results from the clinical trials from phases one and two of CoronaVac, showing seroconversion at around 97 and 98 percent, respectively, depending on the dose. Read more.

#### **CORONAVIRUS TRANSMISSION IN BRAZIL STILL ON WANE**

The transmission of the novel coronavirus (Sars-CoV-2) continues the decline, as per the COVID-19 Observatory report, by the Oswaldo Cruz Foundation (Fiocruz). For the epidemiological week comprising October 10 through 16, daily decreases were reported—4.8 percent in the case tally and 3.6 percent in the death toll. In this time span, daily averages of 10.2 thousand confirmed cases and 330 fatalities were reported across the country. The document further announces that ICU occupancy rates for adults in public hospitals have proved steady, with 25 of the 27 states and the 23 capitals out of the alert zone and with most below 50 percent. Read more.

#### FIOCRUZ: RESUMPTION OF ACTIVITIES MUST INCLUDE COMBINED STRATEGIES

The combination of vaccination with measures such as wearing face masks, observing social distancing, and requiring proof of vaccination from those entering certain spaces is crucial to the resumption of activities, the Oswaldo Cruz Foundation, or Fiocruz, says in its weekly COVID-19 Observatory report, published Friday (Oct. 15). According to researchers at the foundation, requiring a vaccine passport for access to shared indoor areas lowers the risk of exposure to the novel coronavirus. Regarding mask use, the document underscores that, if at least 80 percent of the population is fully vaccinated, rules may be relaxed, but wearing face masks must be mandatory in closed spaces as well as outdoors if there are gatherings. Read more.

