

# WEEKLY REPORT



09/18/21

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## POLITICS

### **BOLSONARO'S SUPPORT HITS FRESH LOW AHEAD OF BRAZIL 2022 VOTE, POLL SHOWS**

Brazilian President Jair Bolsonaro's popularity has hit the lowest point of his time in office, a Datafolha poll showed on Thursday, with 53% of respondents disapproving of him ahead of a presidential election next year. The pollster's last survey, in July, showed 51% of respondents disapproved of the far-right former army captain. This month's poll showed 22% rate him as good or excellent, down from 24% in the earlier poll. [Read more.](#)

### **LULA RETAINS SOLID LEAD OVER BOLSONARO FOR 2022 BRAZIL RACE, POLL SHOWS**

Brazil's leftist former President Luiz Inacio Lula da Silva remains ahead of far-right President Jair Bolsonaro by a significant margin in voter preferences for the 2022 elections, a survey by pollster Datafolha showed on Friday. Voter support for Lula slipped to 44% from 46% in July, and Bolsonaro gained a percentage point to 26%, according to the poll, which asked voters to choose as if the election were now. In a simulated runoff between the two, Lula would win 56% of votes versus 31% for the incumbent, compared to a 58%-31% advantage in the last poll. The variation since July fell within the poll's margin of error. [Read more.](#)

### **BRAZIL'S ELECTORAL COURT CHIEF PROMISES TRANSPARENCY COMMITTEE, LIVE BROADCAST OF ELECTRONIC BALLOT BOX TESTS**

Justice Luis Roberto Barroso reiterated the reliability of electronic ballot boxes and said the Superior Electoral Court (TSE) will broadcast live the device's checking tests to increase interaction with civil society and put an end to the distrust "artificially created in a minority of the population." The current TSE Chief Judge, Barroso also addressed journalists late Sunday (12) about the creation of a commission with computer experts, members of civil society and public institutions - including the Armed Forces - to monitor the 2022 presidential elections and its verification. [Read more.](#)

### **CYBER ATTACKS RAISE CONCERN IN PUBLIC SECTOR**

The surge in cyber-attacks, a direct consequence of the digitalization push forced by the coronavirus pandemic, worry companies and government agencies responsible for critical infrastructure. Cases seen this year like the attacks against the Colonial Pipeline in the United States and the Superior Court of Justice (STJ) here in Brazil show the practical consequences that an operational collapse can have when reaching an essential service. [Read more.](#)

### **BRAZIL SENATE LEADER KILLS BOLSONARO DECREE CRITICIZED BY TECH FIRMS**

Brazilian Senate leader Rodrigo Pacheco said on Tuesday he would not consider President Jair Bolsonaro's decree limiting social networks' power to remove content, killing a measure that had met with widespread opposition from tech giants. Pacheco said Bolsonaro's temporary measure, which required congressional approval to become law, did not comply with regulatory requirements and introduced "considerable legal uncertainty". [Read more.](#)

## **BOLSONARO WILL GO TO THE UN TO PRESENT "THE TRUTHS OF BRAZIL" BUT WITHOUT VACCINATION**

Brazilian President Jair Bolsonaro, who has not been inoculated against Covid-19 due to his naturally acquired immunity, confirmed Friday that he will travel to New York next Sunday to attend the opening of the UN General Assembly two days later, where he will present "the truths" of Brazil. "I'll travel Sunday, give the inaugural address Tuesday and then return," the president said, without dwelling on the controversy in the United Nations over mandatory covid vaccination demanded by the New York City Council, where the organism's headquarters are located. [Read more.](#)

## **U.S. CONSIDERS TRADE AGREEMENT WITH BRAZIL UNLIKELY**

The Bolsonaro administration's desire to sign a comprehensive free trade agreement with the United States is unlikely to materialize in the current scenario. The warning was given by an agent of the Biden administration, mentioning President Jair Bolsonaro's record of actions in the environmental and social fields, in a virtual seminar on the bilateral relations held on Friday. Among experts, the debate consolidated the feeling that the Biden administration "does not want involvement" with the Bolsonaro administration. The assessment also in sectors of the government is that the White House does not want China to expand in Brazil, nor does it propose a positive agenda in the economic relationship. [Read more.](#)

## **BRAZIL-CHINA TRADE EXPECTED TO HIT NEW RECORD IN 2021**

Trade between Brazil and China is set to reach a new record high this year, coinciding with a more stable period in bilateral relations after Bolsonarist criticism of Beijing eased, according to sources tracking the situation. After the outbreak of Covid-19 and the departure of Ernesto Araújo from the command of Brazilian diplomacy, the change in tone, more careful, in the government of Jair Bolsonaro towards China, if not generating a change in quality at least put the relationship on a course of normality. [Read more.](#)

## **FORD REVEALS NEW VISION FOR MERCOSUR**

Ford has made clear its intention to start selling only imported vehicles in the Brazilian market since it announced it would shut down its plants in Brazil. The automaker has ever since started to design a new strategy for South America, which excludes manufacturing in Brazil, but preserves the factory in Argentina. Now, the company is preparing to launch Transit, a van that will be produced in Uruguay by Nordex, a local company. Although isolated, the Ford movement begins to reveal a new portrait of the automotive sector in Mercosur. The agreement with the Uruguayan company was closed a year ago, before Ford announced the end of vehicle production in Brazil. Created almost 60 years ago, Nordex has always been associated with a multinational in the automotive sector. Today, it assembles vehicles for brands Kia, Citroën, and Peugeot, sold in Brazil. [Read more.](#)

## **BRAZIL IS THE WORLD'S MOST COMPLEX COUNTRY TO DO BUSINESS – TMF GROUP**

Latin America is the most complex region for doing business in the world, and Brazil tops the list as the most complex country, according to the Global Business Complexity Index - 2021, TMF Group's annual report. The Top 10 also includes Mexico (3rd), Colombia (4th), Argentina (7th), Bolivia (8th), and Costa Rica (9th). France is the second most complex country. Completing the top 10 are Turkey (5th), Indonesia (6th), and Poland (10th). [Read more.](#)

## **BRAZIL LOSES TALENT TO OTHER COUNTRIES DUE TO LOWER SCIENCE AND TECHNOLOGY INVESTMENTS**

In the ranking of countries that most retain qualified professionals, Brazil plummeted 25 positions between 2019 and 2020: from 45th to 70th. Science and technology were among the areas that suffered the most from a drop in investments in Brazil. This led researchers to leave the country. It is the so-called "brain drain". [Read more.](#)

**BRAZILIAN TEACHERS' SALARY LOWEST AMONG 40 COUNTRIES – OECD STUDY**

The salary floor for Brazilian teachers in the final years of elementary school is the lowest among 40 countries assessed in a study by the Organization for Economic Cooperation and Development (OECD) released on Thursday, September 16. According to the report Education at a Glance 2021, Brazilian teachers have a starting salary of US\$13,900 per year. In Germany, for instance, the amount exceeds US\$70,000, and is more than US\$20,000 in countries like Greece, Colombia, and Chile.

[Read more.](#)

**GOVERNMENT RAISES TAX TO FUND CASH-TRANSFER PROGRAM**

The federal government surprised on Thursday by announcing an increase in the Tax on Financial Transactions (IOF) for the period between September 20 and December 31. With the measure, the Economy Ministry expects to raise R\$2.1 billion this year and use the money to fund cash-transfer program Auxílio Brasil, the new Bolsa Família, with higher amounts until the end of the year – the average benefit will probably be R\$300 a month. With popular disapproval at record levels and still not finding a budget solution to ensure the program in 2022 – which clashes with discussions with the judicial branch on the payment of court-ordered debts known as “precatórios” –, President Jair Bolsonaro ordered his ministers to clear their schedules Thursday afternoon to discuss the matter. Later, he accepted the proposal presented by the Economy Ministry and decided to increase the tax, as anticipated by Valor PRO, Valor's real-time news service in Portuguese. [Read more.](#)

**BOLSONARO ANNOUNCES MEASURES TO UNLOCK POPULAR HOUSING WITH AN EYE ON BRAZIL'S 2022 ELECTION**

A little over a year before the elections, President Jair Bolsonaro, participated in a ceremony at the Palácio do Planalto, with the announcement of six measures that try to boost the Green and Yellow House program. The substitute for Minha Casa, Minha Vida, is still based on contracts intended for low-income families. Besides the actions already announced this week, such as increasing the ceiling of the value of the properties and reducing interest rates, the government will stimulate states and municipalities to give counterparts to the projects and resume the modality of “public offer.” [Read more.](#)

**GUEDES SEEKS SUPREME COURT'S OK TO SOLVE MULTI-BILLION JUDICIAL DEBT**

The Judiciary's approval of any solution to the problems with the payment of court-ordered debts known as “precatórios” became a priority item on the agenda of Economy Minister Paulo Guedes. In order not to expose the government to the risk of being liable for high crimes and misdemeanors, Mr. Guedes wants the approval of the Federal Supreme Court (STF) to pay the R\$89 billion due in 2022 in installments. But the minister's insistence became a new point of friction with Brazil's highest court: Chief Justice Luiz Fux told aides he felt pressured and dissatisfied with Mr. Guedes's posture. [Read more.](#)

**GOVERNMENT PREDICTS GDP GROWTH OF 2.5% IN 2022**

Private-sector investment and the recovery of the services sector should lead growth in 2022, says the Secretariat of Economic Policy (SPE) in the MacroFiscal Survey released Thursday. While the market cuts its projections for the expansion of the GDP for next year to 1% or less, the government bets on an expansion of 2.5%. This year, it will be 5.3%. The government maintained its growth projections from the previous edition of the survey, from July. However, the government has raised its inflation projections. The Extended Consumer Price Index (IPCA) rose from 5.9% to 7.9%, the General Price Index (IGP-DI) from 17.4% to 18% and the National Consumer Price Index (INPC) from 6.2% to 8.4%. [Read more.](#)

**BRAZIL IS ONLY MAJOR ECONOMY LOSING STEAM, OECD SAYS**

Brazil emerges as the only major economy with a “growth slowdown” trend in the Organization for Economic Cooperation and Development's (OECD) composite leading indicators, which suggest moderate economic growth in developed countries. Those indicators are designed to

anticipate turning points in economic activity relative to the trend. The August results confirm what economists have been warning about – that the Delta variant of coronavirus seems to be sowing the seeds of doubt. In other words, growth remains at above-trend levels in the U.S. and the euro zone, but it is tempering. [Read more.](#)

### **ELECTRICITY INFLATION TO SLOW DOWN IN 2022, ECONOMISTS SAY**

Despite the bad perspective for the water crisis in 2022, economists expect a slowdown in electricity inflation next year. The negative effects over consumers are likely to be stronger. Residential electricity prices measured by Brazil's official inflation rate IPCA are expected to increase 20% this year, economists say, after rising 9.14% in 2020. The IPCA itself is expected to jump 8.29% this year, the median of projections from 100 financial firms and consultancies compiled Thursday by Valor suggests. [Read more.](#)

### **RETAILERS, WHOLESALERS FEEL IMPACT OF HIGHER FUEL PRICES**

Companies in the distribution chain of products in the country, such as retailers and wholesalers, are already feeling the effect of the consecutive increases in fuel prices. Delivery companies have been receiving more requests for adjustments between 5% and 10%, the so-called "triggers" that can be negotiated by carriers in contracts. This tends to put more pressure on the cost structure of store networks and websites, increasing the risk that this bill will start to reach consumers. According to the companies heard, at the moment, the largest online platforms and retailers have held back requests for adjustments, but others have already partly passed on costs to freight rates. [Read more.](#)

### **ANALYSIS: CENTRAL BANK WILL STILL PURSUE 2022 INFLATION TARGET**

A growing number of economic analysts have argued that the Central Bank has already given up on meeting the 2022 inflation target, due to the high costs in terms of lost economic activity to meet it, and that its focus is now on 2023. Actually, the monetary policy horizon has already shifted somewhat towards 2023, albeit with a lighter weight compared to 2022. At the October meeting, the attention of the Central Bank's Monetary Policy Committee (Copom) will be divided between 2022 and 2023, with equal weight. It is precisely because the Central Bank's target shifts over time that it makes little sense to say the Copom has to give up its 2022 target completely in order to look at economic activity. [Read more.](#)

### **HIGHER INTEREST RATES, FALLING STOCKS COOL DEMAND FOR IPOs**

The devaluation of the Brazilian stock market and the lower inflow to the stock market put in question a good part of the stock offerings planned for the last four months of the year. With the more volatile scenario caused by the recent political turmoil and higher inflationary risk and interest rate, investment banks are reviewing their estimates for offerings until the end of the year. Among XP analysts, the euphoria has given way to caution. The firm estimates there will be 90 IPOs or secondary offerings this year, raising R\$150 billion to R\$170 billion. Pedro Mesquita, head of investment banking at XP, originally projected there would be 100 to 120 offerings raising a combined R\$200 billion. [Read more.](#)

### **LUIZA TRAJANO ONLY BRAZILIAN ON TIME MAGAZINE'S 2021 LIST OF 100 MOST INFLUENTIAL PEOPLE**

What do gymnast Simone Biles, writer Shonda Rimes, American soccer player (and Gisele Bündchen's husband) Tom Brady, and Apple CEO Tim Cook, have in common with businesswoman Luiza Trajano? All of them were listed as one of the 100 most influential people globally by Time magazine, in the Titans category. The publication elected Trajano as a reference in her field. The magazine has a tradition of asking other personalities to write about the new listings. This task fell to former president Luiz Inácio Lula da Silva. [Read more.](#)

### **BRAZIL'S TOP COURT HALTS INDIGENOUS LAND RIGHTS CASE, NO NEW DATE SET**

Brazil's Supreme Court on Wednesday suspended a high-profile land rights case that the country's indigenous people say is vital for their survival, with no new date for when it will re-



take the matter. The top court is weighing whether a state government applied an overly narrow interpretation of indigenous rights by only recognizing tribal lands occupied by native communities at the time Brazil's constitution was ratified in 1988. Indigenous rights groups say the rule was unconstitutional because there was no timeframe in the 1988 constitution, which guaranteed the right to ancestral lands. [Read more.](#)

### **BOLSONARO REITERATES THAT FURTHER DEMAND FOR INDIGENOUS LANDS THREATENS BRAZILIAN AGRICULTURE**

Brazilian president, Jair Bolsonaro, reiterated on Wednesday (15) that the "ancestral right" that the indigenous people claim over the lands could lead to "losing a Germany and a Spain together" and cause "a catastrophe" to the country's agriculture. The president insisted on the issue on the eve of the Supreme Court to continue a decision concerning the constitutionality of the so-called "temporary framework", which only recognizes as indigenous land that which the native peoples occupied on October 5, 1988, when the current Brazilian Constitution was promulgated. [Read more.](#)

## **HEALTH**

### **BRAZIL REITERATES 'OPENNESS AND FLEXIBILITY' IN NEGOTIATING PATENTS AND VACCINES AT THE WTO**

Brazil reiterated "openness and flexibility" in relation to the different avenues of negotiation in progress in the Council of TRIPS, on intellectual property, in the World Trade Organization (WTO), involving proposals on patents and production of anti-covid vaccines. WTO members resumed discussions after the August break. In an exceptionally short meeting, members reiterated their positions when debating the two proposals currently under discussion: the India-South Africa proposal for a temporary waiver of certain TRIPS obligations in response to covid-19, for a period of three years; and the European Union proposal for a draft General Council declaration on the TRIPS Agreement and Public Health. [Read more.](#)

### **SANOFI AND MINISTRY NEGOTIATE RISK SHARING FOR THE USE OF ALENTUZUMAB**

The incorporation of alemtuzumab for patients with relapsing forms of multiple sclerosis in the Unified Health System (SUS) came about after Sanofi Genzyme's commercial proposal in Brazil, which reduces the cost of the paste compared to the previously available therapeutic option. Before that, the position of the National Commission for the Incorporation of Technologies in the SUS (Conitec) was against the request. After the approval of the Clinical Protocol of Therapeutic Guidelines (PDCT), the pharmacist and the ministry must start negotiating the terms of the contract for the supply of the product, which will require specific monitoring of the dispensing. [Read more.](#)

### **REPORT RECOMMENDS REDUCING DEPENDENCE ON IMPORTED INPUTS IN THE HEALTH INDUSTRY**

A subcommittee of the House of Representatives' points to the need to reduce Brazil's dependence on foreign inputs in the production of medicines, vaccines, and other health care products. Currently, more than 90% of Active Pharmaceutical Ingredients (APIs) used by the Brazilian industry are imported. Among the deputies' suggestions are greater government coordination in relation to actions and policies for the Health Economic and Industrial Complex (CEIS) and the need for more tax incentives and the guarantee of financial sustainability of the Unified Health System (SUS). The topic has been discussed since March, and the subcommittee's report was approved on Tuesday (14). [Read more.](#)

### **USE OF MEDICINAL CANNABIS IS MAIN TOPIC AT BRAZIL'S LARGEST ONLINE MEDICAL CONFERENCE**

The medicinal use of cannabidiol will be among the topics of Brazil's largest online medical conference, Sanarcon 2021, held by startup Sanar on Saturday, September 18, at 9 AM. This

year's main topic will be "Vaccination in Brazil: challenges, impact and future," with lectures by doctors and scientists who have accompanied the transformations in the daily life of health professionals since the arrival of Covid-19 in Brazil until the start of vaccination. [Read more.](#)

### **BRAZILIAN SCIENTISTS TO TEST CANNABIDIOL FOR TREATMENT OF LONG COVID**

Characterized by the persistence of symptoms for over 60 days, Long Covid, as specialists refer to it, may be treated with cannabidiol - one of the active ingredients of Cannabis sativa. Capable of lasting for months after infection, the effects the disease causes in the body include fatigue, headaches, muscle weakness, and insomnia. Cannabidiol is used in the treatment of several diseases; hence, Brazilian scientists decided to test it against the coronavirus. Research for the rehabilitation of post-Covid patients is currently in its third phase. [Read more.](#)

### **CANCER NOW AMONG TOP CAUSES OF DEATH AMONG KIDS IN BRAZIL**

Even though cancer is a rare disease among children, it is responsible for most deaths among children and adolescents aged one to 19. It represents eight percent of the total, according to the National Cancer Institute José Alencar Gomes da Silva (Inca). "It is the number one cause of death from a disease in Brazil and in developed countries, second only to external causes, like traumas and other external agents," said Dr. Flávia Martins oncologist and member of the directors' board of the Brazilian Society of Pediatric Oncology (Sobope). [Read more.](#)

### **COMMITTEE PASSES BILL TO CREATE THE NATIONAL FUND TO FIGHT CANCER AND ASSISTANCE TO PATIENTS**

The Social Security and Family Committee (CSSF) of the Chamber of Deputies passed the Bill 244/2019, which creates the National Fund for Fighting Cancer and Assistance to Patients (FNCCAP). The text approved was presented by the congresswoman Celina Leão (PP-DF), for accepting the attached proposal, Bill 252/2019, sponsored by congresswoman Maria do Rosário (PT-RS). According to the bill, the fund's objective will be to obtain financial resources for programs, actions and projects for the prevention, control, screening, diagnosis, and treatment of cancer. [Read more.](#)

### **PUBLIC HEARING DEBATES THE INCORPORATION OF NEW TECHNOLOGIES IN ONCOLOGY IN THE SUS**

The Social Security and Family Commission (CSSF) held, this Thursday (16), a public hearing to debate the incorporation of new technologies in oncology in the Unified Health System. The debate was chaired by Deputy Dr. Frederico (Patriota-MG). [Read more.](#)

### **BRAZIL OFFICIAL WANTS HALT TO TEEN COVID-19 SHOTS AFTER DEATH; HEALTH AGENCY SAYS NO EVIDENCE FOR MOVE**

Brazil's federal government wants to halt COVID-19 vaccinations for most adolescents, citing a death under investigation and adverse events after 3.5 million teens have already been immunized, but some state governments vowed to press on. At a news conference, Health Minister Marcelo Queiroga criticized states and cities for jumping the gun by vaccinating 12- to 17-year-olds without health issues that put them at risk of severe COVID-19, which he said was only supposed to start on Wednesday. [Read more.](#)

### **PFIZER DISPUTES GOVERNMENT STATEMENT ON VACCINE EFFECTIVENESS**

The Brazilian subsidiary of Pfizer contested the statement of the Ministry of Health that the vaccination of healthy adolescents "does not bring clearly defined benefits," as said in the technical note issued Thursday by the ministry to halt the vaccination to this group. According to Pfizer, the vaccine has demonstrated 100% efficacy in a clinical trial with 12- to 15-year-olds with or without prior Covid-19 infection. The phase 3 trials were conducted in the United States with 2,260 adolescents and, according to the lab, showed "robust antibody production responses with a favorable safety profile." [Read more.](#)

### **BRAZIL POLICE RAID PHARMACEUTICAL FIRM AMID SENATE VACCINE PROBE**

The Brazilian federal police raided the offices of Precisa Medicamentos, a Brazil-based pharmaceutical company, on Friday as part of a probe into potential irregularities in procuring COVID-19 vaccines from India's Bharat Biotech, according to a statement from the senators handling the investigation. The raid was authorized by Supreme Court Justice Dias Toffoli. Precisa, who used to represent Bharat in Brazil before the allegations surfaced, on Friday denied wrongdoing and said it is cooperating with the high-profile Senate probe. The raids follow evidence raised by a Senate inquiry probing the federal government's plan to purchase 20 million doses of the Covaxin vaccine made by Bharat. [Read more.](#)

### **BRAZIL GETS ON TRACK WITH COVID-19 VACCINATION**

Brazil has become one of the countries with the fastest coronavirus vaccination rates in the world, after a late and chaotic start that continues to weigh heavily on President Jair Bolsonaro. Despite a world-renowned mass immunization system, the 213 million-strong country began its campaign in January, several weeks after the United States, most European countries, and others such as Argentina and Chile. [Read more.](#)

### **RIO REQUIRES PROOF OF VACCINATION FOR COVID-19 IN TOURIST ATTRACTIONS**

Rio de Janeiro today (Sep. 15) is starting to require proof of vaccination against COVID-19 in the access to establishments like gyms, swimming pools, sports centers, clubs, stadiums, Olympic villages, movie theaters, circuses, concert halls, museums, playgrounds, tourist attractions, and fairs. According to the city's official dashboard, 212 thousand people older than 50 have their second dose overdue and 166 thousand people older than 18, who should have taken the first dose, have not been to a health station, 10 thousand of them aged above 80. [Read more.](#)

### **COVID-19: BRAZIL WILL LOSE US\$240 BILLION INCOME FROM PANDEMIC, SAYS UNCTAD**

Brazil will suffer an income loss of US\$240 billion between 2020-2025 because of the effects of the pandemic of Covid-19, according to projections of the United Nations Agency for Trade and Development (UNCTAD). Globally, the entity calculates that developing countries will be US\$12 trillion poorer by 2025 after having been affected by the pandemic. [Read more.](#)

### **COVID-19: PUBLIC HEALTH SPECIALIST ARGUES AGAINST HOLDING CARNAVAL IN 2022 IN BRAZIL**

While the city halls of Brazil's largest cities debate the possibility of holding Carnival in 2022, public health physician Gonzalo Vecina argues against holding the event next year. According to him, there is no way to control crowds, mask wearing, and ensure the attendance of only fully vaccinated people. [Read more.](#)

### **COVID-19: BRAZIL-MADE NOSE SPRAY MAY BE AVAILABLE BY 2022**

A vaccine in the form of a nose spray against COVID-19 is being developed by researchers from the University of São Paulo (USP) in collaboration with the Federal University of São Paulo (Unifesp) and the Oswaldo Cruz Foundation (Fiocruz). Currently in its study phase, the inoculation is pledged to come at a low cost, protect against variants, and block the new virus already in the nose. It is expected to be available by the end of 2022. [Read more.](#)

### **COVID-19: BRAZIL REPORTS 34.4K CASES, 643 DEATHS IN 24H**

Brazil's health authorities registered 34,407 new cases of COVID-19 and 643 deaths because of complications linked to the disease in 24 hours. The data were released by the country's Ministry of Health on Thursday (Sep16) in its daily report on the pandemic. After the latest data are added to the statistics, Brazil's total death toll stands at 589,240. There are also 3,331 fatalities under investigation, where diagnoses depend on the result of tests concluded only after the patient dies. [Read more.](#)