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Latin America and the Caribbean: Impact of COVID-19

The Coronavirus Disease 2019 (COVID-19) pandemic is having widespread economic, social, and political effects on Latin America and the Caribbean. As of August 4, 2021, the region had almost 41.1 million confirmed cases (21% of cases worldwide) and almost 1.38 million deaths (32% of deaths worldwide). Brazil, Mexico, Peru, Colombia, and Argentina had the region’s highest numbers of deaths. Looking at mortality (death) rates per 100,000 population, Peru had the highest recorded COVID-19 mortality rate in the region, followed by Brazil, Colombia, Argentina, and Paraguay (see **Table 1**).

In its weekly press briefing on the pandemic on August 4, 2021, the Pan American Health Organization (PAHO) reported that COVID-19 infections were accelerating in central Mexico and that, in Central America, Guatemala was seeing a rise in infections. In addition, PAHO reported increased cases in Cuba and noted that although cases were dropping across South America, infections were increasing in some Brazilian states.

PAHO has played a major role supporting countries in their pandemic responses. When the pandemic began to surge in the region in 2020, PAHO’s director expressed concern about the poor and other vulnerable groups at greatest risk, including those living in the Amazon Basin, particularly Indigenous communities; women, who comprise 70% of the health workforce; people of African descent; migrants in temporary settlements; and prisoners in crowded jails.

The rollout of vaccines has varied considerably, and there is concern that widespread vaccine access in some countries could be delayed until mid-2022, making populations vulnerable to new waves of the virus and to more transmittable variants. As of August 4, 2021, according to PAHO’s director, just 18% of people in Latin America and the Caribbean had been fully vaccinated. The director asserted in late July that the “region has yet to access the vaccines that it needs to keep our populations safe.” As of August 4, Chile and Uruguay were leaders in the region, with 65% of their respective populations fully vaccinated, and the Dominican Republic had 40% fully vaccinated. In contrast, countries with reported vaccination rates of less than 5% included Guatemala, Haiti, Honduras, Jamaica, Nicaragua, Paraguay, and Venezuela. (See **Table 1**.)

PAHO has helped countries prepare for vaccine rollout and has facilitated access to vaccines through the COVID-19 Vaccines Global Access (COVAX) Facility, a mechanism developed by global health organizations to facilitate equitable distribution of COVID-19 vaccines; 22 countries in the region have signed agreements to access vaccines through the facility. In addition, 10 countries in the region—Bolivia, Dominica, El Salvador, Grenada, Guyana, Haiti, Honduras, Nicaragua, St. Lucia, and St. Vincent and

the Grenadines—are eligible to benefit from the COVID-19 Vaccines Advance Market Commitment (COVAX AMC), launched by Gavi, the Vaccine Alliance, to provide donor-funded vaccines for low- and middle-income economies.

Table 1. COVID-19 Deaths, Mortality Rates, and Vaccinations in Latin American & Caribbean
(countries with more than 1,000 deaths, as of August 4, 2021)

Country	Deaths	Deaths per 100,000	Fully Vaccinated (percentage)
Brazil	558,432	264.60	20.26
Mexico	241,936	189.64	20.31
Peru	196,598	604.72	12.74
Colombia	121,216	240.8	24.92
Argentina	106,447	236.87	16.00
Chile	35,640	188.05	65.10
Ecuador	31,644	182.14	14.18
Bolivia	17,882	155.32	15.00
Paraguay	15,135	214.84	4.07
Guatemala	10,483	63.14	2.08
Honduras	7,902	81.08	3.23
Panama	6,851	161.34	16.49
Uruguay	5,976	172.63	64.95
Costa Rica	5,070	100.44	16.86
Dom. Rep.	3,968	36.95	39.88
Venezuela	3,637	12.75	3.86
Cuba	2,993	26.41	24.00
El Salvador	2,663	41.26	24.01
Jamaica	1,203	40.80	4.14
Trinidad & Tobago	1,101	78.93	13.99
Total LAC	1,379,561	—	—

Source: Johns Hopkins University School of Medicine, Coronavirus Resource Center, “Vaccination Progress Across the World,” at <https://coronavirus.jhu.edu/vaccines/international>; and “Mortality Analyses,” accessed August 4, 2021, at <https://coronavirus.jhu.edu/data/mortality>. For Argentina and Cuba, the source for vaccination data is Josh Holder, “Tracking Coronavirus Vaccinations Around the World,” *New York Times*, August 4, 2021.

Note: Peru revised its official COVID-19 death toll in May 2021 to account for excess deaths attributed to COVID-19 not previously counted, which tripled the country’s reported death toll.

Latin American and Caribbean countries have been acquiring COVID-19 vaccines from a variety of sources. As of August 4, 2021, PAHO reported that over 35 million doses had been delivered or were in transit through COVAX. Vaccine deliveries through COVAX have been slower than expected due to supply problems and other challenges. Many countries in the region also have signed commercial agreements with pharmaceutical companies. Both China and Russia have sold, and in some cases donated, COVID-19 vaccines to countries in the region. For several countries, particularly Chile and Uruguay, China has provided the majority of administered vaccine doses. Cuba has developed two vaccines and, as of August 4, had fully vaccinated 24% of its population.

Economic Impact

In the April 2021 update of its *World Economic Outlook*, the International Monetary Fund (IMF) estimated the region registered a 7.0% economic contraction in 2020. Economic recovery may be a protracted process in countries that rely heavily on global trade and investment. Caribbean nations that depend on tourism face deep economic recessions, several with estimated economic declines over 15% in 2020. Several South American nations hard-hit by the pandemic registered economic contractions over 10%. Most countries in the region are expected to begin recovery in 2021, with the IMF projecting 5.8% regional economic growth. The course of the pandemic, including governments' responses and vaccine availability and distribution, is an important factor in the region's recovery.

The economic contraction in 2020 increased poverty and exacerbated income inequality in the region. Latin America already was the most unequal region in the world in terms of income inequality, according to the U.N. Economic Commission for Latin America and the Caribbean (ECLAC). A March 2021 ECLAC report estimated 22 million people in Latin America moved into poverty in 2020, with overall poverty rising to 33.7% of the region's population from 30.5% in 2019.

Numerous countries in the region have implemented relief programs to help protect their economies and vulnerable populations, but many have needed external financing to address the pandemic and associated economic downturn. In response, international financial institutions, including the IMF, Inter-American Development Bank, and World Bank, significantly increased lending to countries in the region.

Political Impact

Even before the pandemic, public satisfaction with the quality of democracy in several Latin American and Caribbean countries was eroding. Several broad political and economic factors drove the decline and help explain the eruption of social protests in the region in 2019. Political factors include an increase in authoritarian practices, weak democratic institutions, politicized judicial systems, corruption, and high levels of crime and violence. Economic factors include stagnant or declining growth; high levels of inequality and poverty; and inadequate public services, social safety net programs, and advancement opportunities. The pandemic exacerbated these factors,

contributing to increased protests in the region since late 2020. In 2021, pandemic-related protests have erupted in several countries, notably in Colombia, Cuba, and Brazil. Human rights groups and other observers also have expressed concern about leaders taking advantage of the pandemic to advance their own agendas and restrict freedom of expression.

U.S. Policy Considerations

Congress has provided some \$17 billion in international affairs funding (through two FY2020 supplemental appropriations measures, P.L. 116-123 and P.L. 116-136; the Consolidated Appropriations Act, 2021, P.L. 116-260; and the American Rescue Plan Act of 2021, P.L. 117-2) to help countries worldwide respond to COVID-19. The funding supports global health interventions, humanitarian assistance, and contributions to multilateral efforts. For example, P.L. 116-260 included \$4 billion as a contribution to Gavi, the Vaccine Alliance, which supports COVAX AMC and coordinates implementation of the COVAX Facility, both of which benefit Latin American and Caribbean countries. As of June 2021, the U.S. Agency for International Development had obligated nearly \$218 million to support the region's pandemic response. Congress is now considering the Biden Administration's FY2022 budget request, which would provide nearly \$2.1 billion of aid to help the region recover from the pandemic and address other challenges.

Some Members of Congress have called for President Biden to prioritize Latin American and the Caribbean in donating vaccines to countries in need. The Biden Administration pledged to donate 580 million doses of COVID-19 vaccines globally through mid-2022, with a yet-to-be-determined amount for Latin American and Caribbean countries. The vaccines are to be provided bilaterally and through the COVAX Facility and COVAX AMC.

As of late July 2021, the United States had delivered 36 million vaccine doses to Latin American and Caribbean countries, according to an Americas Society/Council of the Americas donation tracker (at <https://www.as-coa.org/articles/tracker-us-vaccine-donations-latin-america>). The top recipients of U.S.-donated vaccine doses to date are Colombia (6 million); Guatemala (4.5 million); Mexico (4.1 million); Argentina (3.5 million); Brazil, El Salvador, and Honduras (3 million each); Ecuador, Paraguay, and Peru (2 million each), Bolivia (1 million), and Haiti, Panama, and Uruguay (0.5 million each).

Some Members have argued for and against a proposal at the World Trade Organization to waive intellectual property rights for COVID-19 vaccines. In May 2021, the Administration announced its support for negotiating such a waiver due to the pandemic's extraordinary circumstances. The proposal has yet to be adopted, however, due to opposition from the European Union and others.

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