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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 January 19, 2022, the region had almost 1.57 million deaths (28.2% of deaths worldwide). Brazil, Mexico, Peru, Colombia, and Argentina had the region's highest numbers of deaths. Looking at deaths per 100,000 people, Peru had the highest recorded COVID-19 mortality rate in the region, followed by Brazil, Argentina, Colombia, and Paraguay (see **Table 1**).

In its January 19, 2022, weekly press briefing on the pandemic, the Pan American Health Organization (PAHO) reported that COVID-19 infections were increasing in most countries in the region because of the Omicron variant. In Central America, Panama, Costa Rica, and Honduras reported the highest numbers of new cases. Caribbean islands had the steepest increase in infections since the pandemic began. Infections also were increasing throughout South America. PAHO maintains that although Omicron infections are milder, the virus spreads more easily and can be lethal for the immunocompromised and the unvaccinated.

Since the start of the pandemic, PAHO's director has 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.

According to PAHO, as of January 19, 2022, more than 60% of the population of Latin America and the Caribbean had been fully vaccinated. As of mid-January 2022, Chile, Cuba, Uruguay, Argentina, and Ecuador were leaders in the region, with 75%-88% of their populations fully vaccinated (with two doses), but 10 regional countries had vaccination rates of less than 40%. The countries with the lowest vaccination rates were Haiti (less than 1%), Jamaica (20%), and St. Vincent and the Grenadines (almost 24%).

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 Jan. 19, 2022)

Country	Deaths	Deaths per 100,000	Fully Vaccinated (percentage)
Brazil	621,803	294.62	69.91
Mexico	301,469	236.31	59.42
Peru	203,645	626.40	68.69
Colombia	131,268	260.77	59.46
Argentina	118,420	263.51	75.37
Chile	39,427	208.04	88.57
Ecuador	34,232	197.03	75.29
Bolivia	20,291	176.24	43.29
Paraguay	16,844	239.10	43.22
Guatemala	16,191	97.51	30.28
Honduras	10,457	107.29	44.96
Cuba	8,345	73.63	86.22
Panama	7,545	177.68	58.58
Costa Rica	7,425	147.10	71.89
Uruguay	6,253	180.63	77.60
Venezuela	5,383	18.88	40.71
Dom. Rep.	4,269	39.75	53.52
El Salvador	3,837	59.46	64.54
Trinidad & Tobago	3,224	231.12	48.75
Jamaica	2,551	86.53	20.33
Suriname	1,221	210.02	39.80
Guyana	1,101	140.66	38.76
Total LAC	1,568,603	—	—

Sources: Johns Hopkins University School of Medicine, Coronavirus Resource Center, "Vaccination Progress Across the World," at <https://coronavirus.jhu.edu/vaccines/international>, and "Mortality Analyses," at <https://coronavirus.jhu.edu/data/mortality>, Jan. 19, 2022.

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 various sources. As of January 20, 2022, PAHO reported that over 96 million doses had been delivered or were in transit through COVAX, with over 26 million doses provided through country donations, including from the United States. Many countries also have signed commercial agreements with pharmaceutical companies. Both China and Russia have largely sold, and in some cases donated, COVID-19 vaccines to countries in the region, and the United States has ramped up donations since June 2021 (see below).

In terms of COVID-19 vaccine manufacturing in the region, Cuba's biotech sector has developed and produced three vaccines, two Brazilian companies and a partnership between Argentine and Mexican companies have manufactured some vaccines, and two companies from Brazil and Chile announced plans to manufacture vaccines in 2022. In August 2021, PAHO announced a program to boost COVID-19 vaccine manufacturing in the region and subsequently selected biomedical centers in Argentina and Brazil to produce the vaccines.

Economic Impact

The International Monetary Fund (IMF) reported a 7.0% economic contraction for Latin America and the Caribbean in 2020. Caribbean nations that depend on tourism had 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%. In 2021, many of the region's economies began modest recoveries, with the IMF estimating a regional growth rate of 6.3%. Nevertheless, many countries may struggle with protracted recoveries, given that they rely on global investment, trade, and tourism, all of which have been negatively affected by the pandemic. An important factor in the region's economic recovery is the course of the pandemic, including governments' responses and the availability and distribution of vaccines.

The regional economic contraction in 2020 increased poverty and exacerbated income inequality. Latin America already was the most unequal region in the world in terms of income. A March 2021 U.N. Economic Commission for Latin America and the Caribbean report estimated 22 million people in Latin America moved into poverty in 2020, with poverty rising to 33.7% from 30.5% in 2019. Many countries have implemented relief programs to help protect their economies and vulnerable populations, and many have needed external financing to do so. In response, the IMF, Inter-American Development Bank, and World Bank have increased lending to 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 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 November 2021, the State Department and the U.S. Agency for International Development had provided more than \$614 million in COVID-19 supplemental and American Rescue Plan Act funding to help countries in the region respond to the pandemic. Congress continues to consider 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 America and the Caribbean in donating COVID-19 vaccines. The Biden Administration has pledged to donate over 1.2 billion vaccine doses globally. The vaccines are being provided bilaterally and through the COVAX Facility and COVAX AMC. As of January 17, 2022, the United States had delivered 60.2 million vaccine doses to 30 Western Hemisphere countries (including Canada), according to the State Department (at <https://www.state.gov/covid-19-recovery/vaccine-deliveries/>). Top recipients include Mexico (11 million); Guatemala (8.5 million); Colombia (6 million); Brazil (5.2 million); Honduras (3.9 million); Argentina (3.5 million); El Salvador and Bolivia (3.2 million each); Ecuador, Paraguay, and Peru (2 million each); Haiti (0.6 million); and Costa Rica, Panama, and Uruguay (0.5 million each). In August 2021, the State Department announced it would donate nearly 5.5 million vaccine doses to Caribbean Community (CARICOM) countries; to date, almost 3 million doses have been delivered.

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 is backed by more than 100 countries but has yet to be adopted, due to opposition from the European Union and others.

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