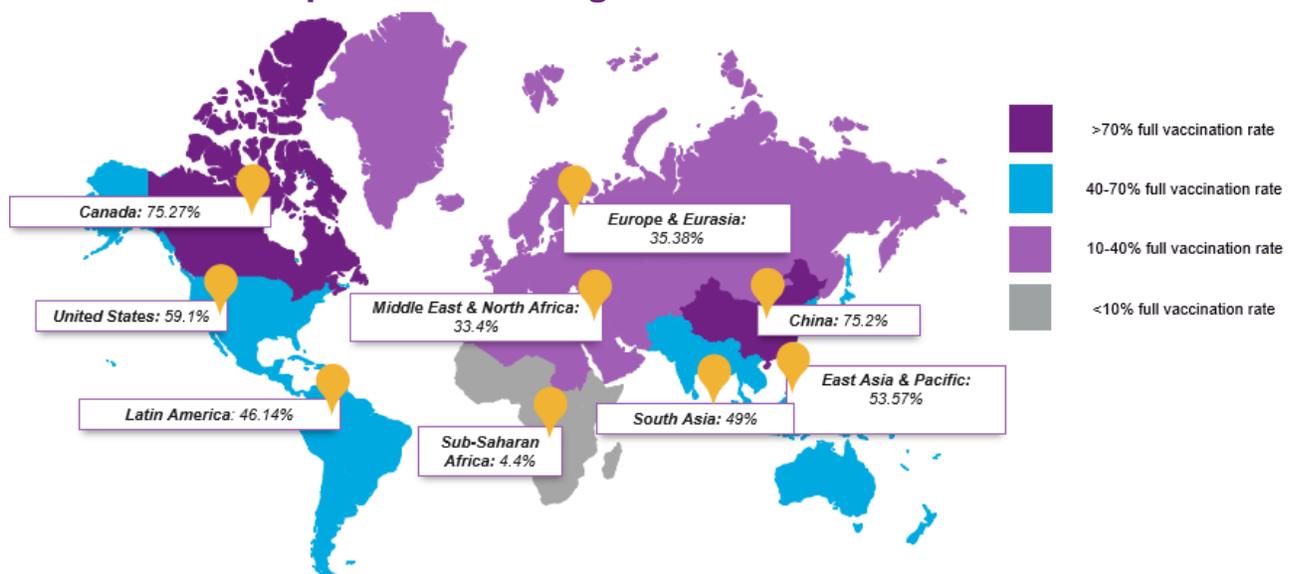


ASG Update: Covid-19 Global Progression and Response

November 17, 2021

Please note that information regarding the pandemic is quickly dated, and that statistics included in this update were current at the time of writing.

Map of Covid-19 regional vaccination rates



Key takeaways

- Countries across the world continue to vary widely in their approaches to managing the virus, ranging from China's "Covid zero" strategy to Austria's recent soft lockdown to Saudi Arabia's lifting of restrictions.
- Economic performance continues to track vaccination and case rates, although concerns about inflation and ongoing supply chain issues have dampened growth in many places. One exception is in the Middle East, where Gulf economies are surging due to rising oil prices.
- Vaccine access is slowly improving in lower-income countries, but challenges such as infrastructure deficiency and vaccine hesitancy remain. Many governments in Latin America have begun to institute vaccine mandates, signaling more widespread access; but on the African continent, still only 9.2 percent of Africans have received a shot.
- The World Health Organization (WHO) is warning of a looming shortage of a specific type of syringe primarily used for vaccinations in low- and middle-income countries. This could short-circuit inoculation drives in the countries that most need them, and experts are urging manufacturers to surge production in anticipation of a 2.2-billion-syringe shortfall.
- The delta variant continues to be the dominant strain of the virus, though a delta subtype labeled AY 4.2 is being closely monitored and has been picked up in multiple countries.

CHINA, EAST ASIA, AND THE PACIFIC

Government response: **China** has experienced a resurgence in Covid-19 cases across 21 provinces this fall, with the total number of active cases at 1,295 on November 15. China's National Health Commission (NHC) reported that the most serious current outbreaks are in Beijing, Liaoning, Jiangxi, and Yunnan provinces, while outbreaks in other provinces, including Sichuan, Hebei, and Heilongjiang, are now under control. On October 27, Beijing's municipal government and the Beijing 2022 Winter Olympics organizing committee outlined Covid-19 protocols for the Beijing Winter Olympics in February 2022. Athletes and attendees are to remain isolated from the public, and athletes could be disqualified from competition if they breach Covid-19 protocols. Overseas spectators will not be allowed entry into Olympic events. Starting from November 17, all domestic visitors to Beijing from other provinces and localities will need to show a negative Covid-19 test result from a sample taken no more than 48 hours before entering Beijing. In addition to Covid-19 precautions relating to the upcoming Olympics, the Chinese government continues to expand its vaccination campaign. In late October, local provincial governments began to administer Covid-19 vaccines to children between the ages of 3 and 11. According to the NHC, 395 million children in this age group are vaccinated as of November 13. The NHC has set a goal to fully vaccinate all children aged 3 to 11 by the end of 2021.

Cases per 1M | % of population vaccinated in **EAP** and **China** as of 11/12/2021

China	68	79.3%
Indonesia	15,318	29.9%
Japan	13,695	75.2%
Laos	7,033	38.2%
Malaysia	76,992	76.4%
Philippines	25,215	22.4%
Singapore	38,911	82.7%
S. Korea	7,612	77.0%
Thailand	28,617	49.8%

Data from Coronavirus Update (Live) by WorldOMeter and Coronavirus COVID-19 Vaccine Tracker by the Center for Systems Science and Engineering (CSSE) at Johns Hopkins University (JHU)

- No data available

*% of population that received 1 dose

**estimated % of population that received at least 1 dose based on doses administered and population size

The **Japanese** government panel on Covid-19 greenlit a plan to ease restrictions, as cases in the country rapidly decline and the vaccination rate reaches 75 percent of the population, among the highest of G-7 countries. From mid-November, limits on the number of spectators at sporting events will be lifted, as will restrictions on the number of people allowed to dine together in public. The decline in cases from a summer peak of over 20,000 new cases a day is the result of a rapid inoculation campaign, with over 90 percent of Japan's main municipalities scheduled to complete their vaccine rollout by the end of November. The government panel also approved booster shots for vulnerable populations, with plans to administer third shots six months after the second dose.

The government has reopened the foreign "new-entry" visa application process for companies and educational institutions beginning November 8. Deputy Chief Cabinet Secretary Yoshihiko Isozaki cited "strong demand" from the business community, particularly those reliant on foreign technical interns, as driving the move to re-open Japan to residence-track visitors and business travel. Residence-track visitors, such as visiting students and foreign interns, will still be subject to an extended quarantine of 10 days for the vaccinated and 14 days for the unvaccinated. Business-track visitors will be subject to only a 3-day quarantine, but logistical difficulties in procuring these visas make it unlikely that they will spur increased business travel for the time being. A timeline for the wholesale lifting of restrictions on foreign travelers remains unclear.

Both **South Korea** and **Singapore** continue to struggle with their transitions away from "Covid zero" and towards living with the virus endemically. Despite vaccinating more than 75 percent of their respective populations, both countries are enduring persistently high daily caseloads of over

2,000 new cases per day. The problem is particularly acute in South Korea, where more than 1 percent of all active cases are severe, underpinning a surge in hospitalizations among vulnerable populations. Rising hospitalizations among the elderly have prompted increased pressure in both Korea and Singapore to expand the distribution of booster shots. Since October, more than 200,000 seniors have received their third dose of the vaccine in Singapore, while around 640,232 have in South Korea. Health experts in both countries do not believe the rising number of severe cases presents enough risk to backtrack on the gradual easing of restrictions, a fact best illustrated by the opening of a vaccinated travel lane between the two countries on November 15.

Frustration among foreign residents in South Korea is growing as the government struggles to recognize foreign vaccinations within its Covid-19 “passport” system. Long-term foreign residents remain ineligible to register their inoculation records within the system, even though Korean citizens can easily register jabs received overseas by visiting a local health center. For foreigners, the government requires proof of “quarantine exemption certificates” before registering their inoculations, but most expatriates do not have such certificates as they have been in Korea for an extended period of time. Quarantine exemption certificates are only allocated for short stays related to specific travel reasons, such as business or health.

Australia is also moving towards endemic Covid-19 as its vaccination campaign gathers pace and leaders accept that they cannot fully eradicate the disease, even after months of strict lockdowns. As of mid-November, more than 80 percent of eligible Australians are fully vaccinated, allowing federal and state governments to loosen Covid restrictions which had been controversial domestically, including those on gatherings, business activities, and interstate and international travel. Some restrictions, particularly for unvaccinated persons, still apply and are expected to continue.

New Zealand launched a vaccine pass that it plans to use to regulate access to certain services and spaces, such as music festivals, indoor dining, and some domestic travel. The pass takes the form of a QR code and expires after 6 months, after which pass holders become eligible for a booster dose. Access to essential services, such as supermarkets or schools, will not require proof of vaccination.

Across Southeast Asia, restrictions on freedom of movement are easing, even as a number of states experience a resurgence of virus cases. Although it is immersed in its worst bout with the pandemic to date, with more than 1,000 new infections a day, **Laos** announced an easing of social controls. As of November 14, limits on domestic freedom-of-movement have been lifted, schools have reopened, and the government plans to issue a limited number of visas to foreigners in order to promote the floundering tourism industry.

In **Malaysia**, vaccinated international visitors can now benefit from a shorter quarantine period of 10 days upon arrival, complementing the lifting of restrictions on domestic travel and social activities from late October. Despite these developments, both Malaysia and **Vietnam** are struggling to bring caseloads and transmission rates down to a more manageable level.

The economy: China's economy has experienced slowing growth and rising price indexes. Q3 GDP grew by 4.9 percent year-over-year (YOY), lower than the 7.9 percent YOY growth in Q2. Factors contributing to the economic slowdown include nationwide power shortages, supply chain disruptions, and regulatory actions affecting the real estate market and technology sector. China's Producer Price Index (PPI) rose 13.5 percent YOY in October, the highest increase in PPI in 26

years, while the Consumer Price Index (CPI) rose 1.5 percent YOY, accelerating from a 0.7 percent rise in September. China's National Bureau of Statistics indicated that rising prices were driven by increases in the price of raw material inputs and extreme weather conditions that impacted domestic supply chain operations.

Japan's economy shrunk much faster in Q3 than forecasters had predicted. A mix of high infection rates throughout the summer and the global supply crunch quashed any gains from increased exports. The economy shrank an annualized 3 percent over the period from July to September, a significantly more dramatic decline than the 0.8 percent median forecast. Japan's high-end manufacturing sector, with its heavy reliance on automobiles, and a weak yen have made the country particularly vulnerable to the increasing costs of inputs. The poor showing, especially compared to other advanced economies such as the United States and China, has prompted new Prime Minister Fumio Kishida to compile a large-scale economic stimulus package worth "several tens of trillion yen (\$350 billion)." The package would be aimed particularly at industries which have shown themselves to be vulnerable to supply shortages amid the pandemic, notably semiconductor and battery manufacturing, as well as services related to nursing and healthcare.

South Korea's economy, which has been benefitting from robust export opportunities, slowed down amid subdued domestic demand for consumer goods and services. YOY growth for Q3 amounted to 0.3 percent, less than the 0.6 percent growth forecasters had predicted. A 0.3 percent contraction in private consumption, which accounts for almost half of Korea's GDP, was the main weight on growth in Q3. The Bank of Korea predicts 4 percent total growth for 2021, but continued supply chain disruptions and rising inflationary pressures may cut into Korea's hope for a quick economic rebound from the pandemic.

A shortage of urea water solution, a major component used to reduce harmful exhaust emissions from diesel-powered engines, is of particular concern for Korea. In early November, the national government allowed local governments to command urea production from private manufacturers in order to prevent export and increase production; this was complimented by a crackdown on hoarding and price gouging. Urea is a byproduct of coal burning, and China is traditionally a major producer, but domestic Chinese shortages have resulted in a ban on all exports. A prolonged shortage of urea water solution could have significant implications for industrial recovery.

Australia, Thailand, and Malaysia all suffered economic setbacks in Q3 as virus restrictions and rising inflation hampered growth. Australia's economy is believed to have shrunk around 3 percent YOY on the back of strict lockdowns throughout much of the Southern Hemisphere's winter. Rising costs related to housing and childcare, as well as increased unemployment related to the spread of the delta variant, were the main contributors to Australia's lackluster Q3 results. In Thailand, Q3 signified a return to economic contraction, with the economy shrinking 0.8 percent YOY as the country fumbled vaccine distribution and tourists continued to stay away from Bangkok. Following the results, the government cut its growth prediction for 2021 down to 1 percent, the fourth downward revision to date. Malaysia's economy posted a severe contraction of 4.5 percent YOY in Q3 as the country became a hotbed for infection in mid-August, resulting in some of the region's heaviest restrictions. Luckily, a rapid vaccine rollout and sky-high demand for exports place Malaysia in a good position to rebound in Q4, heading into 2022.

Like its neighbors, **Vietnam** also experienced a poor Q3. A difficult time controlling the delta variant, an exodus of low-cost labor from major manufacturing areas, and continued supply chain disruptions ate heavily at growth, resulting in a YOY contraction of 6.17 percent. While forecasters predict the country will maintain an overall high growth trajectory, labor hesitation to return to factories and a slow vaccine rollout represent a threat to growth prospects.

Among its peers **Singapore** is an outlier, posting 6.5 percent YOY growth in Q3 as trade-related services surpassed pre-pandemic levels by around 10 percent. Travel-related services, anchored by foreign visitors and domestic tourism, remain at half their pre-pandemic level. Caveats to Singapore's continued success include its reliance on imports for critical services like food and energy, rising inflationary pressure, and continued supply chain bottlenecks that pose a potential threat to growth.

Looking ahead: **South Korea** moved forward with the final approval process for Novavax's Covid-19 vaccine. Maryland-based Novavax is partnered with Seoul-based SK Bioscience in order to produce, develop, and distribute its vaccine on an accelerated timescale in the country. It is suspected that the Novavax jab will play a critical role in the distribution of booster shots once they become available to the population at large.

Vietnam welcomed its first international tourists in over a year on November 8. The Vietnamese hope to imitate Thailand's moderately successful "Phuket Sandbox" by creating a self-contained bubble on the island of Phu Quoc, with hopes to resume normal international travel by January 2022. Tourism is vital to Southeast Asian economies, and the region will likely continue to try to push for greater access for foreigners in order to preserve business and market share.

EUROPE

Government response: Europe has again emerged as the "epicenter of the pandemic," according to World Health Organization (WHO) Europe Director Dr. Hans Kluge. Deaths have spiked across the region, especially in Central and Eastern Europe, where vaccination rates are low. Governments are increasingly targeting the vaccine-hesitant as winter weather sets in and concerns about a fourth wave increase. Several countries, including **Austria** and the **Netherlands**, have gone so far as to implement soft lockdowns due to rising cases and deaths, mostly among the unvaccinated. **Portugal** and **Spain**, whose populations are overwhelmingly vaccinated, have avoided significant upticks in case numbers in the last month. **Germany**, on the other hand, is facing pressure from unprecedented hospitalizations.

Russia currently leads the world in new cases, prompting several regions to implement new lockdowns in the form of a week of "non-working days," with some areas extending beyond one week. A small but growing number of Russians are vaccinated, and President Vladimir Putin has blamed the unvaccinated for the current surge.

Cases per 1M | % of population vaccinated in **Europe** as of 10/08/2021

Austria	83,523	61.3%
Belgium	108,010	73.1%
France	107,672	66.6%
Germany	51,258	65%
Italy	77,802	69.7%
Netherlands	117,497	66.5%
Norway	35,177	68.4%
Russia	554,188	31.1%
Spain	106,325	77.7%
Switzerland	97,132	59.6%
Turkey	86,418	54.3%
United Kingdom	118,256	67.1%

Data from Coronavirus Update (Live) by WorldOMeter and Coronavirus COVID-19 Vaccine Tracker by the Center for Systems Science and Engineering (CSSE) at Johns Hopkins University (JHU)

- No data available
 *% of population that received 1 dose
 **estimated % of population that received at least 1 dose based on doses administered and population size

Bulgaria and **Romania** – the two EU countries with the lowest vaccination rates – have both witnessed record-high rates of spread. Hospitals are overrun in both countries, as officials try to counter anti-vaccine disinformation and implement “green passes” that show vaccination or immunity status. The crisis is compounded by political instability, as both countries are led by caretaker governments due to elections and political infighting.

The concern over a rising fourth wave in Europe is leading governments to push for vaccine boosters to protect the most vulnerable. **French** President Emmanuel Macron announced that all people over the age of 65 would need one if they wanted to keep their health pass, which allows entrance to restaurants, bars, and other venues. **Britain** also approved giving a second Pfizer dose to people ages 16 and 17. Those without underlying health concerns could previously only receive one. Both the U.K. and **Italy** also extended access to boosters for all people over age 40.

The U.K. became the first country to approve a Merck Covid-19 antiviral pill, providing another treatment route for high-risk cases and lowering the probability of hospitalization. Additionally, the European Medicines Agency recommended two Covid-19 antibody therapies from Regeneron-Roche and Celltrion for patients at risk of severe infection.

The economy: The eurozone economy expanded by 3.7 percent YOY in Q3. Higher energy prices due to supply constraints and demand driven by expectations of a cold winter have been cited as responsible for a 4.1 percent rate of inflation, a 13-year record. European Central Bank President Christine Lagarde announced that an interest rate hike will not occur this year, despite rising consumer prices. The Bank of **England** made a similar decision in early November.

Spain became the first country to request an installment of \$11.45 billion through the EU’s pandemic recovery fund, after receiving a down payment of \$10.25 billion in August. Spain will receive the second-largest portion of the EU’s recovery funds, after **Italy**.

Looking ahead: The European Centre for Disease Prevention and Control is mulling a suggestion to change the basis for entering the Schengen Zone from country of origin to a vaccination requirement, akin to the United States.

Austria, **Belgium**, and **Germany** are among the European countries that are likely to review their response to the fourth wave of Covid-19 cases in the coming days and weeks. New measures could include increased access to vaccine boosters, stricter requirements for the use of Green Passes to access public spaces, or soft lockdowns.

The European Commission continues to express concern that **Hungary** and **Poland** are undermining rule of law and democracy at home and is threatening to halt the disbursement of their shares of the EU recovery fund. The European Court of Justice (ECJ) is expected to publish an opinion in early December on the two countries’ complaint about rule of law criteria for the recovery fund. The commission will likely wait for the ECJ’s decision to determine whether to block or delay access to the funds for both countries.

MIDDLE EAST & NORTH AFRICA

Government response: The Gulf countries and **Israel**, all experiencing their lowest number of daily new reported cases since the start of the pandemic, continue to open their borders to tourism and expand their vaccination campaigns to younger populations. **Saudi Arabia** lifted capacity limits at all public venues for vaccinated individuals and began offering booster shots to anyone over the age of 18. The Kingdom also hosted 5,000 visitors for its Future Investment Initiative (FII) conference in Riyadh. The **UAE** welcomed nearly 3 million in-person visitors to Expo 2020 in its

first month; visitors are required to present proof of at least one vaccine dose. The UAE and **Bahrain** both approved the Pfizer vaccine for children aged 5 to 11. Bahrain also announced the end of its coronavirus travel red list and will allow unvaccinated travelers to quarantine at home instead of at designated locations. The UAE and Bahrain both signed agreements with Israel for mutual recognition of their coronavirus vaccination certificates, before Israel reopened its borders to all vaccinated tourists on November 1. **Kuwait** lifted all restrictions for vaccinated people – including for conferences, weddings, and other social events – and resumed operating its airport at full capacity.

Outside of the Gulf, vaccination campaigns are gathering momentum but still largely lag the Gulf countries and Israel. **Egypt** continues to accelerate its vaccination drive as it looks to stem an ongoing fourth wave of the pandemic. The country approved the Pfizer shot for teenagers aged 15 to 18 and plans to offer booster shots to vulnerable populations next year, provided it reaches its goal of vaccinating 40 percent of the population by 2022. **Iraq**, where just 10 percent of the population is fully vaccinated, announced plans to open 100 new mass vaccination sites amid concerns over an impending fourth wave. **Jordan** began offering booster shots to anyone 18 or older who received their second dose of the vaccine more than six months ago. **Morocco**, which like the Gulf states is experiencing its lowest number of cases since the pandemic began and has fully vaccinated more than 60 percent of the population, has witnessed large-scale demonstrations in several cities including Rabat and Casablanca over the adoption of a mandatory vaccine pass to enter public places.

The economy: The economic outlook of the Gulf countries continues to improve as global oil prices soar and travel and business activity rebound. In its latest regional economic outlook released last month, the International Monetary Fund (IMF) forecasted average real GDP growth for the Gulf Cooperation Council (GCC) countries of 2.5 percent in 2021 and 4.2 percent in 2022. **Saudi Arabia** is expected to lead the pack with 2.8 percent growth this year and 4.8 percent growth in 2022, while the **UAE** is forecasted to grow by 2.2 percent in 2021 and 3 percent next year. Across the GCC, we expect rebounding oil revenues to buoy foreign reserves, narrow budget deficits, and fund strategic investments in economic diversification. **Bahrain**, which has been on shaky fiscal footing for several years, announced a new fiscal balance plan last month with a zero-deficit target of 2024. The plan aims to invest \$30 billion in strategic projects to fuel economic growth, attract at least \$2.5 billion in foreign investment, and increase VAT to 10 percent to raise revenues. Citing the positive impact of higher oil prices and ongoing fiscal reforms, Moody's revised its outlook for **Oman** from negative to stable.

Economic outlooks outside of the Gulf are generally positive but more mixed. **Israel** approved its first national budget since 2018, which includes funding for large infrastructure and development projects, and raised its official 2021 growth projections from 5.1 percent to 7.1 percent. The

Cases per 1M | % of population vaccinated in **MENA** as of 11/12/2021

Algeria		4,621		11.2%
Bahrain		155,557		67.4%
Egypt		3,251		11.5%
Iran		70,532		47.9%
Iraq		49,889		8.9%
Israel		143,299		62.4%
Jordan		85,683		35.3%
Kuwait		94,788		21.6%
Lebanon		95,771		23.4%
Libya		52,023		7.4%
Morocco		25,274		60.3%
Oman		57,622		53.5%
Qatar		85,771		77%
Saudi Arabia		15,447		63%
Syria		2,535		2.9%
Tunisia		59,690		39.8%
UAE		73,690		88.8%

Data from Coronavirus Update (Live) by WorldOMeter and Coronavirus COVID-19 Vaccine Tracker by the Center for Systems Science and Engineering (CSSE) at Johns Hopkins University (JHU)

- No data available

*% of population that received 1 dose

**estimated % of population that received at least 1 dose based on doses administered and population size

latest Reuters poll of economists forecasts that **Egypt** will see 5.1 percent growth for the current fiscal year ending in June 2022 and 5.5 percent growth in FY2022-23 as tourism and trade continue to rebound. **Morocco's** economy, which has been especially hard-hit by the pandemic's impact on tourism, is expected to grow by 5.7 percent this year before slowing to 3.1 percent in 2022. Poverty rates in the country will likely not return to pre-pandemic levels until 2023. Across the Levant and North Africa, rising inflation rates are cause for concern. Non-GCC inflation is projected to rise to 10.5 percent this year before moderating to 8 percent next year, while GCC inflation is expected to average just 2.8 percent in 2021 and 2.4 percent in 2022. **Lebanon** received some much-needed good news with the announcement this month that a plan to export gas from Egypt to Lebanon through Syria can move forward without the threat of U.S. sanctions. However, the escalating diplomatic crisis between Lebanon and the Gulf countries – Saudi Arabia, the UAE, Bahrain, and Kuwait have all banned their citizens from traveling to Lebanon, and Saudi Arabia has also banned all Lebanese imports – has dealt another heavy blow to the Lebanese economy.

Looking ahead: Although experts warn of a resurgence in case numbers this winter, we expect the highly vaccinated GCC countries and **Israel** to continue reopening their economies, barring major spikes in case numbers that threaten to overwhelm hospitals. In contrast to parts of Europe and the U.S., none of the GCC countries have at any point lifted all Covid-19 restrictions (e.g. social distancing, masking, event restrictions, etc.). We expect countries across the rest of the region to continue pushing aggressively to accelerate their vaccination campaigns in hopes of avoiding major waves this winter that would require them to reimpose partial lockdown measures and in turn disrupt their economic recoveries.

We will be closely watching the outcome of the upcoming OPEC+ meeting on December 2, which could have a significant impact on global oil prices and by extension the global economic outlook and the budgets of regional oil producers. OPEC+ is under mounting pressure from major oil consumers including the U.S., Japan, and India to control the surge in global oil prices by raising output levels more quickly. However, OPEC+ appears inclined to stick with its approach of incremental output increases, cutting its demand forecast for the fourth quarter, and warning of an oversupply situation if the world sees a resurgence in cases this winter.

LATIN AMERICA

Government response: Vaccination campaigns all over Latin America have continued to gain momentum, as cases and fatalities continue to fall following spring and summer peaks. As of early November, 32 countries across the region had already met the WHO's year-end benchmark of having 40 percent of their populations fully vaccinated. Twelve Latin American countries – including **Brazil, Argentina, and Chile**, among other smaller markets – have administered at least one vaccine dose to more than 60 percent of their populations. However, inequities in vaccine distribution have persisted, with just 46 percent of the region's population fully immunized.

Cases per 1M | % of population vaccinated in **Latin America** as of 11/12/2021

Argentina | 115,875 | 59.5%
 Brazil | 102,167 | 59.4%
 Chile | 88,991 | 81.6%
 Colombia | 97,331 | 43.7%
 DR | 35,670 | 50.1%
 Ecuador | 28,853 | 58.6%
 Mexico | 29,350 | 48.6%
 Panama | 107,555 | 55.3%
 Peru | 65,822 | 48.1%
 Venezuela | 14,726 | 32.6%

Data from Coronavirus Update (Live) by WorldOMeter and Coronavirus COVID-19 Vaccine Tracker by the Center for Systems Science and Engineering (CSSE) at Johns Hopkins University (JHU)

- No data available
 *% of population that received 1 dose
 **estimated % of population that received at least 1 dose based on doses administered and population size

The region has benefitted from the United States' donation of more than 38 million Covid-19 vaccines (representing 52 percent of all its donations) to the Western Hemisphere. Out of those 38 million donations, nearly six million each have gone to traditional allies **Mexico** and **Colombia**. The U.S. has placed an emphasis on coordinating its public response with its neighbors, particularly Mexico, where the decision was made to open the southern border to non-essential travel on November 8 for the first time in 20 months.

Elsewhere in the region, countries are beginning to formulate new policies around vaccine requirements. On November 5, **Costa Rica** became one of the first countries in the world to announce a new mandate requiring all children between the ages of 5 and 17 to be vaccinated against Covid-19. Effective November 16, Colombia began requiring that all people aged 18 and older show proof of vaccination in order to enter mass events and public spaces such as bars and restaurants. The government of **Peru** announced that a similar requirement will go into effect on December 15 in anticipation of holiday gatherings. More vaccine mandate announcements should be expected across the region in the coming months as access to doses continues to improve. In Brazil, the Supreme Court issued a ruling on November 12 that overturned a prior government decree prohibiting private companies from obligating their employees to be vaccinated. In a further rebuke against President Jair Bolsonaro, a special Senate commission recommended that criminal charges be brought against the Brazilian leader over his earlier handling of the pandemic. Formal charges are unlikely to be pursued in the near term, but the commission's findings are indicative of a shifting political climate over public health policy.

The economy: Economic activity has picked back up as economies reopen across the region, leading the IMF to revise its regional growth projections for 2022 upward in its October World Economic Outlook update. However, inflationary pressures have increasingly become cause for concern over the last several weeks. Inflation across Latin America averaged 8 percent year-on-year in October. **Brazil** has outpaced its neighbors as inflation has reached as high as 10.5 percent, prompting the Economy Ministry to slightly lower its GDP growth projections on November 17. Central Banks across the region have aggressively raised their interest rates in response to the region-wide phenomenon, including a 150 basis point increase in **Brazil** and a 125 basis point rise in **Chile**. In addition, **Argentina's** currency has been steadily depreciating, leading to increased backlash against incumbent President Alberto Fernandez.

Looking ahead: The region's outlook and stability from a public health perspective has improved significantly compared to the severe crises of earlier this year. However, countries will be racing to vaccinate as many people as possible ahead of anticipated holiday gatherings and given the continued risk of virus variants. Recovery from the pandemic and the threat of inflation will remain key issues as the region enters a crucial period in its political calendar. The opposition made significant gains in **Argentina's** midterm elections, held November 14, signaling a repudiation of the current Fernandez administration. Investors will be closely watching the first round of **Chile's** presidential election on November 21, as the race remains wide open with high stakes ahead of the country's constitutional rewrite next year. Further down the road, campaigns are beginning to take shape for elections next year in **Colombia** and **Brazil**, where incumbents in both countries have become highly unpopular.

SUB-SAHARAN AFRICA

Government response: Africa has seen a decline in reported Covid-19 cases over the past four weeks, with a decrease of 20 percent in new cases. Nevertheless, new WHO data has shown that only 14.2 percent, or around one in seven, of Covid-19 infections in Africa are detected. The main reason for this is insufficient testing due to a lack of healthcare infrastructure and resources. Moreover, the WHO estimates that since the beginning of the pandemic Africa has only administered six tests per 100 people. This is low compared to other parts of the world (the U.K. has administered 412 tests per 100 people; the U.S. has administered 170 per 100 people). To help African countries bridge this testing gap, the WHO announced an initiative to deploy enough diagnostic tests for 7 million people across 20 African countries in the next year.

Cases per 1M | % of population vaccinated in **Sub-Saharan Africa** as of 11/12/2021

Cameroon	3,869	0.6%
Ghana	4,089	2.7%
Guinea	2,256	5.9%
Nigeria	999	1.5%
Senegal	4,264	5.3%
South Africa	48,487	22.1%

Data from Coronavirus Update (Live) by WorldOMeter and Coronavirus COVID-19 Vaccine Tracker by the Center for Systems Science and Engineering (CSSE) at Johns Hopkins University (JHU)

- No data available
 *% of population that received 1 dose
 **estimated % of population that received at least 1 dose based on doses administered and population size

Access to vaccines has increased in Africa, but many countries continue to struggle to vaccinate their populations. Only 204.3 million of the 357.9 million doses received in Africa have been administered, and vaccination campaigns are slow in many countries due to supply shortages. Only 9.2 percent of Africans have received their first dose and only 6.06 percent have been fully vaccinated. There has been an increase in vaccine supplies to many African countries, but they still face challenges including a lack of supply chain infrastructure to deliver vaccines, a shortage of funds to carry out vaccination campaigns, insufficient fridges and freezers to store the vaccines, and vaccine hesitancy. Vaccine hesitancy particularly has become a major obstacle, with a combination of lack of information, misinformation, and skepticism due to decreasing case numbers all affecting the uptake of vaccines.

As they grapple with old and new challenges linked to the pandemic, African countries continue to implement measures to mitigate the virus' spread. **Guinea** has announced that it will begin vaccinating youth between the ages of 12 and 17 with doses of Pfizer and Moderna vaccines that it received in October and November. In **Ghana**, drones are being used to deliver Pfizer vaccines to remote areas of the country. Zipline, the drone company, is set to deliver doses to 40 percent of Ghana's population. **Nigeria** will start a mass vaccination campaign that aims to inoculate half of its targeted population by the end of January. The initiative starts on November 19, and a total of 55 million doses (or more than one million per day) will be administered.

The economy: The African Development Bank (AfDB) has released several reports on the economic outlook in different regions of Africa. The East Africa Economic Outlook for 2021 projects that East Africa's GDP growth will recover to 3 percent in 2021 from 0.7 percent in 2020. However, slow vaccination rates and the risk of a rise in infections could cut into growth. Meanwhile, according to the Southern Africa Economic Outlook for 2021, the southern subregion's economy will grow 3.2 percent in 2021 and 2.4 percent in 2022. However, this recovery will be insufficient to correct the region's estimated 6.3 percent contraction in 2020. The North Africa Economic Outlook for 2021 found that the average fiscal deficit in the region nearly doubled from 5.7 percent of GDP in 2019 to 11.6 percent in 2020, and the current account deficit extended from 4.9 percent to 8.8 percent of GDP. Real GDP growth in North Africa was also negative in 2020, at -1.1 percent, with a -5.1-percentage point drop from 2019.

Key African stakeholders are seeking to assess Africa's progress in recovering from Covid-19. The 2021 African Economic Conference (AEC) – which is jointly organized by the AfDB, the Economic Commission for Africa, and the United Nations Development Programme – will tackle that topic under the theme “Financing Africa's post-Covid-19 development.” To be held in Cabo Verde from December 2-4, the AEC will bring together stakeholders including policymakers, the private sector, and researchers to discuss ways to sustainably grow Africa's development funding sources.

Looking ahead: An emerging concern for the WHO is a looming syringe shortage, which could threaten already slow vaccination efforts in Africa. UNICEF estimates that there will be a shortfall of up to 2.2 billion auto-disable syringes next year; this is the type of syringe that is disproportionately used in low- and middle-income countries. African countries have not yet felt the impact of the shortage, but with most vaccine donations excluding syringes, soon vaccine doses will surpass syringe availability. Experts are calling for a major increase in syringe manufacturing to meet the growing need and address the shortfall.

The shortage is being compared to the global personal protective gear shortage experienced at the beginning of the pandemic. There are a few African countries that produce syringes – such as **Nigeria, Zambia, and Tanzania** – but most of the syringes are imported from Asia and Europe, and no African countries produce the syringes needed for the Pfizer vaccine. African countries will need to manufacture many more syringes to mitigate the shortage and prevent a further lag in vaccination efforts.

SOUTH ASIA

Government response: The number of active Covid-19 cases in **India** has declined in the past month. As of November 15, the number of confirmed cases in the country stands at 34 million, with 462,893 total deaths. However, Indian health experts anticipate an increase in the number of international travelers during the upcoming holiday season. Major cities, including Mumbai, will increase screening and test travelers before they enter the city in order to track new variants.

As of November 15, **Pakistan's** Covid-19 positivity rate has fallen below 1 percent. The total number of confirmed cases in the country stands at 1,279,876, with the death toll surpassing 28,000. The National Command and Operation Centre (NCOC) has eased lockdown restrictions across cities with vaccination rates over 50 percent. A follow-up review will be conducted on November 29 on cities below the target.

On November 15, **Bangladesh** recorded its lowest number of Covid-19 deaths, with only one fatality recorded in the last 24 hours and 27,928 total deaths to date. Covid-19 cases in **Nepal** and **Sri Lanka** continue to decline.

The economy: According to data from the Center for Monitoring Indian Economy, unemployment in **India** has risen to 7.75 percent in November, from a three-month low of 6.86 percent. The

Cases per 1M | % of population vaccinated in **South Asia** as of 11/12/2021

Bangladesh	9,418 19.6%
India	24,609 25.8%
Maldives	161,458 66.6%
Nepal	27,352 25.5%
Pakistan	5,642 21.4%
Sri Lanka	25,474 62.1%

Data from Coronavirus Update (Live) by WorldOMeter and Coronavirus COVID-19 Vaccine Tracker by the Center for Systems Science and Engineering (CSSE) at Johns Hopkins University (JHU)

- No data available

*% of population that received 1 dose

**estimated % of population that received at least 1 dose based on doses administered and population size

government intends to increase spending on social safety net programs over the winter, which will deepen its fiscal deficit. The **Pakistani** rupee continued its depreciation against the U.S. dollar as a result of the country's continuing trade deficit, fiscal deficit, and commodity price fluctuations. While market confidence in Prime Minister Imran Khan's government was shaken after negotiations with the IMF did not reach a conclusion, pressure was temporarily eased after Saudi Arabia announced an extension of its oil financing scheme alongside additional prospective investments.

In **Sri Lanka**, the government presented its annual budget in Parliament. The budget comes in the wake of an unprecedented economic emergency, as a steep fall in the value of Sri Lanka's currency caused a spike in food prices in early September. A major highlight of the budget is the government's objective to reduce the deficit to around 8.8 percent of GDP in 2022 – which the IMF still views as an unsustainable level of deficit spending. The deficit target depends on the rollout of a new goods and services tax, which is likely to prove challenging. **Bangladesh**, on the other hand, continues to be on a positive trajectory to revive its economy. According to a recent report by Standard Chartered, the country's economy is expected to grow at over 7 percent in 2022.

Looking ahead: As of November 15, **India** has administered over 1.125 billion vaccine doses, with nearly 374 million people having received their second dose. Earlier this month, the WHO granted emergency use authorization to India's homegrown Covaxin vaccine, clearing the way for other countries to start accepting it. According to The Lancet's Covid-19 study, Covaxin was found to be 77.8 percent effective. WHO scientist Dr. Soumya Swaminathan said the Serum Institute of India will resume its distribution of the Covishield vaccine to COVAX countries this week.

In **Pakistan**, 63 million people have received at least one dose with 12 percent of the country's population being fully vaccinated. The NCOC announced that vaccination will be suspended for children ages 12 to 15 years between November 15 and 27 due to the ongoing national measles-rubella campaign. The NCOC has lifted restrictions on businesses, allowing them to operate seven days a week, following a reduction of Covid-19 cases.

On November 15, the U.S. Agency for International Development donated 18 freezer trucks to Zahid Maleque, the **Bangladeshi** Minister of Health and Family Welfare, to support the transportation of Covid-19 vaccine doses across the country. Bangavax, the country's local vaccine, is awaiting approval to conduct human trials, but so far has shown positive results in monkey trials including effectiveness against 11 strains. The **Sri Lankan** Covid-19 Technical Committee has granted approval for the use of its first oral antiviral medication, Monupiravir. More than 75 percent of the Sri Lankan population has received at least one dose. As of November 1, Sri Lankan vaccine certifications are recognized by the U.K. for entry.

VACCINES AND THERAPEUTICS

Vaccines: Around 7.34 billion doses of the Covid-19 vaccine have been administered in at least 218 countries and territories. Although vaccination rates continue to increase, there have been 250.7 million confirmed cases and 5.1 million deaths, the equivalent of approximately 5,000 deaths per day since the beginning of the pandemic. The inequity in vaccination rates between low- and high-income countries remains stark.

The delta variant continues to be the dominant variant, though a delta subtype labeled AY 4.2 has been recognized as contributing to 10 percent of the recent surge in cases in the U.K. AY4.2 is being closely monitored and has been picked up in multiple countries. It is yet unclear if AY 4.2 will out-compete delta in its virulence.

Based on the data on waning antibodies over six to eight months from the second shot, the strong correlation with protection that antibodies have been shown to have, and the longer and more sustainable response a third “booster” shot offers, many OECD countries have begun to administer a third shot. The WHO has criticized this move, since in some countries less than 5 percent of the population has received even a first shot.

During the recent G-20 summit, high-income countries recommitted to meeting the WHO’s goal of “vaccinating 40 percent of the population in all countries by the end of 2021 and 70 percent by mid-2022.” To this end, the U.S. announced that it had taken three actions: First, it brokered a deal between Johnson & Johnson (J&J) and Covax, the global initiative aimed at equitable vaccine access, in which J&J will make the company’s single-shot vaccine available to frontline workers, UN Peacekeepers, and displaced individuals. Second, it launched a public-private partnership called the Global Covid Corp, which will allow the private sector to support vaccination campaigns, optimize vaccine delivery, and improve supply chains. Third, in partnership with several global partners (including the WHO and the IMF), it launched a new Covid-19 data tracker to centralize data on key statistics such as vaccination rates, doses pledged, and doses delivered.

Germany, along with the WHO, recently announced the establishment of a new Pandemic Prevention Hub in Berlin. The U.K. has announced its Radar tracking program and the Rockefeller Institute has announced the creation of a new Pandemic Prevention Institute. It is envisioned that all these efforts will be synergistic and establish a strong global surveillance capacity. There is also a multilateral effort to sign a treaty aimed at future pandemic prevention.

The Pfizer-BioNTech vaccine for children ages 5 to 11 has received emergency use authorization from the U.S. FDA, following strong phase III data showing 90.7 percent efficacy. This is a big step towards bending the pandemic’s curve and resuming in-person schooling. Moderna has also filed for emergency use authorization in the EU for children ages 6 to 11.

Therapies: According to the Milken Institute, there are currently 272 vaccines and 332 treatments in development to prevent and treat Covid-19. Vaccines are undergoing modifications to increase their ease of storage, and new vaccine platforms are being developed. For example, Pfizer recently received FDA approval to use a new buffer solution to enhance the stability and longevity of its Pfizer-BioNTech vaccine.

Companies are also exploring other therapeutic pathways to prevent and treat the virus. AstraZeneca has developed a synthetic monoclonal anti-Covid antibody, Evuheld. Australia’s drug regulator has granted Evuheld “provisional determination,” as a clinical trial showed risk of symptomatic disease reduced by 77 percent.

Merck and Ridgeback Biotherapeutics have developed the oral therapeutic Molnupiravir, which inhibits Covid-19 replication and reduces hospitalization by 5 percent. The drug is most effective within five days of initial symptoms and due to its mechanism of action, it also promises to protect against new Covid-19 variants. Concerns about triggering potential mutations in human cells have not yet been proved. Merck has already entered into agreements with Indian pharmaceutical

companies to license the drug at much lower costs, making it a very viable option in countries with low vaccination rates and in low- and middle-income countries. Monupiravir has received approval in the U.K. and is pending approval by the FDA. Additionally, Pfizer has announced its own oral antiviral treatment targeting viral replication, Paxlovid, with studies showing an 89 percent reduction in hospitalization rates.

About ASG

Albright Stonebridge Group (ASG), part of Dentons Global Advisors, is the premier global strategy and commercial diplomacy firm. We help clients understand and successfully navigate the intersection of public, private, and social sectors in international markets. ASG's worldwide team has served clients in more than 120 countries.

For questions or to arrange a follow-up conversation please contact [Anthony Cino](#).