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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 November 12, 2021, the region had over 46 million confirmed cases (18.3% of cases worldwide) and more than 1.5 million deaths (30.1% 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 November 10, 2021, weekly press briefing on the pandemic, the Pan American Health Organization (PAHO) reported that COVID-19 infections, after declining over the past two months, were increasing in some countries in the Americas. In South America, PAHO reported increased cases in parts of Colombia and Bolivia and noted that, in Southern Cone countries, there was an upward trend in cases after public health measures had been relaxed. In the Caribbean, PAHO reported rising cases in Barbados, the Dominican Republic, and Trinidad and Tobago and noted Dominica was experiencing a high number of cases.

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.

The rollout of vaccines has varied considerably. According to PAHO’s director, as of November 10, 2021, 48% of the population of Latin America and the Caribbean had been fully vaccinated, although coverage was significantly lower in almost half of the region’s countries. Chile and Uruguay were leaders in the region, with 76%-82% of their populations fully vaccinated as of November 12. Countries with less than 20% of their populations fully vaccinated included Haiti, Jamaica, Nicaragua, and St. Vincent and the Grenadines. Of these, Haiti had the lowest rate in the hemisphere, with less than 1% fully vaccinated.

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 Nov. 12, 2021)

Country	Deaths	Deaths per 100,000	Fully Vaccinated (percentage)
Brazil	610,224	289.14	59.80
Mexico	290,630	227.81	49.29
Peru	200,554	616.89	48.78
Colombia	127,680	253.64	44.20
Argentina	116,209	258.59	60.04
Chile	37,917	200.07	82.34
Ecuador	32,989	189.88	59.54
Bolivia	18,998	165.01	33.99
Paraguay	16,273	231.00	33.79
Guatemala	15,627	94.12	21.10
Honduras	10,349	106.19	35.43
Cuba	8,278	73.04	69.56
Panama	7,338	172.80	56.17
Costa Rica	7,190	142.45	57.90
Uruguay	6,097	176.13	76.03
Venezuela	4,996	17.52	32.51
Dom. Rep.	4,158	38.72	50.59
El Salvador	3,709	57.47	61.47
Jamaica	2,302	78.08	15.74
Trinidad & Tobago	1,818	130.33	44.68
Suriname	1,126	193.68	35.94
Total LAC	1,528,417	—	—

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>, Nov. 12, 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 November 12, PAHO reported that over 69 million doses had been delivered or were in transit through COVAX, with almost 20 million provided through country donations, including the United States. Vaccine deliveries through COVAX have been slower than expected, due to supply problems and other challenges, but have more than doubled since August 2021 and are expected to accelerate in the weeks ahead. 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 ramped up donations beginning in June 2021 (see below). In terms of COVID-19 vaccine manufacturing in the region, Cuba has developed and produced three vaccines, two Brazilian companies have manufactured some COVID-19 vaccines, and two other 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.

Economic Impact

In the October 2021 update of its *World Economic Outlook*, 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%. Most countries in the region are expected to begin recovery in 2021, with the IMF projecting 6.3% regional economic growth. Yet, economic recovery may be a protracted process in countries that rely heavily on global trade and investment. Moreover, the course of the pandemic, including governments' responses and vaccine availability and distribution, is an important factor in the region's recovery.

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.

Numerous countries in the region 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, 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. Through FY2021, the U.S. Agency for International Development had obligated or committed \$482.4 million of supplemental assistance 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 America and the Caribbean in donating COVID-19 vaccines. The Biden Administration has pledged to donate over 1.1 billion vaccine doses globally. The vaccines are being provided bilaterally and through the COVAX Facility and COVAX AMC. As of November 7, 2021, the United States had delivered almost 50 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); Colombia (6 million); Guatemala (4.5 million); Honduras (3.9 million); Argentina (3.5 million); El Salvador (3.2 million); Brazil (3 million); Bolivia (2.2 million); 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 half of that has 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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