Statement of Deputy Assistant Secretary Kevin O'Reilly Bureau of Western Hemisphere Affairs "Vaccine Diplomacy in Latin America and the Caribbean" Senate Foreign Relations Committee November 18, 2021

Chairman Kaine, Ranking Member Rubio, Members of the Subcommittee,

Thank you for this opportunity to discuss the Biden-Harris Administration's efforts to support Latin America and the Caribbean as they respond to, and recover from, the COVID-19 pandemic, and to work together with partners across the hemisphere to prepare for the future.

Our efforts here in our own hemisphere make up an important part of our efforts to work with people of goodwill from across the globe to save lives, end this pandemic in 2022, and do what we need to do to prepare for the next pandemic.

This pandemic has hit the Western Hemisphere hard, and the economic crisis that it has provoked worsened long-standing problems the region knows only too well – challenges to public security; confidence in democratic institutions; corruption; and inequality in all countries with economies deeply dependent on commodities exports for growth. The pandemic has spotlighted and exacerbated many real development challenges as well.

Just 8.4 percent of the world's population lives in Latin America and the Caribbean, yet as of November 1, this region had more than 46 million reported COVID-19 infections, an estimated 20 percent of cases worldwide; and 31 percent of reported deaths worldwide, approximately 1.5 million souls lost. The region also suffered disproportionate economic losses, as the pandemic hit a continent already weakened by recession anemic growth. The International Monetary Fund estimated in its October World Economic Outlook that the global economy contracted by 3.1 percent in 2020, but the economies of Latin America and the Caribbean contracted by seven percent overall. Caribbean nations that depend heavily on tourism suffered declines of more than 15 percent. The IMF projects a return to growth of 5.8 percent in 2021, but the shock of the downturn sharply increased poverty and exacerbated pervasive income inequality.

So, we see the scope of the challenge, we bring the same urgency to international response and recovery efforts that we have demonstrated at home, and we focus on spurring vaccinations worldwide and across our hemisphere, sharing pandemic response best practices, and countering vaccine disinformation and coercive diplomacy.

To that end, the United States has donated more vaccines globally than all other countries combined, and *as of last week* that includes more than 50 million vaccine doses donated, in partnership with COVAX or bilaterally, to 29 countries in the Western Hemisphere. These contributions represent a large portion of our broader global commitment, which by late October reached over 243 million doses donated worldwide.

The region will continue to benefit from our efforts to help vaccinate the world. At the Global COVID-19 Summit convened by President Biden on September 22, the President announced that the United States would donate an additional 500 million Pfizer-BioNTech vaccine doses through the COVAX facility to low- and middle-income countries and economies in need, bringing the total U.S. commitment to these countries to 1.2 billion doses. Beneficiaries include ten countries in Latin America and the Caribbean. The U.S. Government shares these vaccine doses, whether bilaterally or through COVAX, without political conditions or expectations, with the sole purpose of saving lives. Let's consider for a moment what we have helped achieve so far, and the work that remains. Beating back this pandemic, at least to the extent needed to allow people to resume everyday activities, requires full vaccination of 60 to 70 percent of each country's population. And we support the World Health Organization's global COVID-19 vaccination goal to reach that 70 percent target everywhere by September 2022. We can see our way to that objective now, far more clearly than we could a year ago, but we have work to do to get there. The Pan American Health Organization estimates that Latin America and the Caribbean need 720 million additional COVID-19 vaccine doses administered to reach 70 percent coverage. We must work closely with our counterparts across the region and the broader international community to support vaccine administration and uptake.

As global vaccine supply increases, many countries in the region have approached or reached the 70 percent goal. Thirteen countries in the region report over 60 percent partial vaccination, with several others close behind. Larger and relatively prosperous countries in the region have vaccination rates that rival, and in some cases, surpass our own.

Unfortunately, vaccination rates diverge greatly, with many lowerincome and smaller countries lagging. As of November 15, 12 countries in the region had yet to reach 40 percent partial vaccination, with half of these below 20 percent full vaccination, nearly all located in the Caribbean and Central America – traditionally areas with strong ties to the United States. Haiti, racked by insecurity, a fuel shortage, and the lingering effects of the 7.2 magnitude earthquake in August, has administered approximately 138,330 doses of COVID vaccines so far, which adds up to about 0.6 percent of its population vaccinated with two doses. To increase that vaccination rate, the U.S. Government has provided vaccines to Haiti and is organizing additional shipments this year. We must help close that gap and do more to ensure equitable vaccine distribution across the hemisphere to boost vaccination rates.

Donations to five Caribbean Community (CARICOM) governments in early November provided needed support to governments that had exhausted their supplies of vaccine doses. These followed earlier donations to all CARICOM members, and of course our COVAX donations provide essential support to those who live in the region's eleven low and lower-middle-income countries, many of which still struggle with low vaccination rates.

The Western Hemisphere remains a region of largely middle and upper-middle income countries that are not Advanced Market Commitment (AMC)-eligible, however, and those countries participate in COVAX as self-financing partners. They have struggled to purchase vaccines directly from manufacturers, and – as in so many other places across the world – even those that have completed purchase agreements saw delivery delays.

This virus and its variants do not respect borders. This pandemic demands a global response to support worldwide efforts for effective and safe vaccine distribution, with no political strings attached. As part of global and national strategies to combat the pandemic, the U.S. Government supports the rapid rollout of vaccines that meet internationally accepted standards of efficacy and safety. We take no position on nations accepting vaccines authorized by their respective regulators; we respect the authorization processes of other governments.

We support COVAX and the role it plays as a distributor for sharing vaccines authorized by the World Health Organization.

Protecting people, and protecting the vulnerable, demands rigor and high standards. Distributing vaccines without sufficient clinical data to demonstrate safety and compelling evidence of efficacy puts people at risk, does not serve the public interest, and undermines trust and the integrity of the scientific process. We must also fight vaccine disinformation to build and sustain public trust in these lifesaving tools.

At a time of global vaccine scarcity, many of our hemisphere's governments initially turned to suppliers from the People's Republic of China and the Russian Federation. Products manufactured in the PRC still comprise a large percentage of the vaccine mix for many countries.

At times we have seen evidence of PRC coercion in making supplies available to governments in need – ramping up or tapering off supplies based on a government's willingness to adopt policies favorable to the government in Beijing, a less-than-admirable wolf-at-the-door form of diplomacy. The PRC has even offered ready access to vaccines in exchange for changes in political recognition from Taipei to Beijing in those countries that recognize Taipei, a particularly harsh tactic in counties struggling to vaccinate their citizens.

Deliveries from Russia of the Gamaleya Research Institute's Sputnik V vaccine have faltered as Russia has failed to provide the contracted amounts of Sputnik V in a timely fashion to Latin American countries such as Argentina and even Mr. Maduro's regime in Venezuela. Russia's Direct Investment Fund commercializes Sputnik V, but the Russians have yet to provide adequate documentation to secure an Emergency Use Listing from the World Health Organization.

Beyond its direct impact, the COVID-19 pandemic revealed profound deficiencies in the world's ability to detect and appropriately respond to infectious diseases with pandemic potential. To do better in the future we need to improve regional cooperation and the effectiveness of the international institutions we all rely on. Next year, when the United States hosts the Ninth Summit of the Americas, the President intends to place health and the state of our health systems high on the agenda for leaders and for the multilateral organizations, civil society, academic institutions, and private sector players that participate in the Summit process. We need to work together to develop the region's health security capacity, and to do so with transparency and accountability. As COVID-19 has reminded us, people's lives depend on it.

I would like to briefly expand on an issue that has gained attention in recent months: The expansion of vaccine manufacturing in the region.

Latin America and the Caribbean trail other middle-income regions in COVID-19 vaccine production, and the pandemic has prompted some of the region's governments to look for ways to reduce their extreme dependence on vaccines, therapeutics, and other essential medical products produced outside of our hemisphere. Increasing vaccine manufacturing in Latin America would not take root in time to curb the current pandemic, but it remains a legitimate goal. Any government that able to invest adequately in education and professional development for its people and create an attractive regulatory framework that encourages intellectual property rights protections could help our hemisphere prepare for future health security threats, create good jobs, new technological capabilities, and new business opportunities, and promote scientific ties with the United States.

Several Latin American countries are already producing or could potentially produce COVID-19 vaccines, therapeutics, diagnostics, and other essential medical products, including Argentina, Brazil, Colombia, Mexico, Panama, and perhaps Chile and Uruguay. This would increase access to these life-saving commodities in those nations and the region. Successful production will depend on solving supply chain, financing, technical capacity, and regulatory climate issues that countries in the region are working to address.

Congressional generosity in support of these vaccine donations has saved lives, prevented and reduced the severity of human suffering, and helped the nations of our hemisphere begin the long and arduous process of recovering from the worst of this pandemic – building back, better than before. We look forward to working with you to promote resilience, health security, and health equity in the Western Hemisphere.

I thank you for your time, and I welcome your questions and comments.