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FEATURED Q&A

Can Latin America Find a Faster Path to Digital Government?



Lockdown measures during the Covid-19 pandemic have led more people to conduct business, including with governments, online. // File Photo: John Schnobrich via Unsplash.com.

Q During the Covid-19 pandemic, Argentina's social protection agency has been able to provide, without intermediaries, an emergency income to eight million people working in the informal sector thanks to its digital platform and IT systems, according to a recent blog published by the World Bank. To what extent has the pandemic led to governments in Latin America and the Caribbean adopting new technologies in day-to-day functions as well as providing more digital services? Which countries in the region have handled such digitalization best in recent months, and what kinds of digital services do they offer? What are the main challenges holding back the expansion of such services, and what can be done to overcome them?

A João Pacheco, vice president for public sector, Latin America at Oracle: "Currently, 73 percent of Latin American countries have a digital agenda in place. However, only 30 percent of their functions can be carried out digitally, and prior to the pandemic, just 7 percent of citizens' last contact with their governments was online. Therefore, governments have a large opportunity to adopt and incentivize the use of new digital technologies and services and to enhance existing ones. At a time of social confinement when governments and other organizations need to continue operating efficiently and maintaining contact with citizens, their need to establish digital channels is not only a necessity but also a priority. Right now, governments' main priority is strengthening the capacity of public health systems to fight Covid-19. This includes providing safety nets for vulnerable populations and encouraging economic productivity, as well as putting

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Brazil, Mexico Officials See Signs of Slowing Covid Infections

Officials at the Brazilian and Mexican health ministries said they are seeing signs of slowing infection rates from Covid-19.

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BUSINESS

Former Pemex CEO Accuses Peña Nieto of Graft

Former Pemex CEO Emilio Lozoya, who faces corruption charges, accused former President Enrique Peña Nieto of graft.

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ECONOMIC

Puerto Rico Governor Announces New Lockdown

Puerto Rico Gov. Wanda Vázquez announced a 24-hour lockdown every Sunday in order to fight the rise in coronavirus cases. On Sundays, people will only be allowed to leave home to go to grocery stores, pharmacies, hospitals and medical appointments.

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Vázquez // File Photo: Commonwealth of Puerto Rico.

POLITICAL NEWS

Brazil, Mexico See Signs of Slowing Covid-19 Infections

Officials in Brazil and Mexico said they are seeing signs of slowing infections from the novel coronavirus, Reuters reported Wednesday. In Brazil, which has more confirmed cases and deaths related to Covid-19 than any other country in the world except the United States, the Health Ministry said the country has seen a decline in the number of new confirmed Covid-19 cases, to 304,684 last week as compared to a peak of 319,653 in the week ending July 25, Reuters reported. In addition, Brazil's weekly death toll from the disease fell to 6,755 from a high of 7,677 in the last week of July. "In a way, it is a trend," Arnaldo Medeiros, Brazil's secretary of health surveillance, told reporters Wednesday. "We have to see how the disease behaves in the next two weeks to see if there is a significant drop." However, Medeiros urged Brazilians to continue measures including social distancing and wearing face masks in order to prevent the spread of the virus. Brazil's infection rate and death toll are continuing to rise, with 49,298 new confirmed infections and 1,212 new deaths from Covid-19 reported in the 24-hour period through late Wednesday. Brazil has more than 3.4 million confirmed cases of the highly contagious disease and more than 111,000 reported deaths from it, according to Brazil's Health Ministry. Meantime in Mexico, the pandemic is in a "sustained decline" following a significant drop in coronavirus-related deaths in the past week, the government's deputy health minister, Hugo López-Gatell, said Tuesday, Reuters reported. In the week through Aug. 17, Mexico's Health Ministry reported 4,020 new deaths related to the novel coronavirus, a decline of nearly 20 percent as compared to the previous seven-day period. However, Mexico in recent weeks has also registered new records related to the virus in recent weeks. On Aug. 1, Mexico for the first time reported more than 9,000 new infections in a single day. Mexico has the world's seventh-larg-

est total of confirmed cases, with more than 537,000, according to a tally by Johns Hopkins University. It has the world's third-highest total of confirmed deaths related to the disease, with more than 58,000, lower only than the United States and Brazil. The United States has more than 5.5 million confirmed cases of the disease and more than 173,000 deaths, according to the count by Johns Hopkins University, more reported cases and deaths than any other country in the world.

ECONOMIC NEWS

Puerto Rico Governor Announces New Sunday Lockdown

Puerto Rico Gov. Wanda Vázquez on Wednesday announced a 24-hour lockdown in the U.S. territory every Sunday as part of a series of stricter measures to fight a rise in coronavirus cases, the Associated Press reported. Gyms, theaters and bars will remain closed, and only restaurants with outdoor areas will be allowed to operate, but at 25 percent capacity. Vázquez said violators would be shut down for a month. Under the new measures, beaches will remain open only for those who are exercising, and businesses, shopping malls and banks can operate at 25 percent capacity. A curfew of 5 p.m. will also be maintained from Monday to Saturday, El Nuevo Día reported. On Sundays, people will only be allowed to leave their homes to go to pharmacies, grocery stores, hospitals or medical appointments. The new measures will be in place for at least 21 days, Vázquez said in announcing the decree. "We have to adjust to living in a new reality," the governor said, blaming the spike in cases on "careless" people, the AP reported. She added that it remains to be seen whether in-person classes at public schools will resume in mid-September as scheduled, warning that the U.S. territory is approaching "a terrible autumn." The island of 3.2 million people has reported more than 12,400 confirmed cases of Covid-19 and at least 356 deaths.

NEWS BRIEFS

Peruvian Health Officials Approve Phase 3 Trial for Chinese Covid-19 Vaccine

Health authorities in Peru have approved a Phase 3 clinical trial for a potential Covid-19 vaccine being developed by China National Biotec Group, a unit of state-owned pharmaceutical giant China National Pharmaceutical Group, or Sinopharm, the company said today, Reuters reported. Phase 3 trials of the experimental vaccine are already underway in the United Arab Emirates. Phase 3 testing allows researchers to gather data on the vaccine's efficacy for final regulatory approvals.

U.S. Deports 127 Guatemalan Migrants Who Recovered From Covid-19

The United States has deported 127 detained Guatemalan migrants who recovered from Covid-19, officials in the Central American country said Wednesday, the Associated Press reported. The U.S. government has been criticized for deporting to Guatemala migrants with apparently active cases of the disease, but Guatemala's Immigration Institute said the deportees who arrived Wednesday had documents certifying they no longer had the virus.

Majority Holders of Colombia's Avianca Arrested in Graft Case

Brothers Germán and José Efromovich, the majority shareholders of Colombian airline Avianca, were arrested Wednesday by Brazil's Federal Police in connection with the sprawling Car Wash corruption case, Reuters reported. Prosecutors accuse the brothers of money laundering and bribery of public officials in order to secure contracts with Transpetro, Brazilian state oil company Petrobras' logistics unit. The arrests are unrelated to Avianca. Reuters was unable to reach the brothers for comment.

BUSINESS NEWS

Former Pemex CEO Accuses Peña Nieto of Corruption

A former head of Mexican state oil company Pemex, who worked closely with former President Enrique Peña Nieto, has accused the ex-president and his treasury secretary of directing a corruption scheme directly from the president's office, according to a leaked 60-page document whose authenticity Mexican authorities confirmed on Wednesday, the Associated Press reported. Emilio Lozoya, who led Pemex from 2012 to 2016 and himself faces corruption charges, alleged Peña Nieto and former Treasury Secretary Luis Videgaray used the state oil company as a channel to "fulfill promises made during the [2012] campaign." Lozoya alleged the two officials "created a scheme of corruption in the federal government, in which the common denominator was that all the people who supported in some way the presidential campaign had to be recompensed or repaid," usually in the form of government contracts, Lozoya wrote. He also accused Peña Nieto and Videgaray of extortion, fraud and embezzlement, in part in exchange for the approval of the former administration's flagship energy reforms, which Brazilian giant Odebrecht and other foreign companies supported, Milenio reported. Odebrecht has previously admitted to paying bribes to Mexican officials in order to secure government contracts. Lozoya also accused former Presidents Felipe Calderón and Carlos Salinas of "acts possibly constituting crimes," Reuters reported. Among other figures mentioned in Lozoya's written statement were previous lawmakers, two of whom are now state governors, political aides and journalists. Many have already publicly rejected the allegations, Reuters reported. Neither Peña Nieto nor Videgaray have commented publicly on Lozoya's recent accusations, but they have previously denied wrongdoing. Calderón dismissed the claims and challenged Lozoya to present evidence. Reuters could not immediately reach Salinas for comment.

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in place employment and fiscal policies to mitigate the pandemic's economic impact. The challenges for most governments are not on the technological side, but rather involve economic resources and legal barriers. Governments need to use and leverage digital tools, such as electronic signatures and omnichannel communications, with citizens to efficiently provide them with quality services. Governments should focus more spending on cloud infrastructure and on the use of tools such as machine learning and digital assistants in order to provide more data-driven open government to serve citizens with agility, elasticity and a quick response time, as the current conditions demand."

A **Carlos Santiso, director of the Digital Innovation in Government practice of the Development Bank of Latin America**

(CAF): "The coronavirus crisis is accelerating governments' digital transformations, fast-forwarding many reforms and lowering long-standing obstacles with an acute sense of urgency as part of the 'great reset.' We have come to realize that digital resilience is central to state capacity. Uruguay was able to leverage its advances in e-health records and telemedicine to manage the crisis. This is an example of the 'digital dividend.' Governments have used digital innovations to manage the health crisis. Colombia has deployed a contact tracing app. Panama uses chat-bots to redirect patients and has been able to expand its emergency safety net to the unbanked and the undocumented by cross-referencing databases. Digital solutions have also been deployed to detect and deter corruption in emergency spending and procurement of critical medical supplies. Paraguay has opened its emergency contracting data through an online platform. Oversight agencies in Colombia and Brazil are using artificial intelligence to uncover irregularities. Brazil updated its digital strategy to expand digital services through

its single platform, gov.br, while 250 services were digitalized during the pandemic. Colombia's tax authority is embarking on an ambitious digital modernization. The crisis underscores how critical data has become in the digital age. It has revealed data gaps in

“The time has probably come for a World Data Organization.”

— Carlos Santiso

countries with high informality and inequality, making it difficult to target aid to the most vulnerable outside formal safety nets. It has also exposed the inadequacy of our global standards on data governance and the need for better data regulation. The time has probably come for a World Data Organization."

A **Laura Gaviria Halaby, director at Softbank Group International:**

"The Covid-19 crisis has put public services under stress, urging governments to deploy effective digital technologies to maintain countries' competitive edge. Most of the efforts in developing digital government strategies have focused on improving data protection and digital inclusion policies as well as on strengthening technical capabilities of public institutions. In Brazil, the Ministry of Economy broke a record in the digitalization of public services, digitizing more than 770 services—among them, the Work Card, the International Vaccination Certificate and the services of the INSS, such as requests for retirement and maternity benefits. In addition, more than 60 million Brazilians have already registered with gov.br, which allows access to hundreds of public services, from different agencies, with a single login and password. Colombia, through more than 17 digital transformation initiatives and entrepreneurship programs, seeks to give the economy the stimulus required for recovery. Projects include ex-

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panding regulation to include working from home policies, modernizing the tax agency (DIAN), transforming the way students take government exams, connectivity centers, tech-based entrepreneurship programs and training in data science and artificial intelligence for more than 10,000 citizens in partnership Correlation One. In addition, more than 11.3 million people have already registered to the CoronApp, where people are informed on how the virus is evolving. The Covid-19 pandemic is forcing governments and societies to turn toward digital technologies to respond to the crisis in the short term, resolve socioeconomic repercussions in the medium term and reinvent existing policies and tools in the long term. Effective public-private partnerships, through sharing technologies, expertise and tools, can support governments in restarting the economy and rebuilding societies. Developing countries, in particular, will need international cooperation and support in mitigating the crisis. Therefore, regional, national and local project-based collaborations with private sector companies, international organizations and other stakeholders are necessary.”

A **Silvina Moschini, founder and CEO of SheWorks:** “According to the World Bank, Latin America is one of the world’s most unequal regions. The protocols imposed by the pandemic quickly revealed the differences in connectivity among countries and, within them, the gap between urban centers and the countryside. The CAF Observatorio del Ecosistema Digital measures Internet access in the region at an average of 78 percent. The remote operation overloaded broadband in the first months of the pandemic forced telephone operators to enhance their fiber optics (Chile) and strengthen 4G coverage for mobile telephony (Venezuela) and also

forced governments to prohibit service cuts for nonpayment and to decree communication services essential. All countries had to adapt their operations, both to support distance education and work and to continue operating administratively. The CAF Observatory says countries that lead in e-government are those that had been working on its development beforehand—Chile, Uruguay, Mexico, Brazil and Argentina. The digitization of education promoted special plans, such as Seguimos Educando (Argentina), Aprender Digital (Colombia) and Educar Ecuador (Ecuador), among others. In Colombia, Víctor Manuel Muñoz, presidential advisor for digital transformation, is at the forefront of the digital government policy, which is the government’s great bet for the country’s digital transformation. Muñoz says progress will be made on five principles that will allow greater efficiency: interoperability, citizen portfolio, electronic authentication, security and online procedures. Regarding telework, Colombia had a law since 2008, and Brazil had a special chapter for this issue, while other countries, including Chile and Argentina, have just regulated it. Covid-19 arrived at a time when the region was convulsed by different social protests. In this scenario, the democratizing potential of technology allows us to envision a better future to mitigate its greatest inequalities. According to the ILO, informal work reaches 53 percent in the region, with variations by country (23 percent in Uruguay and more than 80 percent in Bolivia). Progress is still needed in equal access to the digital economy and gender inequalities. It is necessary to recognize women’s work at home and in health posts and promote technology training.”

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