**FEATURED Q&A**

How Can the Region Ensure Treatment for Existing Conditions?

The Covid-19 pandemic has disrupted treatments for noncommunicable diseases. The Simón Bolívar Hospital in Bogotá is pictured above. // File Photo: EEIM via Creative Commons.

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TODAY’S NEWS

**ECONOMIC**

Argentina May Not Need New Currency Controls: Pesce

Argentina’s debt restructuring deal with foreign bondholders should limit the country’s need for further currency controls, said central bank chief Miguel Ángel Pesce.

Bank of Nova Scotia, or Scotiabank, reported a decline in net income for its fiscal third quarter as profit fell at its Latin American units and loan provisions rose.

**POLITICAL**

Pressure Grows to Disband Brazil Anti-Graft Body

Political pressure is reportedly mounting to disband a team of high-profile prosecutors that has jailed dozens of former executives and political figures. Politicians are seeking to discredit the body, said Sen. Major Olímpio.

**BUSINESS**

Scotiabank Reports Decline in Quarterly Profit

TODAY'S NEWS
Argentina May Not Need New Currency Controls: Bank Chief

Argentina’s debt restructuring deal with foreign bondholders should limit the need for further currency controls and help narrow the gap between the official exchange rate and the black-market peso, the central bank president, Miguel Ángel Pesce, said on Tuesday, Ambito reported. In a virtual meeting with Argentine businessmen, Pesce said the peso’s current exchange rate is considered “competitive.”

Argentina’s peso, which has been propped up by currency controls since last year, opened 0.11 percent weaker at 73.81 to the U.S. dollar after Pesce’s comments, Reuters reported. Meanwhile, the black-market peso traded at 137 per dollar, with the gap between the two rates reaching 85.81 percent. Earlier this month, Argentina reached a preliminary deal with creditors for the restructuring of some $65 billion in foreign debt. Bondholders have until Friday to formally accept the offer, although major creditor groups have already backed the proposal. Former President Mauricio Macri’s administration last September began implementing currency controls in a bid to quell speculation and stem the impact of a debt crisis. President Alberto Fernández, who took office in December, has kept those controls as the economy continues to face a dire outlook. Pesce said the debt deal should improve market expectations. “What we are waiting for is an improvement in expectations. If this occurs, we would find no reason to have to establish greater restrictions on the exchange market,” Pesce said, Reuters reported. [Editor’s note: See related Q&A in the Aug. 13 issue of the Advisor.]

Pressure Mounting to Disband Brazil Anti-Graft Body: Report

Political pressure is reportedly mounting in Brazil to disband a high-profile team of anti-corruption prosecutors that has jailed dozens of former executives and politicians, despite its strong popular support and hundreds of cases still pending, Reuters reported today. Prosecutor General Augusto Aras is set to decide on Sept. 10 whether to renew for another year the mandate of the task force, which over the past six years has made headlines with its massive Car Wash corruption investigation. Influential politicians appear to be pressuring Aras to disband the team. Right-wing Senator Major Olímpio, a close congressional ally of President Jair Bolsonaro, said there was a broad political movement underway to stop the task force’s investigations and annual ongoing trials, Senado Noticias reported. “Today, there is a campaign to demonize Car Wash,” Olímpio said, mentioning pressure from politicians under investigation to shut it down by opening a parliamentary inquiry that has questioned the task force’s work and appeals to the Supreme Court to terminate its investigations. Another senator, leftist Randolfe Rodrigues, joined Olímpio in expressing support for the Car Wash probe. “The conditions are there for Aras not to extend the work of the task force,” he said. Aras declined to comment to Reuters.

Brazilian Processor Halts Poultry Exports to China Amid Covid-19 Concerns

Brazil’s Central Cooperativa Aurora has voluntarily halted poultry exports to China from one of its plants, the food producer said on Tuesday, the latest sign that the coronavirus outbreak in the South American nation is having an impact on meat processors, Reuters reported. The decision came after officials in the Chinese city of Shenzhen found the virus’ genetic material on product packages allegedly from Aurora’s Xaxim plant, the company said. Hong Kong had blocked exports from the same plant earlier this month over coronavirus concerns, an Aurora spokesman said.

Santander’s Chile Unit Launches New Digital Debit Card

Santander’s Chile unit announced Tuesday that it had launched a new digital debit card, which will be available to all clients with a debit card linked to their account, simple debit account or electronic checkbook, as well as university accounts. The new digital card will allow them to shop and pay through the Internet and in mobile apps without the need of a physical card, the bank said, adding that the “current sanitary contingency” alongside social-distancing recommendations have spurred “a habit change in the way people do their transactions.”

Paysafe Launches Service in Mexico

Austria-based financial technology firm Paysafe Group has launched its Paysafecash service in Mexico, the company announced Tuesday. The service is intended for customers who do not want to share financial data over the Internet and those who do not have a bank account or credit card. The service will start in Mexico with 3,000 payment points.
Scotiabank Reports Profit Decline Due to Latin America Units

Toronto-based Bank of Nova Scotia, or Scotiabank, on Tuesday reported a decline in profit for its fiscal third quarter as profit fell from its Latin America division and provisions for bad loans rose, CBC News reported. Scotiabank said its profit fell to 1.30 billion Canadian dollars ($1 billion), as compared to 1.98 billion Canadian dollars for the same period a year earlier. The bank added that its provisions for credit losses amounted to 2.18 billion Canadian dollars in the quarter, as compared to 1.85 billion Canadian dollars in the prior quarter and 713 million Canadian dollars in last year’s fiscal third quarter. “We know that structural damage has been done to the economy. It’s going to require a lot of quarters of clean up from here, but we do view this quarter’s [provision for credit losses] as our high-water mark,” Daniel Moore, the bank’s chief risk officer, told analysts in a conference call, CBC News reported. “We see it decline substantially from here, and we’re well provisioned on the balance sheet to cover our current estimate of future net write-offs.” The bank was “significantly” affected by operations in its Latin American units, executives said. Scotiabank’s international banking operations lost 28 million Canadian dollars in the quarter, as compared to 1.85 billion Canadian dollars in the prior quarter and 713 million Canadian dollars in last year’s fiscal third quarter. “We know that structural damage has been done to the economy. It’s going to require a lot of quarters of clean up from here, but we do view this quarter’s [provision for credit losses] as our high-water mark,” Daniel Moore, the bank’s chief risk officer, told analysts in a conference call, CBC News reported. “We see it decline substantially from here, and we’re well provisioned on the balance sheet to cover our current estimate of future net write-offs.” The bank was “significantly” affected by operations in its Latin American units, executives said. Scotiabank’s international banking operations lost 28 million Canadian dollars in the quarter, as compared to 1.85 billion Canadian dollars in the prior quarter and 713 million Canadian dollars in last year’s fiscal third quarter. “We know that structural damage has been done to the economy. It’s going to require a lot of quarters of clean up from here, but we do view this quarter’s [provision for credit losses] as our high-water mark,” Daniel Moore, the bank’s chief risk officer, told analysts in a conference call, CBC News reported. “We see it decline substantially from here, and we’re well provisioned on the balance sheet to cover our current estimate of future net write-offs.” The bank was “significantly” affected by operations in its Latin American units, executives said. Scotiabank’s international banking operations lost 28 million Canadian dollars in the quarter, as compared to 1.85 billion Canadian dollars in the prior quarter and 713 million Canadian dollars in last year’s fiscal third quarter. “We know that structural damage has been done to the economy. It’s going to require a lot of quarters of clean up from here, but we do view this quarter’s [provision for credit losses] as our high-water mark,” Daniel Moore, the bank’s chief risk officer, told analysts in a conference call, CBC News reported. “We see it decline substantially from here, and we’re well provisioned on the balance sheet to cover our current estimate of future net write-offs.”

This is especially concerning given that, according to the organization, before Covid-19, 81 percent of all deaths in the Americas were due to NCDs. At Roche, we are partnering with entrepreneurs, suppliers, patient organizations and academic institutions to develop solutions that ensure continuity of care during these unprecedented times. For example, in Argentina, Chile, Ecuador and Peru, we implemented programs for home infusions and direct delivery to patients, as well as safe transport to health centers. Public-private partnerships have tremendous potential to address some of the challenges we are facing due to Covid-19. The private and public sectors must work together to evolve regulations and generate the necessary incentives to foster the development and implementation of innovative solutions for the needs of patients today. The work we have been doing has shown that when we join forces, we are stronger.”

Maria Luisa Ávila, chief of the infectiology service at the National Children’s Hospital in San José and former Costa Rican health minister: “The Covid-19 pandemic has undoubtedly affected people with noncommunicable diseases. Despite efforts by health services through virtual consultations and home delivery of medicines, the lack of doctor-patient contact and laboratory tests can be detrimental to patients with underlying diseases. We must keep in mind that people with chronic diseases are at high risk of complications and even death due to a SARS-CoV-2 infection, so strengthening primary care at the local level should be a priority that counteracts the pandemic’s negative effects. Without adequate primary care, hospitals will be a monument to the failure of public health. The Covid-19 pandemic has been a critical test for Latin America and the Caribbean’s public health systems, most of which are overburdened and underfunded. Our region suffers from serious inequalities, and public health systems are the only source of medical care for a large sector of the population. Some Latin American leaders’ political use of the pandemic has created additional tensions that contribute...
to the erosion of a basic sense of community and principles of solidarity necessary for the public support of mitigation strategies. There are many collateral effects of the pandemic, of which there has been little talk, with the effects on patients with noncommunicable diseases being one of them.”

Alicia Bárcena, executive secretary of the U.N. Economic Commission for Latin America and the Caribbean (ECLAC):

“The pandemic has caused a shift in the control of noncommunicable diseases (NCDs) in Latin America, especially relating to screening services and the management of hypertension and diabetes. Care has been postponed or interrupted due to the need to reassign health workers and budgets to address the onslaught of the pandemic on the generally weak and underfunded health systems in Latin America. Public health expenditure in the region is low, with an average of expenditure of 3.7 percent of GDP, far from the 6 percent target recommended by the Pan American Health Organization. Likewise, there are problems in the allocation of resources, including the deficient financing of the primary level of care, which is essential for the prevention, detection and control of NCDs, particularly for those of low socioeconomic status, who generally have a higher prevalence of NCDs. It is also true that many people are forgoing treatment due to their fear of infection. Access to services for sexual and reproductive health, mental health and maternal and child health have also been limited. This phenomenon is contributing to an increase in excess mortality across the region, the full extent of which has not yet been characterized. Countries must urgently adopt alternative strategies to ensure that services to detect and treat NCDs continue, even as they fight Covid-19. The use of telemedicine, adopting novel mechanisms to deliver medications and the use of wearable technology to monitor biomarkers relating to NCDs are all examples. Even in the context of a severe economic downturn, governments in the region must prioritize health spending, including to address NCDs, in order to avoid a wave of premature death and disability unrelated to Covid-19.”

Anselm Hennis, director of the Department of Noncommunicable Diseases and Mental Health at PAHO: “The Americas remain at the epicenter of the Covid-19 pandemic. Noncommunicable diseases (NCDs), including cardiovascular diseases, diabetes, cancer and chronic respiratory diseases, account for 80 percent of deaths in the region annually. These conditions also increase the risk of severe Covid-19 illness and death, with nearly 325 million people at increased risk in the Americas. Stay-at-home measures, disruptions in provision of health services, staff reassignments for Covid-19, as well as the fear of going to care facilities, have resulted in reduced elective clinic visits, lower access to renal dialysis and cancer care and delays in high priority treatments for patients with NCDs. Some countries have experienced disruption of supply chains and distribution of medicines and health products, putting patients at higher risk of complications and death from diseases that are eminently treatable. Health systems must fully address these challenges, or there will be a subsequent epidemic of preventable NCD-related complications and deaths. It is critical to implement safe methods of delivering care for people with NCDs, which include scheduled appointments to avoid crowded waiting areas and providing services in novel ways, such as telemedicine. Services for cancer and chronic kidney disease must be prioritized to ensure continuity of care. People with NCDs must be provided with the knowledge, resources and support system necessary for them to protect themselves. Addressing NCDs must be integral to the Covid-19 response. There must be timely and comprehensive access to care for chronic diseases to prevent life-threatening complications.”