



# Maduro picks a fight with COVAX

by Andrew Thompson

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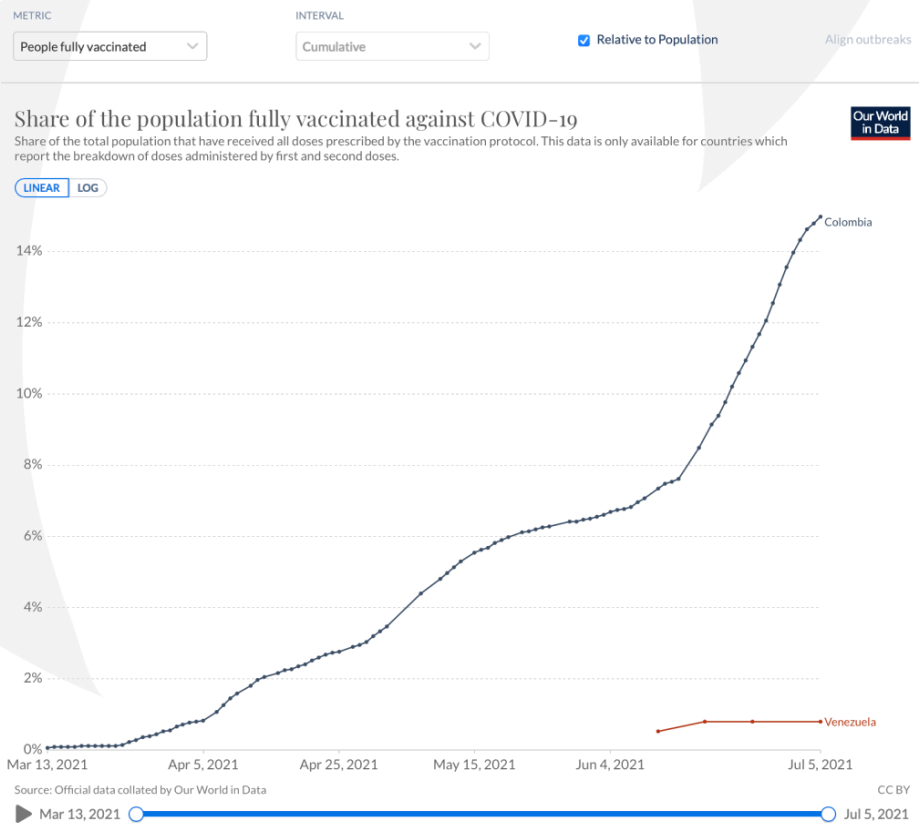
## What happened?

Venezuelan president Nicolás Maduro on 4 July demanded that the COVAX vaccine sharing system should “send us the vaccines or give us the money back, period.”

## The details

At first sight Venezuela’s ‘Bolivarian socialist’ president has a point. According to his telling, Venezuela paid US\$120mn to COVAX, which is supported by the World Health Organisation (WHO), for a consignment of vaccines. However, in June the government was told that the last four payments made through a network of banks, had been blocked by Swiss bank UBS, fearing that they might violate US financial sanctions against Venezuela. Maduro said the country has been caught in the middle, with neither vaccines or the money. “The COVAX system has failed Venezuela. They don’t answer us” he said.

However, the issue may be less black and white than the president suggested. The financial management of the pandemic has been murky. Back in June last year the government reached an unusual deal which would allow the opposition to help fund emergency medical supplies. The agreement then broke down with Maduro saying the government could fund vaccine purchases directly. For a while, in what felt like something out of the Donald Trump



playbook, the president claimed Venezuela had developed Carvativir, its own “miracle” drug that could rapidly “neutralise” the coronavirus. He has since gone silent on that subject. Then he said the country would rely on the Russian and Chinese vaccines (about 3.5mn doses have been received so far). COVAX offered 2.5mn doses of AstraZeneca shots, but they were refused on the grounds that they could lead to blood clotting. Instead, the Caracas government wants to use COVAX to buy Johnson & Johnson and Novavax doses. Abdala, a Cuban vaccine, is also being trialled. The payments dispute is also perplexing since the US has just relaxed sanctions on Venezuela, specifically to allow vaccines and other emergency medical purchases to go ahead on humanitarian grounds.

A wider issue is that Venezuelan data on the pandemic remains extremely unreliable. Cases appear to be systematically and massively under-reported. According to official data only 3,209 people have died of the virus, compared to 109,446 in neighbouring Colombia. Deaths per million inhabitants are at 112.8 compare to 2,151 in Colombia (19 times higher), a difference which seems hardly credible. Anecdotal reports from the country say the vaccination campaign is chaotic, with long queues and delays. There is a public perception that Chinese vaccines are less effective than the Russian Sputnik V so some members of the public “hunt around” to try and get their preferred dose. Those with connections, on the other hand, are “invited” to get the jab through text messages telling them where to go. According to the Pan-American Health Organisation (PAHO) less than 250,000 people, out of a population of 30mn, have been immunised. The Our World in Data website, which uses official data, says the “fully vaccinated” represent 0.8% of the population, compared to 15% in Colombia.

## What does it mean?

There has for long been an understanding that if Venezuela reaches a political settlement to restore democratic rule, it will need international aid to rebuild its shattered economy. The evidence suggests that negative health effects of the pandemic may also linger on much longer than in the rest of the region and require additional resources.

### About the Author

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As well as being a Canning House Associate Fellow, Andrew is a former foreign correspondent (Buenos Aires, Mexico City, Rio de Janeiro) and a broadcaster for the BBC’s Latin American Service. Working through La Rambla Research Ltd., he writes about economics, political risk, and business in Latin America.



**These stories are also available on Andrew’s blog site, [La Rambla Research](#).**