

MACRO: Policy responses to Covid-19

Below is our weekly summary table on the health and economic policies that selected governments around the world are implementing to counter the fallout from Covid-19. The updated table includes information about each country's vaccination strategy. Please do not hesitate to contact us if you want to discuss any of the countries mentioned in more detail.

Please click on 'View PDF' below to see the table.

[Client Portal >>](#)

Overview of health and economic policy responses to Covid-19

	Measures to contain outbreaks	Vaccination strategy	Economic response	Public health system capacity	Political consensus	Signposts
United States	Nationwide case numbers on the rise. States and cities reinstating mask mandates. The federal govt, states, and companies are considering mandatory vaccinations for employees.	190.5mn Americans have received at least one vaccine dose, and over 164mn are fully vaccinated (49.6% of the population). Just over 652,000 new first doses are being administered per day.	Congress reached an agreement on a bipartisan infrastructure deal; Senate released the text over the weekend. Senate will consider amendments this week before voting to move forward on the deal.	Medium – Hospitals' capacities are nearing their limit; Many states are reinstating mask requirements and slowing reopening measures.	Medium – In light of a bipartisan infrastructure deal being reached, the Biden administration has demonstrated its ability to govern and work across party lines.	If infrastructure deal passes, Dems will try next to pass their larger reconciliation package. Lawmakers also working to pass as many FY 2022 appropriations packages before passing a continuing resolution ahead of expiration of current spending levels on 30 Sep.
European Union	Digital vaccination passports are operational, but national entry regimes for vaccinated travelers continue to differ.	More than 500mn doses have been distributed to member states, enough for 70% of adult population to be vaccinated by Sep.	EUR 500bn, mostly promises of loans from ESM rescue fund; guarantees and support for short-term work schemes; ECB bond buying.	Medium – Capacities vary across member states, which remain firmly in charge; criticism of joint vaccine procurement.	Medium – Different positions persist, but overall approach to crisis response is more proactive than after the 2008 financial crisis.	Further national recovery plans have passed the Council of the EU, but Poland and Hungary's plans will not come back for debate before the autumn.
China	Authorities remain committed to a strict zero-tolerance policy for new cases; recent cases in Beijing and Shanghai were traced to Nanjing outbreak and sparked targeted lockdowns.	1.62bn vaccines administered by 15 Jul (includes second doses). Goal to fully vaccinate 80% by end-2021. Chinese-made mRNA vaccine is entering phase 3 trials.	After plotting an exit from pandemic-related stimulus beginning in late 2020, the Politburo signaled on 30 Jul that policy will now gradually shift back towards loosening, amid signs of slowing growth.	High – Protocols in place to reimpose lockdown quickly and conduct mass testing.	High – Critics of early failures in Wuhan have been largely silenced, and the public views China's response favorably compared to US and Europe.	Government expected to keep most travel restrictions in place through at least early 2022, and possibly longer, to prevent outbreaks around the Beijing Olympics and the 20th Party Congress.
Japan	State of emergency expanded to cover four prefectures starting on 2 Aug. Current emergency for Tokyo and Okinawa extended to 31 Aug.	Only about 28% of the population has been fully inoculated – the lowest rate in the G7.	With the resurgence in infections, initial hopes of a clear economic rebound in Jul-Sep have faded. The economy shrank an annualized 3.9% in Q1 and is expected to post very low Q2 growth.	Medium – Japan is enduring a fifth wave of infections, with the nationwide daily count topping 10k for the first time on 29-30 Jul as the more contagious Delta variant spreads.	Medium – The surge in cases is bad news for PM Suga, whose support is already at its lowest since he took office last Sep. Suga faces a ruling party leadership race and general election later this year.	Health experts have warned that a recent surge in Covid-19 cases in Tokyo could put hospitals under severe strain unless young people stop socializing at night and get vaccinated. The capital's seven-day rolling average jumped 80.5% over the previous week.
Germany	Children older than 12 will be offered vaccine to help ensure safe return to schooling.	Pace of vaccinations continues to create debate as race against Delta variant continues.	EUR 350bn+ in fiscal measures, EUR 800bn+ guarantees; tax delays, short-time work, payments to businesses.	Medium – Slow speed of vaccine rollout has raised questions.	Medium – Grand coalition government, but some political competition in the decentralized political system.	Federal government will support areas affected by floods with major financial support package.

	Measures to contain outbreaks	Vaccination strategy	Economic response	Public health system capacity	Political consensus	Signposts
Canada	Public health officials are urging unvaccinated and partially vaccinated Canadians to receive their two doses as they fear a fourth wave.	Provinces continue to highlight their reopening plans and vaccination lotteries, while also threatening to return to lockdown in the event of a fourth wave	The Trudeau government is injecting an additional CAD 3.3bn until 23 Oct in business and personal assistance programs to help people through pandemic-related economic hardships.	High – While Canada's daily case tally has virtually doubled since last week, hospitalizations and deaths remain on a downward trend.	Medium - Canada's new Governor General, the first Aboriginal representative to hold the position, already faces backlash from certain groups due to her lack of French language skills.	Canadian provinces and businesses are preparing for the return of American tourists next Monday.
India	Lockdown relaxed in many provinces as surge recedes, but country on alert for third wave. Phase 3 vaccines accelerate for 18+, decision this week on vaccines for under 18-year-olds. Vacationers warned about summer travel.	Govt centralized vaccine procurement and supply; extended time between two jabs of Covaxin; export restrictions on some vaccines, Remdesivir. Task force studying option to mix vaccine doses to speed up program.	Pressure on GDP growth, but robust trade growth. INR 500bn pharma/health sector package; INR 30tn package to support small businesses, tourism, construction.	Medium – Hospital beds, ventilators, oxygen stable now. Vaccine supply remains an issue, but centralization of pandemic management has reduced waste. Govt warns private hospitals not to slow down on vaccination programs.	Medium – State govts largely support the federal regime. Third wave not ruled out.	Govt told the Supreme Court that the entire population will be vaccinated by end of year, which seems overly optimistic with only around 7.4% fully vaccinated.
United Kingdom	Daily new infections keep falling; double-jabbed people from EU and US are allowed to enter UK freely.	Further expediting vaccination efforts will be difficult if AZ is to be avoided among younger cohorts.	In total ~GBP 300bn. Companies now paying more for the furlough scheme. Plans to extend the scheme locally past Oct.	Medium – Questions around testing and tracing, and the cost of support measures; but vaccination record is very positive.	Medium – Govt has large majority, but political contestation over gov't's crisis response.	Recent decline in new cases has led to hopes that a scenario of 100,000 daily new infections can be prevented.
France	Lockdown exit completed, but gov't could adopt new measures if required. "Health pass" required to participate in wide range of social activities.	Vaccines supplied by EU joint purchases. Around 50% of population has been fully immunized. Govt making vaccination compulsory for healthcare workers.	Long-term furlough scheme for specific firms. Some support mechanisms expire end-Aug. Additional extensions possible. New investment plan in the works.	Medium – Hospitalizations and deaths on the rise but pace of new cases slowing down.	Medium – 200,000 people mobilized to protest health pass last weekend; public support for the protestors at 40%.	Economy Minister Bruno Le Maire to meet with businesses affected by health pass on 30 Aug.
Italy	As of 28 Jun, all regions are "white zones," meaning most pandemic-related restrictions were relaxed.	Around 54.2% of the population over 12 is fully vaccinated. Another 10.5% has received one dose.	Italy's economy grew by 2.7% in Q2 from the previous three months, a much larger jump than expected which boosts hopes for a firm economic rebound this year.	Medium – The Delta variant has gained dominance in Italy, the National Health Institute said on 29 Jul. Data show it accounted for 94.8% of cases as of 20 Jul.	Medium – Protests against the Covid-19 Green Pass have taken place across the country.	A Covid-19 health pass will become mandatory from 6 Aug to visit museums, attend live events, or dine indoors at a restaurant.

	Measures to contain outbreaks	Vaccination strategy	Economic response	Public health system capacity	Political consensus	Signposts
Brazil	Brazil had two consecutive days with less than 1,000 deaths this week. Delta variant fairly widespread but hospitalizations falling.	48% of the population received first jab, 20% both jabs. States committing to all adults vaccinated by end-Aug.	Growth now at 5.3%, inflation above 6%, and interest rates above 7% for 2021.	Low – Public Health System occupation below 90% nationwide; 25 states below 80%. Concern with general lifting of restrictions.	Medium – New chief-of-staff of the presidency should improve executive-congressional relations, but president remains combative.	President insists on replacing successful electronic balloting system with paper ballots despite congressional opposition. This is a first test for new chief-of-staff of the presidency.
Russia	Third wave of pandemic starting to recede, but deaths remain at near record-highs. Delta strain accounts for around 95% of all infections.	As of 2 Aug, 36.9mn people (25.2% of population) received first dose, 25.6mn (17.5%) fully vaccinated. Compulsory vaccination for various groups of residents in 45 regions.	Moscow allocated additional RUB 5bn (USD 68.6mn) for pandemic-affected businesses. In H1, Russia's GDP increased by 4.6% year-on-year. One-off payments of RUB 10,000 for families with school children will be made in Aug.	Low – Public health facilities are struggling to cope with high number of Covid-19 patients. However, the epidemiological situation is gradually stabilizing.	Medium/High - Main decisions/strategy taken at federal level, but regional administrations are responsible for restrictions and vaccinations.	In Moscow, businesses operating in retail, services, and catering sectors are required to vaccinate 60% of their employees by 15 Aug; however, Moscow mayor rules out widespread checks on whether companies have achieved this target.
South Korea	Seoul, Daejeon at highest restriction level, rest at next highest until 8 Aug. Measures include limits on gatherings >4; overseas travel advisory; mass transit reduction; virtual schooling; QR codes to enter some stores. 26 high-risk countries face mandatory quarantine on arrival even if vaccinated.	13.8% of population fully vaccinated, 36.5% received a first dose. School vaccination programs underway and at some private companies too. 29mn vaccines to arrive in Aug, 42mn in Sep.	2 nd supplementary budget of KRW 34.9tn approved (to be partly funded with govt bonds issued in Aug). Stimulus checks for 20.3mn households; funds to compensate small business owners who suffered losses from pandemic restrictions.	High – ICU capacity remains stable, hospitals at 37% capacity. Veklury (formerly Remdesivir) administered to 10,031 patients. Homegrown treatment Regkirona provided to 7,829 patients. 1,896 new cases registered end-Jul; Delta accounts for 48% of new cases.	Medium – Rival parties (DPP & PPP) agree to approve latest supplementary budget. Small business owners and hundreds of citizens gather to protest stricter Covid-19 restrictions and 2 nd supplementary budget which compensates for losses only after 7 Jul.	Finance minister announced extra support for domestic vaccine devlpt; KDCA to spend KRW 3.2tn (USD 3.12bn) of supplementary budget on purchase of vaccines and support for preventative measures. Swap with Israel for 700,000 Pfizer doses; other agreements for joint vaccine production.
Spain	Regional govts still in control of pandemic management. Constitutional Court ruling invalidating last year's lockdown will only reinforce the status quo.	Vaccines supplied through EU initiative. National strategy, but regions lead rollout. Around 57% of population fully immunized. Goal to vaccinate 70% by end-summer.	Short-term employment scheme covering ~500,000 workers extended to 30 Sep. Govt working on permanent furlough mechanism. EUR 10bn package to support SMEs and the self-employed.	Medium – Hospitalizations, and deaths due to Covid-19 on the rise, but new infections slowing down.	Medium/Low – Regions and central govt unable to agree on imposition of health pass.	Changes on quarantine requirements for UK travelers remain unlikely.

	Measures to contain outbreaks	Vaccination strategy	Economic response	Public health system capacity	Political consensus	Signposts
Australia	Greater Sydney lockdown extended to 27 Aug. Defence Force deployed to western Sydney to enforce lockdown. Southeast QLD entered lockdown until 8 Aug; VIC lockdown lifted on 27 Jul.	47.94% of Australians have received at least one vaccine dose and 15.29% are fully vaccinated.	QLD committed AUD 260mn for businesses impacted by lockdown; federal govt increased weekly household disaster payments for states in lockdown; VIC reintroduced rent relief package for eligible tenants.	High – Pfizer vaccines redistributed from regional NSW to high school students in southwest Sydney.	Medium – Federal Opposition Leader welcomed additional federal govt financial support but has said some people will “fall through the cracks”.	NSW Premier has said Greater Sydney lockdown restrictions can be eased on 28 Aug if vaccination rates reach 50% in NSW.
Mexico	Restrictions eased amid decline in cases starting in Apr. But authorities reluctant to re-impose restrictions despite rise in cases since Jun. Official messaging often muddled and contradictory.	As of 31 Jul, 46.8mn people received at least one vaccine dose, 25.7mn people (20% of population) fully vaccinated.	Limited fiscal measures at no more than 1.2% of GDP. Measures include advancing pension payments, credits for micro- and small enterprises, and govt austerity.	Low – Chaotic healthcare system reform was in process pre-pandemic; a lack of PPE, limited testing capacities; shortages of some medicines; govt believes wide-ranging testing unnecessary.	Low – Divisions between opposition state governors and central govt; relations between President and the private sector and media subject to regular bouts of tension.	Third wave continues as cases rise to heights not seen since Jan. The govt aims to have entire adult population inoculated by end Q1 2022.
Indonesia	Govt extending community-based emergency movement restrictions to 9 Aug; measures to apply or be imposed in regions with 65%+ hospital bed utilization and <50% vaccination rate.	Second phase vaccine rollout includes active adults. But a slowdown in AZ supplies from India has led to volatile vaccination rates. Jakarta is opening vaccinations to all adults.	~4.8% of GDP for healthcare, social welfare, support for MSMEs, SOE bailouts. Reforms to attract investment and new sovereign wealth fund launch this year.	Medium – Testing capacity has improved in recent months, but demand for ICU bed capacity, while well below critical levels, still vulnerable to a serious spike.	Medium – Govt has broad support for most pandemic, economic, and health policies, but labor is unhappy with some reforms.	Restrictions adjusted based on public and govt perceptions of risk and locations where cases are concentrated.
Saudi Arabia	From 1 Aug unvaccinated barred from public and private venues, public transport. Two doses required to leave KSA from 9 Aug. Citizens from 49 countries can enter without quarantine with PCR or vaccine certificate (only for J&J, Pfizer, Moderna, AZ).	Refusal to get vaccinated deemed “gross misconduct” that can justify dismissal from job without notice. 27mn doses administered; as of 2 Aug 55% of Saudis received at least one dose, 24% fully vaccinated.	Economy recovering with slowdown in CPI inflation. IMF expects non-oil GDP growth of 4.3% in 2021 and 3.6% in 2022 led by private sector growth, aided by OPEC+ agreement. Finance, insurance, real estate, service, and business sectors all to grow.	Medium – New daily cases at 1,063. Regular testing available, and clinics offer treatment and advice to those with symptoms.	High – The govt has aggressively suppressed dissident voices, and there is little opposition to its actions.	Economic diversification initiatives aimed at boosting growth, but driving intra-regional tensions, especially with UAE.

	Measures to contain outbreaks	Vaccination strategy	Economic response	Public health system capacity	Political consensus	Signposts
Turkey	Daily infections have surged in recent weeks from a low of 4k on 4 Jul to around 22k last week, but Ankara does not plan to impose restrictions yet.	Turkey has vaccinated significantly fewer citizens than European average. Around 26mn people have been fully vaccinated, corresponding to more than 42% of the population aged 18 and above.	The economy is expected to have grown around 20% in Q2 thanks largely to the so-called base effect due to a nearly 10% contraction in the Apr-Jun period of 2020. Full-year economic growth is now expected to surpass 6%.	Medium – Health experts have warned that a fourth wave is in progress due to the Delta variant. Vaccine hesitancy remains an issue, especially in Eastern regions.	Low – Ankara announced that it will soon “regulate” foreign-funded media outlets and require them to submit a detailed report on their activities every six months. Critics say it is a last-ditch attempt to kill independent media outlets.	Turkey has started to administer the third dose of a vaccine against Covid-19. Healthcare workers and those above 50 are eligible for the third shot.
Thailand	Govt is extending restrictions to mid-Aug banning gatherings and shutting down most commercial establishments, including an overnight curfew, to bring a major outbreak under control.	Vaccine rollout started with Sinovac, now broader AZ rollout has begun but faces supply-constraints. Thailand to explore new orders and liberalize private importation.	New USD 4.5bn stimulus approved for Jul to spur consumption. An additional USD 14bn borrowing program also has been approved.	Medium – Improved capacity for testing, but border controls are a concern as Thailand returning from neighboring countries seem to be source of outbreaks.	Medium – Policy is accepted but gov't seen as ineffective in other areas (economy); consequently, there may be more focus on growth.	Gov't is attempting to contain the worst spike since the pandemic's start, and a sustained increase in new cases could trigger tighter restrictions.
Sweden	Face masks are now no longer recommended by the gov't.	More than 50% of population have received one jab, allowing many restrictions to be lifted.	SEK 812bn in tax delays, credit guarantees; wage subsidies, SEK 500bn business loans, SEK 300bn bond buying.	Medium – Institutional capacity high but initial no-lockdown strategy caused high case load.	Medium – Red-green minority government depends on outside support amid increasing fragmentation.	Small cash incentives to motivate people to get vaccinated.
Nigeria	Stage 4 of eased lockdown began 11 May, essentially reinforcing measures in place since 4 Sep 2020.	Vaccinate 40% of population in 2021, 70% by end-2022. Gov't expects 58mn doses from COVAX (16mn), African Vaccine Acquisition Task Team (AVATT, 42mn). Looking to procure Sputnik V, Chinese vaccines.	Moratorium on government loans. Small credit facilities to support households and SMEs (NGN 50bn) and healthcare (NGN 100bn).	Low – The gov't's public health and economic response capacity both remain very weak.	Medium – Gradual reopening easing economic grievances but could be impacted by rising cases. Mistrust of state institutions, particularly in the majority Muslim north, could affect vaccine rollout.	Oil production, GDP and trade data; response from World Bank to request for a USD 1.5bn loan.
Argentina	Strict, lengthy lockdown failed to limit Covid-19 spread. Intermittent lockdowns highly likely in coming months.	Vaccine rollout started in Dec 2020 but has stuttered at times. Heavy reliance on Sputnik V, deliveries behind schedule. As of 2 Aug, 32.3mn doses administered; 7.26mn people (16% of population) fully vaccinated.	7.3% of 2020 GDP, includes direct cash transfers, freezing of utility tariffs, and lowering of bank loan requirements.	Low – Health system has managed to avoid collapse but remains under pressure. Testing rates remain relatively low.	Medium – Presidential authority boosted by early action but eroded by slow restrictions easing, economic impacts, and scandal over gov't insiders receiving early vaccines. Tensions between Buenos Aires and provincial authorities.	Gov't hoping ramp-up in vaccine deliveries, including CanSino doses over Jul and local production of Sputnik V, will make material difference amid shortages of Sputnik V second doses.

	Measures to contain outbreaks	Vaccination strategy	Economic response	Public health system capacity	Political consensus	Signposts
South Africa	Lockdown measures eased to Level 3 on 25 Jul, including nighttime curfew, limited gatherings, limited alcohol sales.	Plans to vaccinate 35mn people by end-2021 and 40mn by Mar 2022. Rollout delayed but accelerating. Trial phase 1 rollout started 18 Feb; phase 2 on 17 May.	Feb budget targets vaccines, limited Covid-19 grants, and infrastructure. Ballooning debt is forcing fiscal consolidation, but additional relief announced on 25 Jul.	Low – First signs that current third wave has peaked. Health services strained, particularly in Gauteng province.	Medium – Slow vaccine procurement and rollout and corruption are fueling opposition. Politically triggered unrest in Jul briefly disrupted vaccine rollout.	Speed of vaccine rollout amid third wave and unrest. Any procurement from additional manufacturers (AZ, Sinovac, Sinopharm). Vaccine efficacy against variants.

© 2021 Teneo. All rights reserved. This material was produced by Teneo for use solely by the recipient. This communication is intended as general background research and is not intended to constitute advice on any particular commercial investment or trade matter or issue and should not be relied upon for such purposes. The views expressed here represent opinions as of this date and are subject to change without notice. The information has been obtained from sources believed to be reliable but no guarantees can be given as to its accuracy, completeness or reliability. No part of this publication may be reproduced, stored in a retrieval system, or transmitted in any form or by any means, electronic or otherwise, without the prior consent of Teneo.