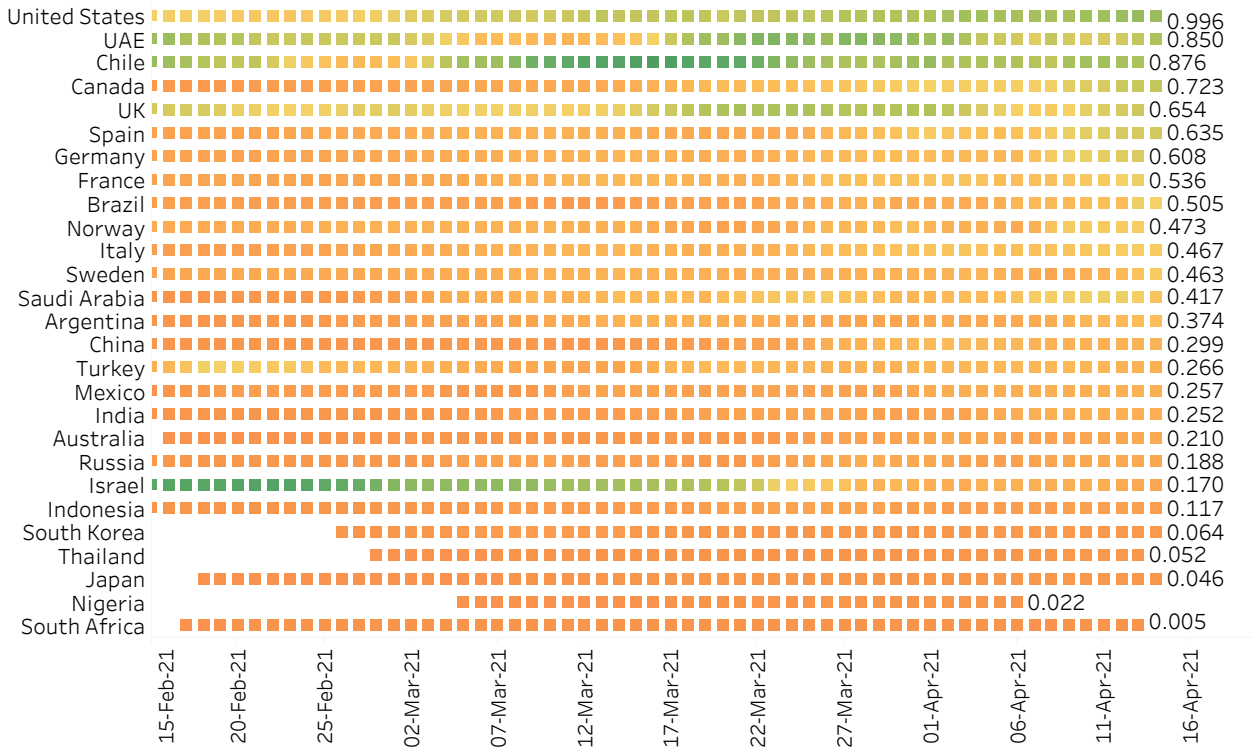


WEEKLY POLITICAL COMPASS

The US-led **global** climate summit will take place this week. International efforts to reduce tensions between **Russia** and **Ukraine** will continue. **Germany's** ruling alliance remains undecided on who should run as its chancellor candidate. In **Peru**, a hard left candidate is leading the polls ahead of the run-off presidential election. Meanwhile, **Japan's** PM faces a test in upcoming by-elections, the government formation process will start in **Bulgaria**, **Brazil's** government handling of the pandemic will be scrutinized by the senate, and rebels appear to be approaching **Chad's** capital.

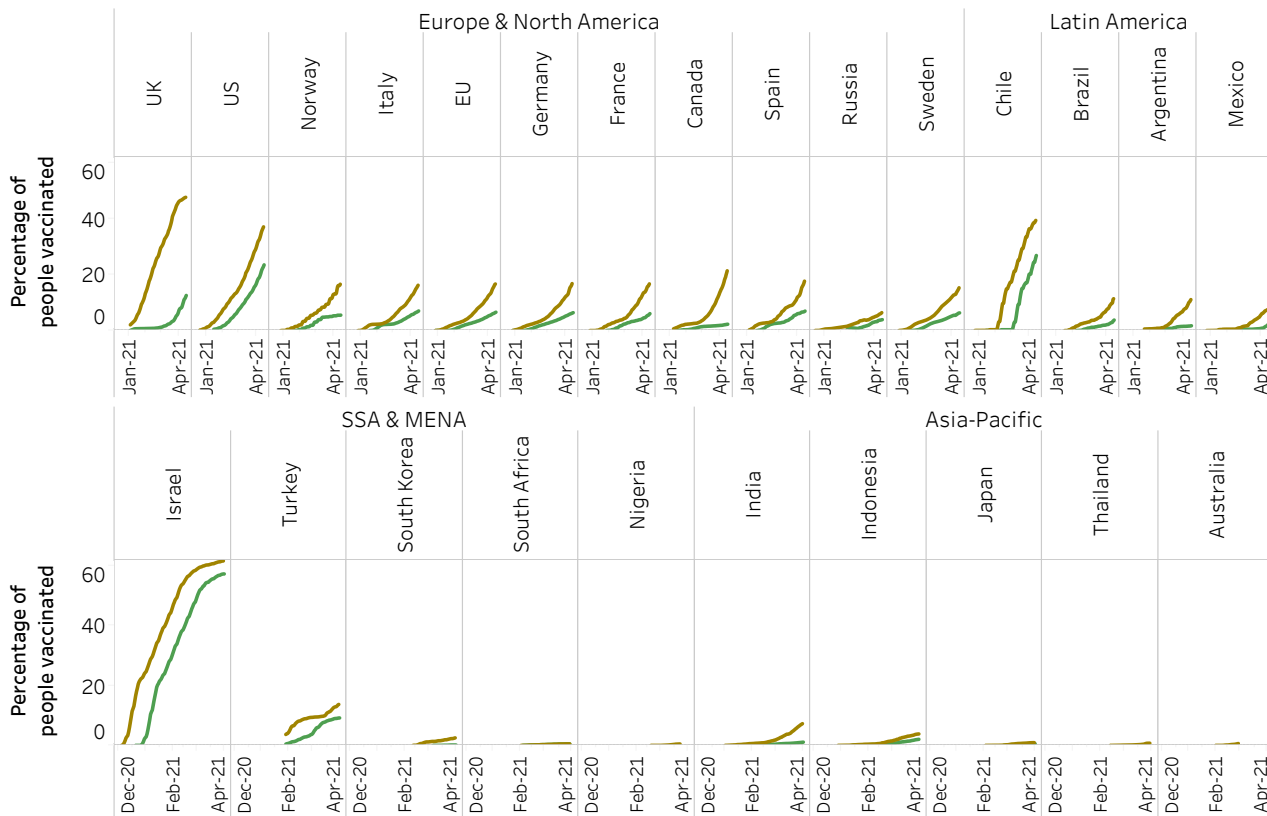
CHART OF THE WEEK

Daily Covid-19 vaccine doses administered per 100 people (as of 16 April 2021)



Vaccine rollout across the globe

■ Uptake first dose ■ Uptake full vaccination



Source: Our World in Data

The rollout of Covid-19 vaccines continues to progress at different speeds across and within regions. There is increasing optimism around the US vaccine rollout, where the daily rate of administered doses is around 1%. **Butmost European countries have also sped up their vaccination campaigns in recent weeks.** Countries such as Spain, Germany and France are now conducting around 0.6 vaccinations per 100 people every day. This rate is very similar to the one observed in the US and the UK in past months, which means that most EU countries are finally catching up. Meanwhile, the temporary suspension of the rollout of the Johnson & Johnson (J&J) jab in US and the EU should not derail vaccination efforts in these countries given the growing availability of other vaccines. However, J&J and AstraZeneca are expected to play a crucial role in combatting the pandemic in much of the developing world. Together, the two vaccines make up one-third of the current portfolio of Covax. Vaccine confidence, which has increased substantially in recent months across rich countries, could be undermined in poorer countries where disinformation campaigns can be particularly harming while alternative options are limited.

WHAT TO WATCH

Macro

Participant countries are preparing for US President Joe Biden's global climate summit this week. Following two days of talks in Shanghai between US climate envoy John Kerry and his Chinese counterpart, Xie Zhenhua, the two countries issued a joint statement on 17 April that projects a tone of cooperation but contains no new specific policies. Separately, President Xi Jinping held a phone call on 16 April with German Chancellor Angela Merkel and French President Emmanuel Macron in which Xi told his counterparts that climate should not become a geopolitical bargaining chip or an excuse for imposing trade barriers.

Russia

A Normandy Four (Ukraine, Russia, Germany and France) advisors' meeting on 19 April will seek to cool simmering tensions between Russia and Ukraine. However, no major breakthrough is expected from this meeting. Meanwhile, President Vladimir Putin's annual address to parliament on 21 April, is expected to focus on the post-pandemic recovery. The speech will be followed by countrywide protests demanding the release of the Kremlin critic Alexey Navalny, whose health condition is precarious. The risk of Western sanctions could increase further this week, depending on Navalny's situation and/or any heavy-handed reaction to public demonstrations.

Germany

Angela Merkel's Christian alliance (CDU/CSU) remains undecided on who should run as the two parties' joint chancellor candidate in September. CDU leader Armin Laschet and CSU boss Markus Soeder continue to vie for the top job. If no agreement has been reached by 20 April, the CDU/CSU group of Bundestag MPs – the alliance's only joint institution – could decide to hold a vote on the issue. That might well be what Soeder is aiming for, given his greater popularity at the grassroots of the much larger CDU. In a much smoother process, meanwhile, the Green leadership has opted for Annalena Baerbock as their first female chancellor candidate.

Peru

The first poll since the 11 April first-round presidential election has Pedro Castillo of the hard left *Peru Libre*(PL) party on 42% of the vote, ahead of his run-off rival Keiko Fujimori of *Fuerza Popular* (FP), who is on 31%. The Ipsos poll has 16% of voters saying they will cast a blank or spoiled ballot, and 11% undecided. The result indicates how Fujimori's anti-vote so far outweighs even the prospect of deep economic uncertainty under a Castillo-led administration. In an article published on 17 April, the notable author and losing presidential candidate in 1990 Mario Vargas Llosa called on Peruvians to vote for Fujimori as the "least worst" option; Vargas Llosa also predicted an erosion of democracy and the possibility of a military coup in the event of a Castillo victory. The next seven weeks of campaigning are likely to be highly unsettled.

ON THE HORIZON

ASIA

Japan

By-elections for two upper house seats and one lower house seat on 25 April are shaping up as a crucial test of Prime Minister Yoshihide Suga's durability. With a general election looming sometime before November – and a Liberal Democratic Party (LDP) leadership election in September – the by-elections, particularly the two upper house seats, will show whether PM Suga is capable of leading the party in a general election. If polls are correct, however, the opposition could be poised to win all three seats. The result would likely be increasingly open opposition to Suga's staying on as party leader past September.

EUROPE

Bulgaria

The government formation process will start this week. The center-right Citizens for the European Development of Bulgaria (GERB) will most likely be given the mandate to form the cabinet. GERB is expected to nominate former foreign minister Daniel Mitov as its prime minister-designate, but his government would have few chances of winning the vote of confidence in parliament. Given the fragmented composition of parliament following the 4 April election, There Are Such People (ITN) is the only party that could potentially succeed in forming a government. However, the party remains silent on its intentions. Otherwise, early general elections would become that most likely scenario.

Turkey/US

Turkey's President Tayyip Erdogan will finally get his first chance to talk to US President Joe Biden – albeit with plenty of other world leaders – during the virtual climate summit on 22-23 April. The next day, however, could mark a new low point in Turkey-US relations as President Joe Biden is expected to officially recognize the Armenian Genocide of 1915-16 on Armenian Genocide Remembrance Day. Although the recognition by other countries in the past of the Armenian Genocide has triggered outrage in Turkey, the reaction has tended to have more bark than bite.

LATIN AMERICA

Brazil

The week will see the appointment of a president and a rapporteur for the Senate parliamentary inquiry committee (CPI) to investigate the handling of the Covid-19 pandemic by the Bolsonaro Administration. It is likely that the CPI will have an anti-government majority and could inflict considerable damage on the president and his government. The increasing weakness of the government comes at a time when negotiations on the 2021 budget must be finalized for presidential sanction before the 22 April deadline. Bolsonaro is likely to veto any part of the budget bill that may be considered to violate the official budget ceiling so as to avoid running any risk of committing an impeachable offense.

MIDDLE EAST AND AFRICA

Chad

The UK and US governments on 18 April withdrew non-essential embassy staff and advised their citizens to leave the country as rebels appear to approach the capital N'Djamena. Fighters of the Front for Change and Concord in Chad, a Libya-based armed group composed of Chadian army dissidents had entered the country on 11 April. There are conflicting messages as to whether the Chadian army was able to destroy a major rebel convoy on 17 April. As recent as 2019, the government of long-term President Idriss Deby (since 1990), who most likely secured another term in the 11

April election, also relied on French air support to quell a similar incursion. The news comes on the heels of the first official creditor meeting following Chad's January request for debt restructuring under the Common Framework.

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