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Office of Research – Innocenti

A LIFELINE AT RISK

COVID-19, Remittances and Children

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Gilmar Zambrana Cruz and Gwyther Rees, UNICEF Office of Research – Innocenti





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Summary

Overview of remittances

- Remittances – money and other assistance sent by migrants, refugees and displaced persons – are a key support for hundreds of millions of families and children around the world.
- Globally, 800 million people – about one in every nine people worldwide – live in households receiving international remittances. In some countries, more than 30 per cent of all children have at least one parent who works and lives away from home.
- In 2019, international remittances amounted to \$548 billion¹ – more than three times greater than the sum of Official Development Assistance worldwide.²
- Remittances equate to 5 per cent or more of gross domestic product (GDP) in 57 countries, areas or territories, and to more than 20 per cent of GDP in 10 of these countries, areas or territories.

COVID-19, remittances and children

- The World Bank estimates that the COVID-19 pandemic may result in a drop in international remittances from \$548 billion in 2019 to \$470 billion in 2021 – a fall of 14 per cent over two years.
- These effects will be felt at a national, community, family and individual level, including through increases in household income poverty. For example, the income poverty rate could increase from 20 to 25 per cent in the Republic of Moldova, and from 29 to 36 per cent in Kyrgyzstan.
- The projected drop in remittances also presents risks to children's physical health, mental health and education, as well as potential increases in child marriage and child labour.

Responses

- Migrant workers are at risk of being doubly excluded from the socio-economic response to COVID-19, being absent from their country of origin and often ineligible for social protection in their host country. Migrant workers will also be in need of support if they return to their country of origin.
- Their families of origin risk missing out on relief measures targeting workers, and not qualifying for support that overlooks the 'new poor'.
- A comprehensive response to these issues is needed, incorporating:
 - support for international migrant workers in their host country
 - measures to maintain remittance flows during the pandemic period
 - support for returning migrant workers, remittance-receiving households and children
 - international cooperation on social protection.

Millions of children around the world, particularly in low- and middle-income countries (LMICs), live in households that receive money and other forms of support from a family member who has moved abroad, or to another part of the same country, to work. This form of assistance – referred to as ‘remittances’ – can alleviate household poverty and is often a key support for children’s development.

In times of global economic uncertainty, however, remittances can be an unstable source of income for families. The COVID-19 pandemic is disproportionately affecting migrant workers’ job security, making it more difficult to send remittances. At the same time, families receiving remittances are facing their own economic and health challenges, meaning that the continuation of remittances is vital to keep them from slipping into poverty. This briefing paper outlines the potential risks of reduction in remittances due to the pandemic for children in households receiving remittances and what can be done to minimize these risks.



Remittances and children

The total number of children who live in households receiving remittances – often described as ‘left-behind’ children³ – is not precisely known. It has been estimated that there are about 164 million international migrant workers sending remittances and 800 million people – about one in every nine people worldwide – living in households receiving them.⁴ Many of the recipients will be children. Estimates for individual countries indicate substantial proportions of left-behind children (see *Figure 1*). It is likely that most of these children live in households receiving remittances.

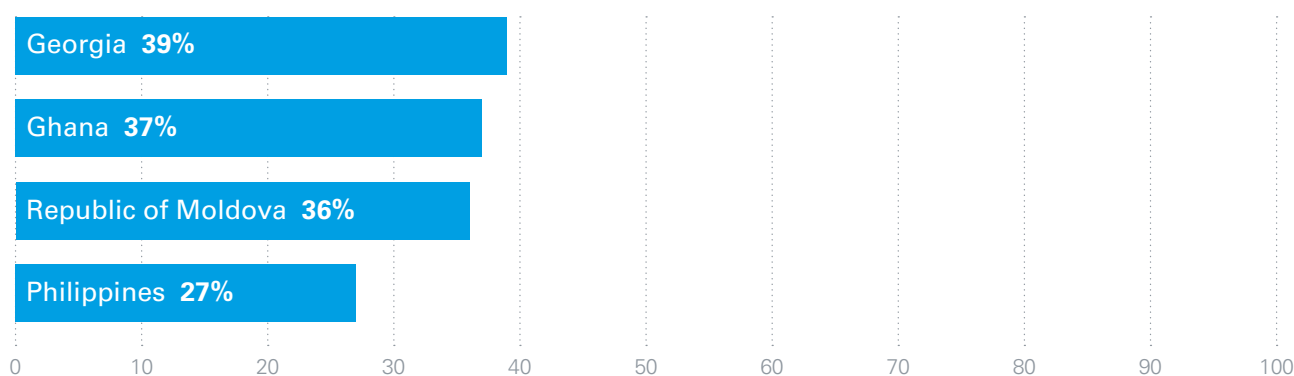
There is also substantial internal migration in some countries. For example, it is estimated that in China almost 70 million children are left behind by one or both parents. This includes over 40 million children – more than one in four children – in rural areas.⁵ For technical reasons, the scale of internal migration in any country is very difficult to estimate (see *Box 1*).

The impact on children of family members working away from home and sending remittances occurs through two key pathways. The first pathway is

economic. In general, the evidence suggests a positive impact in alleviating household monetary poverty.⁶ Some research has found that remittances increase consumption or investment.⁷ Under usual circumstances, remittances can also prove helpful in coping with other types of household economic and environmental shocks.⁸ For example, analysis in the Philippines in 1997/98 indicated that, when other sources of household income were negatively affected by environmental shocks, remittances increased.⁹ Increases in remittances have been shown to be associated with increased spending on children’s education in some geographical regions.¹⁰ An analysis of studies conducted in 30 countries found that international remittances increase education expenditure by 53 per cent in Latin America and the Caribbean, and by about 35 per cent in other regions, with the exception of Eastern Europe and Asia (i.e. China) where there was no significant pattern.¹¹

The second pathway is relational. The absence of a family member, especially a parent, will change the

Figure 1: Estimates of the proportion of left-behind children in selected countries



Source: Antia, K. et al. (2020). Effects of international labour migration on the mental health and well-being of left-behind children: A systematic literature review. *International Journal of Environmental Research and Public Health*, 17(12), 4335, <https://doi.org/10.3390/ijerph17124335>.

household dynamics, and a child may experience the person's absence negatively – whether through missing out on a key relationship for periods of their childhood or by having to assume additional responsibilities in the household, like taking care of younger siblings or elderly relatives.

The fact that these two pathways can work in opposite directions may explain the variable evidence on the physical and mental well-being of children in remittance-receiving households.¹²

A global overview of remittances

Globally, remittances represent a private source of capital more than three times greater than the total amount of Official Development Assistance disbursed worldwide; in 2019, remittances overtook foreign direct investment in their total value.¹³

The flow of remittances is largely from high-income countries, where migrant workers reside, to LMICs, from which they originate. Remittance flows also occur within countries.

BOX 1

Challenges in measuring the number of migrant workers sending remittances

The number of international and internal migrant workers globally who send remittances back home has not been estimated. There are challenges in both accurately calculating the total number of migrant workers worldwide and in identifying which migrant workers are sending remittances since many of them do so using informal channels. It is estimated that, in 2019, the total number of international migrants worker globally reached 272 million – equivalent to 3.5 per cent of the world population. The estimation of migrant workers was 164 million in 2018. These numbers are underestimated, owing to methodological differences in how migrant workers are registered in different countries, the difficulty of following

migration flows and the challenges that countries face in tracking undocumented migration. In addition, the 26 million refugees and 3.9 million stateless persons recorded in 2019 may also send remittances.¹⁴

There are technical difficulties in estimating the scale of internal migration in a country. Numbers will vary according to the geographical unit used to define when a migration event has occurred. One of the few available global estimates of internal migration put the number of internal migrant workers at 740 million in 2009.¹⁵ The substantial number of internally displaced persons – estimated at more than 41 million people globally in 2019 – may also send remittances.¹⁶

Where do migrant workers reside?

There are at least 164 million international migrant workers, most of them residing in high-income countries (68 per cent); 29 per cent in middle-income countries and 3 per cent in low-income countries.¹⁷ The majority of migrant workers live in countries in Northern, Southern and Central Europe (24 per cent) and in the United States of America (20 per cent), followed by the Arab States of the Persian Gulf (14 per cent). There is a lower concentration of migrant workers living in countries in Eastern Europe (8.1 per cent), sub-Saharan Africa (7.3 per cent), South East Asia and the Pacific (7.1 per cent) and other regions (see Figure 2).¹⁸ Many of these migrant workers send remittances to their family back home.

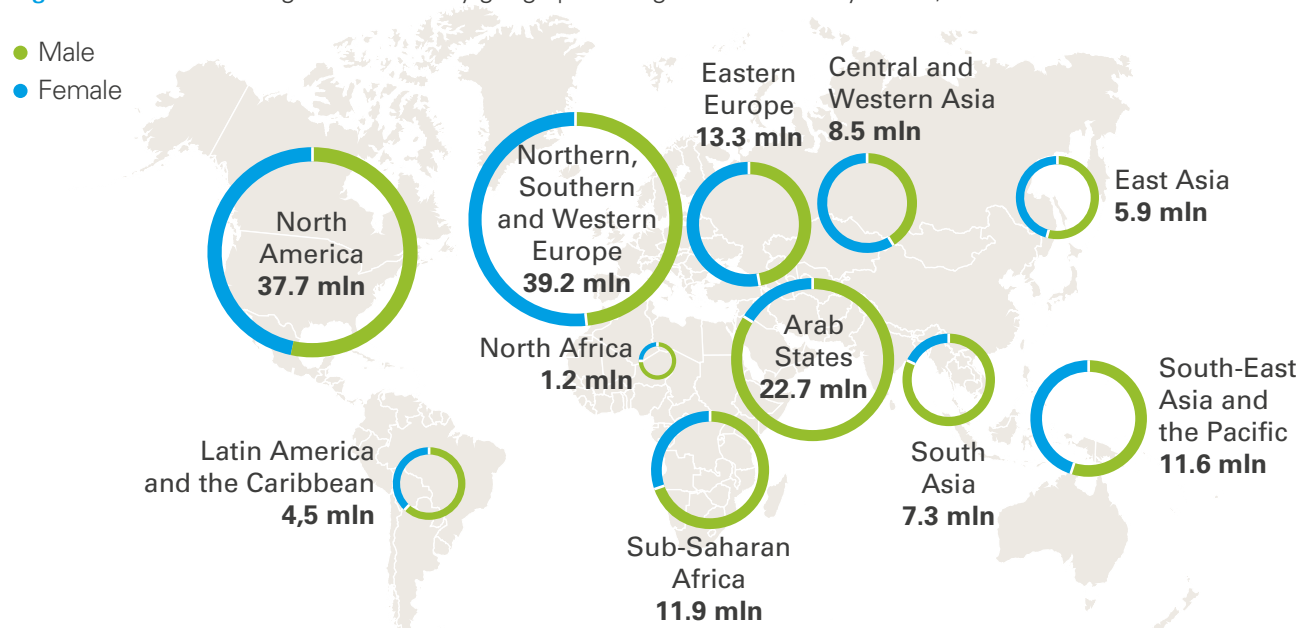
The gender balance differs across regions. In the Arab States and South Asia, more than 80 per cent

of migrant workers are men; in North Africa, sub-Saharan Africa, and Latin America and the Caribbean, men account for 60 to 75 per cent of migrant workers. In Central and Western Asia, on the other hand, 59 per cent of migrant workers are women. In other regions, the gender balance is more even.

These patterns are dependent on both labour mobility policies in the host countries and prevailing gender norms. The picture is not static and changes in the composition of migrant workers over time may change the flow of remittances. For example, a recent study found that increases in the proportion of migrant workers who are university-educated women are associated with increased levels of remittances at the country level.¹⁹

Migrant workers are also diverse in terms of their skills and the sectors in which they work.

Figure 2: Number of migrant workers by geographical region in which they reside, 2017



Note: The designations employed in this publication and the presentation of the material do not imply on the part of the United Nations Children's Fund (UNICEF) the expression of any opinion whatsoever concerning the legal status of any country or territory, or of its authorities or the delimitations of its frontiers.

Source: International Labour Organization (2018). *ILO global estimates on international migrant workers: Results and methodology*, 2nd ed. Geneva: ILO.

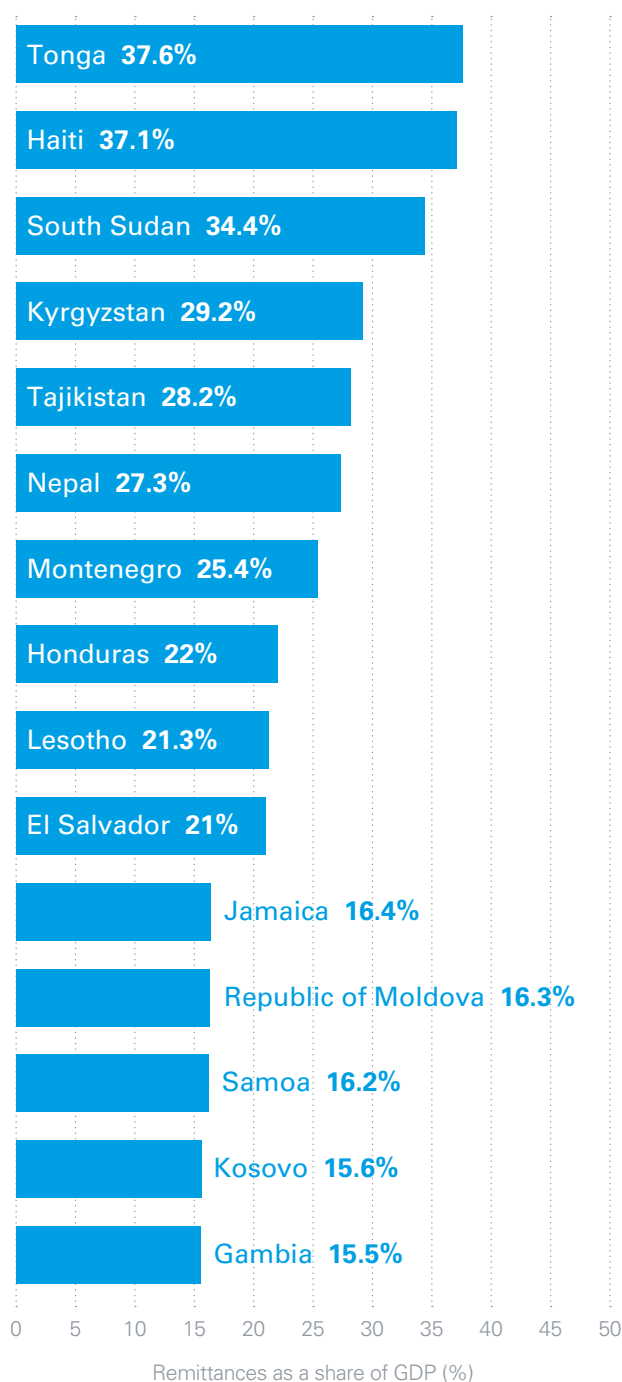
To where do remittances flow?

Of the \$548 billion in remittances sent to LMICs in 2019, nearly 46 per cent of remittances went to just six countries – India (\$83 billion), China (\$68 billion), Mexico (\$39 billion), the Philippines (\$35 billion) and Egypt (\$27 billion).²⁰

For many countries, remittances represent an important part of the economy. In at least 57 countries, areas or territories, remittances equate to 5 per cent or more of gross domestic product (GDP).²¹ *Figure 3* shows the 15 countries or territories with the highest share of remittances as a proportion of GDP; these are spread across different geographical regions. Although these 15 countries or territories only receive about 6 per cent of the total remittances directed to LMICs, their level of dependency on remittances makes their communities and economies extremely vulnerable to the shocks of the COVID-19 pandemic. Non-financial remittances may also be important in some regions. For instance, in some African countries, sending food remittances is a common practice in migrant families.²²

The macroeconomic effects of remittances are complex. According to a review of 95 studies, the effects of remittances on economic growth were found to be positive in 40 per cent of studies, neutral in another 40 per cent of studies and negative in the remaining 20 per cent of studies.²³ The lack of conclusive evidence of a positive impact of remittances on economic growth may be partly due to data and methodology issues. It may also be attributable to the fact that the emigration of workers not only leads to remittances, but can also reduce economic production and/or weaken institutional capacity within a country.²⁴ There is clearer evidence, however, of the positive effects of remittances in terms of poverty reduction.²⁵

Figure 3: List of the 15 countries or territories most dependent on remittances



Source: World Bank (2020). *Migration and remittances data*. Retrieved September 30, 2020 from <https://www.worldbank.org/en/topic/migrationremittancesdiasporaissues/brief/migration-remittances-data>

COVID-19 and remittances

The COVID-19 pandemic has created new risks for migrant workers and remittance-receiving households, as well as for the economies of those countries that rely most heavily on remittances.

First, on a macro level, the pandemic and its consequences are harming economic growth in all countries across the world. In October 2020, the International Monetary Fund forecast that real GDP growth globally will shrink by 4.4 per cent on average in 2020, with the reduction ranging from about 3.3 per cent in emerging and developing economies to 5.8 per cent in advanced economies.²⁶ The current (November 2020) resurgence of the virus and the renewed implementation of lockdowns in some countries will further contract economic growth. The World Bank has estimated that international remittances to LMICs will decrease by 7.2 per cent, dropping from \$548 billion in 2019 to \$508 billion in 2020, followed by a further decline of 7.5 per cent to \$470 billion in 2021.²⁷ This reduction, if it materializes, will

be the sharpest decline in remittances in recent history, larger even than the reduction seen during the global financial crisis of 2008-2009.

The projected decline in remittances received in LMICs varies substantially across geographical regions (*see Table 2*). Europe and Central Asia, East Asia and the Pacific, and sub-Saharan Africa may experience a larger reduction in remittances in 2020, followed by a lower rate of decrease in 2021. In contrast, Latin America and the Caribbean, and South Asia may witness a relatively low decrease in remittances in 2020 but a significant reduction in 2021. Finally, the Middle East and North Africa region may experience an important reduction in remittances in both years.

Preliminary data show that the picture is more complex for individual countries. For instance, Armenia, El Salvador, Georgia, Guatemala, Honduras and Kyrgyzstan experienced a sharp decline in remittances during the first months of

Table 2: Annual percentage growth in remittances received per region in low- and middle-income countries

Region	2019	2020f	2021f
Total: LMICs	4.3	-7.2	-7.5
East Asia and the Pacific	2.2	-10.5	-4.2
Europe and Central Asia	4	-16.1	-7.5
Latin America and the Caribbean	8.2	-0.2	-8.1
Middle East and North Africa	3	-8.5	-7.7
South Asia	6.1	-3.6	-10.9
Sub-Saharan Africa	0.5	-8.8	-5.8

Note: f = forecast. Source: Ratha, D. (2020). *Migration and development brief 33: Phase II – COVID-19 crisis through a migration lens*, Washington, D. C.: KNOMAD-World Bank.

2020. By June, however, the level of remittances had started to show some recovery. In contrast, countries like Egypt, Kenya, Mexico and Pakistan experienced a slight decline at first, but the level of remittances recovered immediately and showed positive growth.²⁸ Indeed, for this latter group of countries, the overall accumulated remittances may be higher in 2020 than 2019. These country trends reveal a similar pattern in the resilience of remittances that has been observed consistently in previous health and economic crises.²⁹

Maintaining the flow of remittances during the COVID-19 pandemic depends both on migrant workers' continuing ability to earn and on the availability of channels via which to send remittances. Many migrant workers are particularly vulnerable to the economic impact of COVID-19: they are more likely to have temporary contracts or informal work arrangements; their earnings are typically lower, which also affects their saving capacity; and they are less likely to be in jobs that can be performed from home.³⁰ These circumstances make migrant workers more vulnerable to lose their jobs because of the pandemic. Partial estimations report that 66 per cent of migrants have lost access to work as a result of COVID-19.³¹ For migrants working in key sectors like health and agriculture, the risk of contagion is higher due to precarious working and living conditions. For example, migrant farm workers in the northern hemisphere tend to have minimal labour rights, are often underpaid, work excessive hours and live in crowded places.³² Many migrant workers are also ineligible for financial support in their host country. For instance, migrant workers' residence status typically determines their access to social protection systems.³³ Their eligibility may depend on length of residence, legal status and/or whether they engage in formal or informal work. At the same time, migrant workers

may be prevented from returning home due to pandemic-related travel restrictions.

All of these risks mean that migrant workers may become unable to earn money because of loss of work and/or they may send fewer or lower-value remittances to their family (*see case studies 1 and 2 in section 3*). In many cases, therefore, the flow of remittances to households in countries of origin will be unreliable and unpredictable. It is known that migrant workers use strategies such as reducing expenditure, using up savings and changing jobs to continue to be able to send remittances to their left-behind family in their country of origin. These exceptional efforts may be unsustainable, however, if the pandemic continues to affect the health and economy of communities across the globe.

Additionally, lockdowns can affect the capability of migrant workers to send remittances even when they are able to earn. This is especially true for those who prefer to use informal channels owing to the high fees charged by formal remittance channels or because they lack the documentation required to access those channels (e.g., undocumented migrants). Female migrant workers are more likely than their male peers to face difficulties in sending remittances as they more often tend to rely on in-person cash transfer services, which will be less accessible during lockdowns.³⁴ Variation in exchange rates may also positively or negatively affect the value of remittances received.

The potential impacts on children

As remittances are an important source of income for large numbers of children worldwide, the known and predicted declines in remittances due to the pandemic are likely to have substantial and multifaceted negative impacts on children.

A primary impact of increases in household poverty will be on child poverty. Unreliable and unpredictable remittance flows present a major economic threat and a risk to those households that depend on them. In countries where many families rely on remittances the effects can be devastating. For instance, based on preliminary assessments, poverty among families in the Republic of Moldova receiving remittances has increased from 20 to 25 per cent in 2020, while in Kyrgyzstan child poverty may increase from 29 to 36 per cent (*see case studies 1 and 2* in section 3).

The increased economic pressures on households resulting from a fall in remittances will often have additional impacts for children:



Nutrition: Families may cut back on the frequency and quality of meals to compensate for a fall in remittances. In the Republic of Moldova, 12 per cent of remittance-receiving families interviewed have already reduced the quantity and quality of meals, with possible consequences for the nutrition status of children (*see case study 1* in section 3).



Education: Many families forced to deal with a decline in remittances may be unable to afford to keep all children in school. In addition, the demands of caring and household responsibilities – which may grow during the pandemic – are known to affect children's educational progress and lead to increased school drop-out rates, in some contexts affecting girls more strongly than boys. Where schools remain closed for a long time, many children may not return following their reopening.





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Physical health: As with education expenditure, a fall in remittances may reduce household health expenditure on children.



Mental health: Children's mental well-being may be adversely affected by concerns for the family member who has migrated for work and may now be in precarious economic circumstances, facing health risks and unable to return to home.



Caring and household responsibilities: In many remittance-receiving families, caregivers may need to take on extra paid work to make up the deficit in income, and consequently children may be asked to take on additional caring and household responsibilities. Extra strain on children may be created if household members become infected with COVID-19. For the many children left behind with their grandparents, a high-risk group for COVID-19 complications, this creates particular risks (e.g., risk of neglect).



Child labour: Increased economic pressures due to a decrease in remittances may also lead to growth in child labour as a source of household income. An example of this is when remittances in Mexico fell as a result of the impact of the 2007–2008 global financial crisis and, in remittance-receiving households, children's school attendance decreased while child labour increased.³⁵ The risk may be heightened in the current situation, where schools around the globe are closed and access to remote learning is irregular – some children who work while their schools are closed are at risk of dropping out of school.



Child marriage: Another potential impact of a fall in remittances is an increase in child marriage. Faced with economic difficulties, families may decide – as a coping mechanism – to marry off their children (usually girls).³⁶

Policy responses

Because of the above risks, it is essential that policy responses to the COVID-19 pandemic take account of and are inclusive of the specific needs of remittance-receiving households and the children within them. There are at least four potential areas of action to avert negative consequences for children (see Figure 4).

Figure 4: Potential areas of action to support remittance-receiving children and families during the COVID-19 pandemic

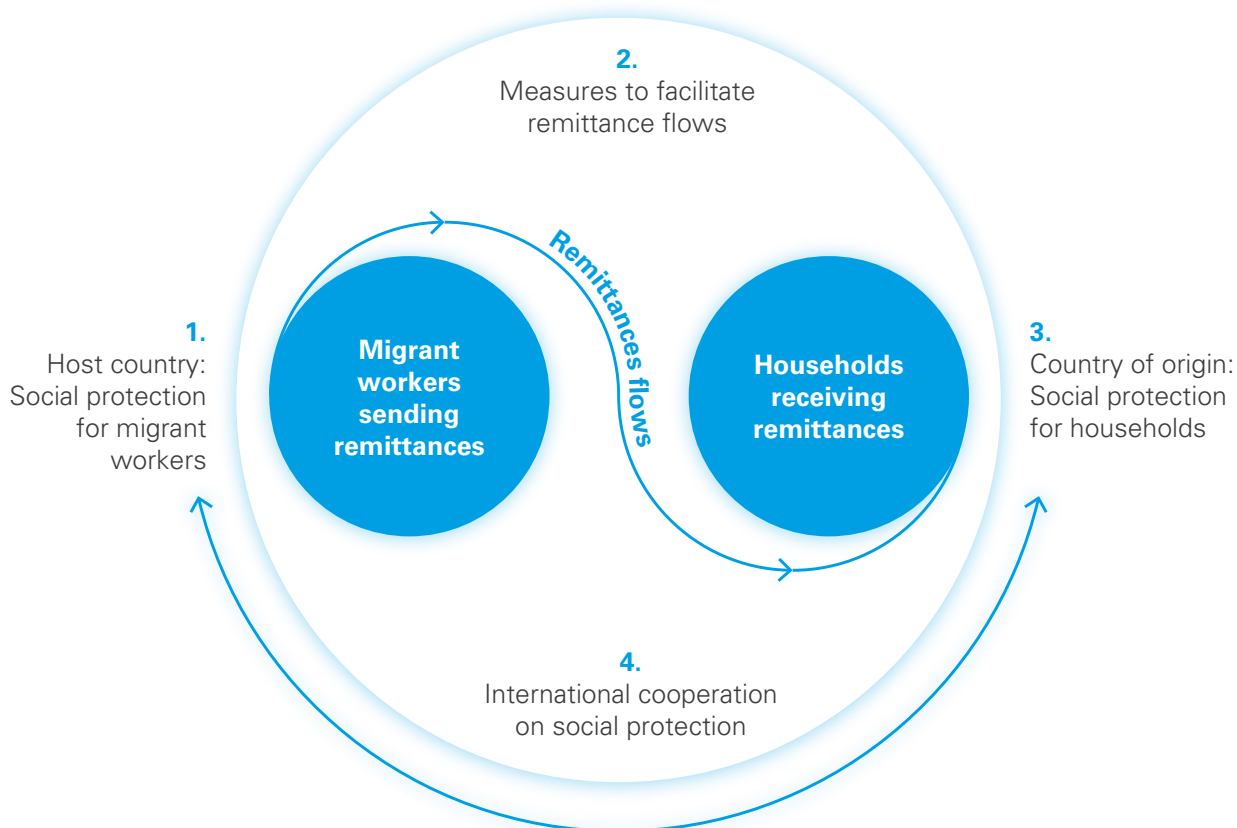


Table 3: Examples of policy responses for migrant workers due to COVID-19

Category	Policy response	Country, area or territory
Migration status	Regularization of migrant workers (some sectors only)	Italy (c)
	Regularization of migrant workers, refugees and others working in the health sector	Peru (f), Chile (f), Argentina (c), Ireland (f), Turkey (f), United States (c), Canada (c), Colombia (c), France (c), Spain (c)
	Regularization of migrant workers/extension of visas to work in the agriculture sector	Germany (b), Canada (b), Australia (b), New Zealand (b), Greece (c)
	Temporary citizenship rights for all migrant workers and asylum seekers	Portugal (d), São Paulo (Brazil) (c)
	Extension of visas/resident permits for migrant workers (some or all sectors)	Bulgaria (c), Canada (c), Colombia (c), Croatia (c), Estonia (c), France (c), Greece (c), Italy (c), Japan (c), Kenya (c), Kosovo (c), Mauritius (c), Poland (c), Republic of Korea (c), Russian Federation (c), Spain (c), United Kingdom (c)
Health interventions	Free treatment for migrant workers with a valid work permit	Kazakhstan (c), New Zealand (c)
	Free medical attention for all those infected with COVID-19, irrespective of legal status	Colombia (c), Brazil (c), Belgium (d), Chile (d), Finland (d), France (d), Germany (d), Hungary (c, d), Israel (d), Mexico (d), Portugal (c, d), Spain (d), Switzerland (d), United Kingdom (e), Québec (Canada) (c), Republic of Korea (c), Malaysia (c), City of Gdańsk (Poland) (c), Saudi Arabia (c)
	Free tests for migrant workers returning to their country	Ireland (c)
	Equal access to the national health service and treatment as regular beneficiaries	Portugal (e), British Columbia (Canada) (c), Peru (c)
	Temporary extension of resident permits to enable access to health services	France (c), Spain (c)
Economic and financial support	Extension of unemployment insurance to include migrant workers	China (a), Ireland (c)
	Financial and credit support to small businesses owned by migrants	India (a), South Africa (f)
	Salary support for migrant workers who are in quarantine or undergoing COVID-19 treatment	Qatar (a)
	Continuing to pay incentives to refugee teachers during school closures	Burkina Faso (f), Chad (f), Guinea (f), Liberia (f), Turkey
	Cash support to migrant workers who hold a residence permit	Italy (c), Canada (c), Argentina (c), Brazil (c), Costa Rica (c), Hong Kong, China (c), Iraq (c), Italy (c), Netherlands (c), New Zealand (c), Norway (c), Spain (c), Tunisia (c)
Other	Cash support to undocumented migrants	California/Oregon (United States) (c), Tunisia (c)
	Access to benefits in advance (e.g., pensions)	Australia (c)
	Private sector to ensure appropriate accommodations and facilities for migrant workers during the pandemic	Bahrain (f), Canada (b)

1. Social protection and related responses for migrant workers in the host country

The first area of action is to provide social protection and other necessary support for migrant workers, which can enable them to maintain their ability to send remittances home. Achieving this is dependent not only on the level and nature of social protection responses in the host country, but also on the extent to which these responses are inclusive of migrant workers.

The pandemic has reminded us again of the important position that migrants occupy in host countries. Their contribution to economic growth, innovation and diversity is well documented.³⁷ During the pandemic, migrants have occupied crucial positions on the front line of the response, working as doctors, nurses and drivers, and in food production and supply. In European Union countries, on average, 13 per cent of key workers are migrants.³⁸ Providing migrant workers with support is not only a fundamental human rights issue, but it is also in the best interests of everyone – the migrant workers themselves and the countries and communities in which they live and work. Countries have responded in diverse ways to counter the effects of the COVID-19 pandemic – from introducing fiscal incentives to implementing health

and social protection responses. Migrant workers may be excluded from existing, pre-pandemic social protection systems, however, or these systems are not tailored to their needs.³⁹ Some countries have taken positive steps to ensure that social protection responses to the pandemic are inclusive of all migrant workers in the country, irrespective of legal status and length of residence. *Table 3* shows examples of policy responses for migrant workers that are being implemented by countries, areas or territories in response to the pandemic. Responses can be placed in one of three categories: (i) migration status; (ii) health interventions; and (iii) economic and financial support.

- **Migration status:** The three kinds of responses are extending, regularizing or waiving residency criteria or giving legal residency to migrant workers to allow them access to health and other social protection services; interventions that aim to provide residency to migrant workers in key areas where migrants' work is needed (e.g., health and agriculture sectors); and responses related to visa or residence permit extensions.
- **Health interventions:** These include guarantees of free testing and treatment for COVID-19 and temporary universal access to the country's health system, irrespective of legal status.

Source (Table 3): (a) International Monetary Fund (2020). *Policy Responses to COVID-19*. IMF. Retrieved November 2, 2020 from www.imf.org/en/Topics/imf-and-covid19/Policy-Responses-to-COVID-19

(b) Neef, A. (2020). Legal and social protection for migrant farm workers: lessons from COVID-19. *Agriculture and Human Values*, 37, 641–642.

(c) World Bank Group (2020) [Potential responses to the COVID-19 outbreak in support of migrant workers: "Living Paper"](#) Version 10 (June 19, 2020). Washington DC: World Bank Group.

(d) Organisation for Economic Co-operation and Development (2020, October 19). *OECD Policy Responses to COVID-19: What is the impact of the COVID-19 pandemic on immigrants and their children?* Retrieved November 2, 2020, from www.oecd.org/coronavirus/policy-responses/what-is-the-impact-of-the-covid-19-pandemic-on-immigrants-and-their-children-e7cbb7de;

(e) Ratha, D.K., De, S., Kim, E.J., Plaza, S., Seshan, G.K. & Yameogo, N.S. (2020a). *COVID-19 crisis through a migration lens* (English). Migration and Development Brief no. 32. Washington DC: World Bank Group.

(f) United Nations (2020). *Policy Brief: COVID-19 and people on the move*. New York: United Nations.

- **Economic and financial support:** The range of support includes credits for businesses, maintenance of salaries during the pandemic, cash support (temporary or permanent) for workers, and support to employers to guarantee safe working conditions for employees. Including migrant workers in these support schemes may represent temporary emergency support during the pandemic only or it may reflect a broader commitment to make social protection systems more inclusive of migrants.

Although these are important steps, there must be greater recognition of the human rights of all migrants to decent wages, social protection and safe working conditions,⁴⁰ as well as portability of benefits. The International Labour Organization recommends that social protection systems are available to all residents.⁴¹







CASE STUDY 1

Brazil: Social protection systems that are inclusive of migrant workers

The context

Brazil has a legal system that has been inclusive of migrant workers for many years. Every migrant and refugee has the right to access the social protection system on the same conditions as the local population. Access is granted even to migrants who do not hold permanent residency; they need to show provisional documentation only, which can be facilitated by local authorities.

The social protection system in Brazil is articulated by the Unified Social Assistance System, which established public structures to plan and implement a holistic social protection system. This enables access to basic social protection support for vulnerable populations and to special social protection support for more specialized cases. Migrants and refugees have access to this system following their registration in Cadastro Único (the Brazilian Unified Registry), which enables the Government of Brazil to identify the poor population and its needs, and to deliver the programmes and services required by this population.

Among the support that migrant workers are eligible to receive is the Bolsa Família cash transfer

programme, as well as interventions for victims of violence. The Bolsa Família programme provides basic financial support to eligible families in the form of a cash transfer, with top-up payments based on the household's number of children, number of adolescents and income level. The cash transfer is conditional on school attendance and the use of health care services.

Venezuelan refugee crisis

By December 2019, more than 260,000 Venezuelan refugees had been registered in Brazil. This inflow exerted great pressure on the capacity of some states (Roraima, Pará and Amazonas) to deliver social protection services. In response, the federal government, with the support of United Nations agencies and civil society organizations, implemented Operação Acolhida to provide humanitarian assistance (e.g., food, shelter and health care) and support the registration of refugees to access the social support system. The initiative also reallocated refugees from overcrowded states to other states, alleviating pressure. By February 2020, 32,000 Venezuelan refugees were registered in Cadastro Único and 16,700 refugees were in receipt of Bolsa Família support (7,178 families).



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Brazil 

Challenges and bottlenecks of the social protection system

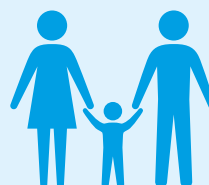
Although Brazil facilitates access to the social protection system for all migrants and refugees, the refugee inflow highlighted some limitations and bottlenecks to providing protection to migrants. Chiefly, not all states have the human resources and institutional capacity to provide adequate support. Other key issues are lack of clarity around workflows; difficulties in registering migrants; insufficient guidance and support for families to receive the Bolsa Família cash transfer, especially when they breach the programme conditions; and lack of information about other available services.

COVID-19 response

During COVID-19, there has been a horizontal expansion of Bolsa Família, to encompass an additional 1.2 million families. In addition, in April 2020, a temporary, cash-based emergency support was implemented, giving families \$120 per month for five months. For single mothers, this support amounts to \$240 per month. About 67 million people, including migrant workers, have already benefited from this emergency support. The support has since been extended until December 2020 to provide monthly payments of \$60 per family or \$120 for single mothers. Additionally, resources were transferred to states and municipalities to adapt and maintain services. Migrants and refugees can access all of this support with provisional documentation provided by local authorities.



By December 2019
more than 260,000
Venezuelan refugees
 had been registered in Brazil



By February 2020
32,000 Venezuelan
refugees
 were registered in Cadastro
 Único and
7,178 families
 were in receipt of Bolsa Família
 support

Source: United Nations Children's Fund (2020). Migration and Access to Social Protection in Selected Municipalities in Brazil., Brasília: UNICEF.

ii) United Nations Children's Fund (2018). 'Programa Bolsa Família en la crisis Humanitaria derivada de la Migración de Venezolanos en Roraima Brasil', PowerPoint presentation.

iii) United Nations Children's Fund (2020). 'Protección social para población migrante y desplazada en Brasil', PowerPoint presentation, UNICEF, 2020.

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We are grateful for the contributions to this case study from UNICEF Brazil colleagues Liliana Chopitea, Chief of Social Policy and Monitoring and Evaluation; Santiago Varela, Social Policy Specialist; and Higor da Cunha, South-South Cooperation Officer.



CASE STUDY 2

Canada: Policy response of a host country for migrant workers during the pandemic

Canada's federal government and several of its provincial governments have implemented policy responses for migrants during the COVID-19 pandemic. The responses cover various aspects of the lives of migrants in Canada, especially for temporary foreign workers (TFWs). Several responses have been implemented on a temporary basis only. To ensure an inclusive economic recovery, any temporary response should also provide a clear pathway to permanent residency, to allow TFWs full access to services beyond the pandemic.

Economic and financial support for migrant workers

TFWs are eligible to receive the Canada Emergency Response Benefit (CERB) under the same conditions as Canadians. CERB provides \$500 per week for up to 16 weeks to those who have lost their job or stopped receiving income for reasons related to COVID-19. Since May 2020, TFWs have benefited from a waiver that removed the condition to provide proof of a valid work permit or renewal of an expiring permit by email to receive CERB. Under the new International Mobility Program, it is mandatory for employers to allow migrant workers

to complete their 14 days of quarantine on arrival in Canada and pay them for that period, even if they do not work while in quarantine.

Extension of residency status and facilitating entry to Canada

TFWs whose permits expired prior to renewal by the federal immigration authorities can remain in Canada and maintain the same residency status. Foreigners holding a work visa and TFWs have been allowed to enter Canada even with border restrictions in place, as long as they quarantine for 14 days.


Facilitating work in key sectors

In Canada, the new Agri-Food Immigration Pilot (AFIP) programme is under way. This three-year pilot programme targets labour shortages in the meat processing, year-round mushroom and greenhouse crop production, and livestock raising industries. Annually, 2,750 applications to the programme will be accepted, providing a pathway to permanent residence. A new policy also enables TFWs who have lost their job in Canada but hold a new job offer to receive approval to start the new job while



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Canada 

their work permit application is being processed. This policy has been created because many TFWs work in industries where there are currently shortages. Several Canadian provinces are also using migration programmes to facilitate the inflow of workers to sectors in need of labour owing to COVID-19. Prince Edward Island aims to attract essential workers in the health and transportation (trucking) sectors, Québec aims to attract workers in the health sector and Nova Scotia aims to attract nurses specifically.

Measures implemented at the provincial level

British Columbia: TFWs with a permit of less than six months, who are ineligible for Medical Service Plan coverage, have been provided temporary coverage under the plan.

Ontario: Costs related to COVID-19 services will be covered for uninsured people who do not meet the criteria for Ontario Health Insurance Plan coverage.

Québec: Free tests and treatment for COVID-19 are provided to any person living in Québec, irrespective of legal status. Several compensation programmes for workers who have lost their job due to COVID-19 have been implemented, and migrant workers, international students, refugee claimants and refugees are all eligible for this support. In addition, TFWs with expired permits will be able to benefit from continued access to the provincial health insurance scheme for six months.



CERB provides
\$500 per week for up to 16 weeks

to those who have stopped receiving income for reasons related to COVID-19



Several Canadian provinces are also using migration programmes to
facilitate the inflow of workers

to sectors in need of labour owing to COVID-19.

Source: World Bank Group (2020). *Potential responses to the COVID-19 outbreak in support of migrant workers: "Living paper"* Version 10 (June 19, 2020). Washington DC: World Bank Group.

Canadian Council for Refugees (2020). Migrant workers - the issues. Retrieved November 13, 2020, from <https://ccrweb.ca/en/migrant-workers-issues>

We are grateful for the contributions to this case study from Lisa Wolff, Director Advocacy and Education, Canadian UNICEF Committee.

2. Measures to facilitate remittance flows

The second area of action is to facilitate and ease remittance flows during this period. The COVID-19 pandemic, and responses to it, may have disrupted the usual mechanisms for sending money. Due to pandemic-related restrictions, many remittance service providers have had to close their doors. Even where these services are still available, migrant workers may face barriers in reaching them. Many migrant workers usually rely on informal channels to send remittances as they cannot access formal remittance service providers – either because of prohibitively high fees or because they do not hold the residency documents required to open an account or send and receive money. These informal channels are heavily disrupted during lockdowns. New ways to send remittances using digital technology have the potential to overcome



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some of these challenges. In Fiji, remittances using digital channels increased by 68 per cent from March to April 2020.⁴² *Figure 5* presents some other examples of actions taken by individual countries to facilitate remittance flows.

3. Social protection and related responses in the country of origin

The third area of action is to ensure that effective social protection mechanisms are in place for remittance-receiving families in the country of origin. The COVID-19 pandemic presents some specific challenges in this respect. Some such families may, under usual circumstances, have sufficient income from remittances and other sources to be ineligible for social protection, particularly social assistance. But the sporadic nature or complete loss of remittances during the pandemic period may mean that they suddenly fall into poverty. Responses that use previous eligibility criteria or that are based on measures such as wage substitution may exclude these households. Therefore, unless there is universal social protection coverage, there is a need to design responses that take into account the specific circumstances of remittance-receiving households.

Alongside social protection responses, it is important to consider some of the specific potential vulnerabilities of children in remittance-receiving households, as highlighted above, and consider what additional support may be required – for example, to avoid children in these households dropping out of school. Finally, where migrant workers return home, it will be necessary for their country of origin to provide them with additional immediate and ongoing support.⁴³ During the pandemic, a number of countries of origin have provided support to migrant workers, either within their host countries or when they have returned home.⁴⁴

Figure 5: Examples of actions taken by countries to facilitate remittance flows

Jordan

The central bank relaxed regulations to allow money transfer service providers to make **remittances available online** – allowing populations with no access to bank’s services to access digital remittances.

Nepal

The central bank has encouraged the use of **digital remittance transfers to bank accounts**. Fees are not charged for electronic transactions and the maximum amount for fund transfers was increased.

El Salvador

The government announced an initiative with four money transfer services to provide **free remittances for transactions up to \$3,000** to El Salvador for the month of May.

Pakistan

The government has increased profit margins of international and domestic commercial banks, and currency dealers to **keep remittances inflows in the formal channels**, waived a tax on withdrawing cash from a bank account that has received remittances, reduced lag time in reimbursing banks for remittance charges, and provided discounts in other services (e.g., 50 per cent discount in Overseas Pakistani Foundation school) to overseas Pakistanis who send money home.

Bangladesh

The central bank has eased regulatory requirements to claim remittances **up to \$5,000**.

Sri Lanka

The authorities have **exempted inward remittances from some regulations and taxes** (outward remittances have been suspended, however).

Note: The designations employed in this publication and the presentation of the material do not imply on the part of the United Nations Children’s Fund (UNICEF) the expression of any opinion whatsoever concerning the legal status of any country or territory, or of its authorities or the delimitations of its frontiers.

Source: Global Knowledge Partnership on Migration and Development (KNOMAD) (2020). *Remittances in crisis: How to keep them flowing*. Retrieved November 16, 2020, from www.knomad.org/covid-19-remittances-call-to-action.



CASE STUDY 3

The Republic of Moldova

The context

Remittances in the Republic of Moldova represented 16.3 per cent of GDP (\$1.9 billion) in 2019. Thirty-nine per cent of families with children receive remittances, which make up 20 per cent of their income. Without remittances, 100,000 households would be at risk of falling into poverty. Remittance-receiving households with children that are headed by women are more likely than those headed by men to be below the poverty line (27 per cent vs 19 per cent) and to rely on remittances (41 per cent vs 34 per cent).

The most common destination countries for migrant workers are the Russian Federation (29 per cent), Italy (19 per cent), Romania (18 per cent), Ukraine (15 per cent), the United States (5 per cent) and other European countries. A high proportion of migrants work in low-skilled jobs, mostly care (for women) and construction (for men). Of the 1 million migrant workers from the Republic of Moldova, approximately 350,000 are short-term migrants: 21 per cent of these migrants are undocumented and 28 per cent have precarious contractual conditions, making them more vulnerable to the impacts of crises.

The impact of COVID-19

The COVID-19 pandemic has affected 83 per cent of families in the Republic of Moldova, either through job loss or a change of job, reduced income or having insufficient money to pay the rent or mortgage. Approximately 55,000 temporary migrant workers have returned to the Republic of Moldova, putting some families in serious difficulties since they both no longer receive remittances and have additional members to support. It is estimated that this sudden return of migrant workers could increase the national unemployment rate to 8.5 per cent in 2020, up from 5.1 per cent in 2019.

On average, households with children have lost 15 per cent of their income, but the loss is higher (17 per cent) among remittance-receiving households. The value of remittances decreased by 25 per cent, and the proportion of families receiving non-monetary remittances decreased from 45 to 21 per cent. The poverty rate among remittance-receiving families increased from 20 to 25 per cent. In response, 50 per cent of these families have cut down on regular expenditure (clothing, health care, etc.), 46 per cent have cut down on leisure activities and 24 per cent have made use of savings to compensate for a lower income. It is worrisome that 12 per cent of remittance-receiving families have reduced the quantity of meals at home, affecting the nutrition of children. Children in these households have also been affected in other dimensions, for instance, 26 per cent of children



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Republic of Moldova

have stopped practising hobbies, 23 per cent have less time to play and 10 per cent have experienced more stress.

Social policy responses

Social payments, including pensions, represent just 10 per cent of the income for households with children, which limits the potential to improve household conditions using these payments alone.

The Government of the Republic of Moldova implemented measures early on in the pandemic to support migrant workers who return home. They are eligible to receive unemployment assistance during the pandemic on condition that they purchase medical insurance. Additionally, the Government revised national legislation to include in the unemployment allowance category those people with no previous work record; temporarily increased the income eligibility threshold for the allowance; and strengthened support to families with children by changing the formula used to calculate the allowance in favour of households with children. These measures have improved the chances of left-behind families receiving this support. It appears that this support remains insufficient, however, since most families express dissatisfaction with the Government's response and are willing to emigrate again as soon as possible to resume the flow of remittances to their families.



The poverty rate among remittance receiving families increased **from 20 to 25 per cent**

In response, **50 per cent** of these families cut down on regular expenditure (clothing, health care, etc.), **24 per cent** have made use of savings to compensate for a lower income



12 per cent of remittance-receiving families have reduced the quantity of meals at home, affecting nutrition of children

Source: (i) International Organization for Migration (2020). *Rapid field assessment of the impact of COVID-19 on the wellbeing of the Moldovan diaspora*. Chisinau: IOM

ii) United Nations Children's Fund (2020). *Assessment of the impact of COVID-19 on remittances and coping mechanisms of families with children in Moldova*. Chisinau: UNICEF.

We are grateful for the contributions to this case study from Xavier R. Sire, Social Policy Specialist, UNICEF Moldova.



CASE STUDY 4

Kyrgyzstan

The context

In Kyrgyzstan, remittances are crucial for the economy and for the livelihood of a substantial number of families. Remittances represented 29.2 per cent of GDP (\$2.4 billion) in 2019, and it is estimated that they reduce poverty by 11 percentage points. More than a quarter of households have at least one family member who is a migrant worker who sends remittances – this encompasses an estimated 277,000 left-behind children. Migrant workers mostly go to Europe (94.2 per cent) and Asia (4.4 per cent). In 2018, the majority of migrant workers from Kyrgyzstan were registered in the Russian Federation (640,000 individuals), followed by Kazakhstan (35,000 individuals) and Turkey (30,000 individuals). About 20 per cent of migrant workers are seasonal workers.

The impact of COVID-19

Remittances received in Kyrgyzstan from January to May 2020 decreased by 62 per cent compared with the same period in 2019. By the end of 2020, remittances may have dropped by 20 to 25 per cent compared with 2019 – equivalent to 4 to 5 per cent of GDP. Consequently, the impact for the economy

and livelihoods is likely to be severe. Some simulations calculate that a 30 per cent reduction in remittances could increase child poverty by 7 percentage points from 29 to 36 per cent.

Small-scale assessments of families left behind show that they are already experiencing the consequences of the pandemic. On average, respondents declare a decrease in income of about 15 to 20 per cent. Families are using savings to cope, but the majority of respondents estimate that their savings may only last for up to three months. About one third of those interviewed have no savings to compensate for a lower income and may instead have to decrease consumption, putting children in a vulnerable situation. This is causing anxiety among migrant workers and their families.

In addition, unemployment rates may increase because of an increase in the number of migrant workers returning to Kyrgyzstan due to the loss of jobs or decreased income. At the same time, some migrants from the Russian Federation are unable to return home because of the lockdown in Kyrgyzstan. A conservative estimate calculates that this increases the available labour supply in Kyrgyzstan by 9 to 10 per cent.



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Kyrgyzstan

A migrant-friendly support system – but responsiveness to COVID-19 is needed

Support systems for migrant workers adopted by the Government of Kyrgyzstan in recent years focus on: (i) training courses for migrant workers prior to departure (focusing on improving Russian language skills and knowledge of migrant rights and responsibilities); (ii) establishing consulates in countries where migrant workers are concentrated; and (iii) strengthening outreach initiatives to overseas employers and Kyrgyz diasporas. In addition, Kyrgyzstan has a guardianship programme that appoints a temporary legal representative for those children whose parents have both migrated, to secure adequate care for these left-behind children while their parents are abroad.

There is a need, however, to adapt the Government response to the COVID-19 pandemic to the needs of migrant workers and their families during this period. Based on information provided by non-governmental organizations, there is no programme to facilitate the reintegration of migrant workers when they return home to Kyrgyzstan. Also, left-behind families may not be benefiting from the existing Monthly Benefit for Poor Families with Children. The eligibility criteria stipulate an income that is lower than the extreme poverty line and consider whether families have certain assets. Families of migrant workers may be eligible based on the income criterion, but it is likely that assets purchased prior to the pandemic will prevent them from obtaining the benefit.



Remittances received from January to May 2020

decreased by 62 per cent

compared with the same period in 2019



Some simulations calculate that a 30 per cent reduction in remittances could

increase child poverty by 7 percentage points

from 29 to 36 per cent

Source: i) Asian Development Bank and United Nations Development Programme (2020). *COVID-19 in the Kyrgyz Republic: Socioeconomic and vulnerability impact assessment and policy response*. ADB/UNDP.

ii) United Nations Children's Fund (2020). *Position paper on targeting options for social assistance programme for poor families with children*. Bishkek: UNICEF.

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We are grateful for the contributions to this case study from Gulsana Turusbekova, Social Policy Specialist, UNICEF Kyrgyzstan and Arslan Sabyrbekov.



CASE STUDY 5

Cambodia

The context

Cambodia has about 1 million migrant workers. The majority reside in Asia, mostly in Thailand (62.8 per cent), but many workers also migrate to the United States (18 per cent) and France (6 per cent). In 2019, Cambodia's migrant workers sent home remittances worth about \$1.5 billion, representing nearly 6 per cent of GDP – almost one third of this amount (\$460 million) came from Thailand.

The impact of COVID-19

It is estimated that about 115,000 migrant workers returned to Cambodia at the onset of the COVID-19 pandemic. This has posed humanitarian and health concerns and placed an additional economic burden on households that were already facing economic challenges, especially those located in small towns in rural areas. A preliminary assessment conducted

in Cambodia interviewed more than 1,000 migrant workers (women and men) who had returned home from Thailand. Preliminary results show that almost all of the interviewees had returned to rural areas in Cambodia (95 per cent), either to stay in their own house or with parents/relatives at no extra cost (99 per cent).

According to the assessment, however, more than half of the returnees (58 per cent) have no source of income in Cambodia, with women more seriously affected than men (66 per cent vs 48 per cent). While still working in Thailand, the returnees had enjoyed an average monthly income of \$294 – with women earning 14 per cent less than men (\$274 per month vs \$318 per month). Currently, the household income of returnees in Cambodia represents only 56 per cent of the salary (for women and men alike) they had previously received in Thailand. In addition, 30 per cent of returnees reported that they had no household income. When asked how long they expected their savings to last, only 34 per cent of the returnees expected their money to last for more than one month. There is a big difference between women and men: only 28 per cent of women said they had enough money for more than one month compared with 41 per cent of men. As a coping mechanism, about 56 per cent of returnees are securing loans (61 per cent of women vs 50 per cent of men) and 61 per cent of returnees plan to emigrate again (no significant difference between women and men).

Reduced incomes and the associated stress are affecting the quality of life of migrant workers who have returned to Cambodia, as well as that of their families. About 20 per cent of returnees have insufficient food, which may increase the risk of malnutrition among children. In addition, 41 per cent of returnees reported that their mental health had declined since returning to Cambodia. One in three





Cambodia

respondents have been sick with COVID-19 and have needed medical care, with half of this number facing challenges in acquiring such care (e.g., lack of money, distance to facilities, lack of transport).

Social protection response

Most of the returnees received government assistance at the border in regard to prevention and management of COVID-19. In addition, returnees were able to receive some support from non-governmental organizations in relation to transport costs and food. The Cambodian Red Cross has also distributed food relief packages in villages.

Additionally, returnees from poor families are entitled to cash support introduced by the Government of Cambodia in response to the pandemic. According to the preliminary results of the assessment, however, just 25 per cent of the returnees interviewed were entitled to this cash support based on their poverty level, and only 80 per cent of those eligible actually received the cash support. It is likely that most returnees have accumulated assets and improved their livelihoods in the past, excluding them from receiving the COVID-19 support today.

Gaining access to social protection measures remains a challenge for migrant workers who return home to Cambodia. A deeper understanding of their coping mechanisms is required to develop policy measures that can adequately provide protection in the short term and support resilience and livelihoods in the long term.



About 115,000 migrant workers

returned to Cambodia at the onset of the COVID-19 pandemic



About 20 per cent of returnees

have insufficient food, which may increase the risk of malnutrition among children

Source:i) United Nations Population Fund (2020). Rapid assessment on social and health impact of COVID-19 on returning migrant workers in Cambodia (Preliminary results). UNFPA.

ii) International Organization for Migration (2020). *Cambodia: Returning migrants survey*. Phnom Penh: IOM.

We are grateful for the contributions to this case study from UNICEF Cambodia colleagues.

4. International cooperation on social protection

The COVID-19 pandemic and its repercussions have highlighted the need for coordinated cross-national responses. In the case of international migration, members of families or households are distributed across countries. Migrant workers earn an income, raise their political voices, care for family members and save for retirement in more than one nation state.⁴⁵ This raises questions about the relative responsibilities of host countries and countries of origin, as well as international organizations,

in providing support for the unique situations of dispersed families and households.

The need for bilateral and multilateral social protection systems, which operate according to a rights-based approach, has long been recognized.⁴⁶ Examples exist of government social protection schemes that cross national borders.⁴⁷ COVID-19 brings an unparalleled impetus to extend such approaches and discuss the potential institutional arrangements required to provide a genuinely transnational social protection system to migrant workers and their families.



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Recommendations

The COVID-19 pandemic has created a new set of threats for migrant workers and for the families and children who depend on their remittances – this substantial group of people represents more than 10 per cent of the world population. As shown in *Figure 4*, a comprehensive response requires action in four areas:

Area 1: Support for migrant workers

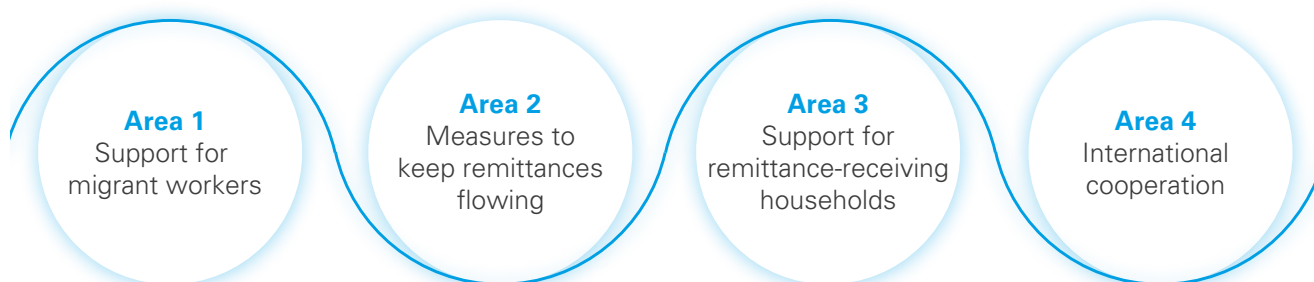
- Emergency social protection responses to the COVID-19 pandemic should be inclusive of all migrant workers to prevent individuals and their families falling into poverty, and to enable an inclusive economic recovery. As host countries recover, governments should develop and strengthen universal and inclusive national social protection systems.
- All migrant workers, independent of their legal status, should be entitled to access health care and other essential services, especially during the pandemic.
- Host country governments should ensure that migrant workers not only obtain adequate remuneration, protection and recognition as

front-line workers, but also adequate working and living conditions during the pandemic.

- Host country governments should ensure that all migrant workers are fully informed of their entitlements, and should seek to remove barriers preventing access to social protection, health care and other services.

Area 2: Measures to keep remittances flowing⁴⁸

- The sending and receiving of remittances should be regarded as an essential financial service and measures should be taken to maintain remittance flows, even during a shut-down.
- New technological solutions (e.g., digital channels for transfers) should be expanded to help ease the flow of remittances.
- Migrant workers and remittance-receiving families who wish to use digital channels to send and receive remittances should be supported to develop the necessary digital literacy and obtain any necessary documents. This is especially important for women who



are more likely usually to use in-person cash transfers which are not available during lockdowns.

- Action should be taken to reduce the cost of sending remittances, to achieve the United Nations Sustainable Development Goal target for transaction costs of less than 3 per cent of the remittance value.

Area 3: Support for remittance-receiving households

- Social protection responses in countries of origin should be inclusive of remittance-receiving households. Governments should increase the coverage of existing social protection measures and make them responsive to the needs of migrant workers and their families. This may include revising eligibility criteria and allowing more flexibility in regard to changes in circumstances such as a change in the flow of remittances. Such measures should include gender-specific support, considering that women may be more exposed to the negative effects of the pandemic due to the sectors in which they work and their caring responsibilities.
- Governments should provide support for returning migrant workers to facilitate their reintegration into their communities and to minimize the economic and social burden placed on their families and communities. Such measures should take account of gender differences in support needs. Returning migrant workers should also be supported in case they decide to emigrate again, to minimize the likelihood of their exploitation.
- Governments should be cognizant of the specific barriers experienced by left-behind children in accessing key services such as education, health care, social protection and

social assistance programmes, and they should address those barriers to make these services more inclusive of left-behind children and families. Children left behind with elderly relatives such as grandparents may require a dedicated follow-up service.

- Targeted social protection and child protection interventions should be launched to prevent increases in school drop-out, child labour and child marriage rates due to declining remittances.

Area 4: International cooperation

- In monitoring the impact of the COVID-19 pandemic on economies, the crucial dimension of how declining remittances affect child well-being and child development should be taken into account.
- Declining remittances and their effects on left-behind children should be factored in by the international community (including development banks) when financing socio-economic recovery measures.
- Bilateral and multilateral cooperation between national governments should be intensified to ensure that migrant workers and remittance-receiving households are fully included in measures aimed at fostering a global socio-economic recovery.
- In a world constantly in motion, transnational social protection schemes should be further explored and strengthened, so that children and their families will not fall through the cracks in future crises.



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Endnotes

- 1 The term 'billion' is used in this document to mean 1,000 million.
- 2 Unless otherwise stated, all amounts shown are in US dollars.
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