







# **SPOTLIGHT NOTE**

**SOCIO-ECONOMIC INTEGRATION OF** FORCIBLY DISPLACED POPULATIONS IN LATIN AMERICA AND THE CARIBBEAN

## **ACKNOWLEDGEMENTS**

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# 1.INTRODUCTION

Over the past decade, Latin America and the Caribbean (LAC) has experienced one of the most pronounced increases in human mobility globally. By 2022, the region had over 43 million individuals living outside their countries of origin. One of the key drivers of this increase has been several overlapping displacement situations, which have grown in scale and complexity over the years. In particular, the exodus from Venezuela is the largest-ever displacement crisis in the Americas, with an estimated 7.7 million Venezuelan refugees and migrants having left their country since 2015.1

A recent report by the IDB, OECD and UNDP titled How Do Migrants Fare in Latin America and the Caribbean? Mapping Socio-Economic Integration provides, for the first time, a broad overview of the characteristics and outcomes of immigrants in the LAC region, building on the experience of the OECD on indicators of immigrant integration.<sup>2</sup> The publication provides a range of indicators related to education, labor markets and living conditions, as well as key policy indicators. While internationally forcibly displaced populations are inherently included, there is no explicit thematic focus on the integration of forcibly displaced populations including Venezuelans, among others. Indeed, one of the key findings of the report was the wide diversity in characteristics of people on the move and their outcomes across the region.

Building on that exercise, the present note goes a step further to explore the specificities of the socio-economic integration of forcibly displaced populations residing in the Latin American OECD countries of Chile, Colombia, Costa Rica and Mexico, as well as Ecuador and Peru. The selection of these countries reflects the considerable share of forcibly

displaced populations in each, as well as the ability to identify the population groups of interest on the basis of nationality within the available national household surveys. This definition of forcibly displaced populations mirrors the view of UNHCR that certain origin groups are considered in need of international protection regardless of legal status.3 This concerns Venezuelans in all countries who account for large proportions of the foreign-born, notably in Chile, Colombia, Ecuador and Peru. In the case of Costa Rica, all Nicaraguan nationals are categorized as forcibly displaced considering that the vast majority of asylum-seekers (88%) are from Nicaragua, as are Venezuelans for the reasons stated above. In Mexico, we use the top nationalities applying for asylum as reported by the Mexican Commission for Refugee Assistance (COMAR, in Spanish) to select the nationals to be categorized as forcibly displaced, which as of September 2023 are: Haitians, Hondurans, Cubans, Salvadorans, Venezuelans and Guatemalans.

The analysis is ultimately limited since it does not cover all countries across LAC, and the lack of legal status in national surveys does not allow for a more refined identification of persons in need of international protection. Still, the data in this brief provide an approximation of their characteristics and socio-economic integration with the intention to spur a policy discussion around what actions need to be taken to adequately ensure forcibly displaced populations are fully included in the formal economy and society at large. In addition, the data limitations confronted while using official data sources highlight the efforts required so that populations in need of international protection are included in national statistical systems, and as such their situations are sufficiently reflected in policy discussions that rely on such data.

## 2.REGIONAL CONTEXT

According to the latest UNHCR statistics, one in every five forcibly displaced or stateless persons worldwide lives in the Americas. The Venezuelan situation remains the most prominent, with 6.5 million of the 7.7 million Venezuelan refugees and migrants fleeing to other countries within the region including those within its vicinity, especially Colombia (2.9m), Peru (1.5m), Ecuador (475k) and Chile (444k).<sup>4</sup> In addition, a third of the new asylum applications worldwide were made by nationals from Latin America and the Caribbean, notably from Venezuela, Cuba, Colombia, Nicaragua and Haiti. 5 By the end of 2022, Costa Rica and Mexico ranked among the countries globally receiving the highest number of new asylum claims.

While the magnitude of forcible displacement across the Americas region as reported by UNHCR and partners is noteworthy, it is also important to consider how this population is captured in official sources by national authorities. The indicators presented in this note rely on data from national household surveys in 2022 such as Labour Force Surveys, Household Income and Expenditure Surveys, or Perceptions Surveys. These sources allow for a disaggregation by nationality or country of origin, which provides the opportunity to compare the socio-economic situation of the forcibly displaced with that of their native-born peers.

<sup>1.</sup> R4V, the Inter-Agency Coordination Platform for Refugees and Migrants from Venezuela (2023). World Figures.

<sup>2.</sup> See OECD and European Commission (2023). Indicators of Immigrant Integration 2023: Settling In.

<sup>3.</sup> See UNHCR's methodology on measuring forced displacement and statelessness.

<sup>4.</sup> R4V (2023). World Figures.

<sup>5.</sup> UNHCR (2023). Mid-Year Trends 2023.







However, these national household surveys have limitations with respect to the population of interest. These include the reliability of the sample to estimate statistics for the forcibly displaced population<sup>6</sup>, and lack of thematic questions on migrant-related issues. In addition, these surveys may have faced challenges enumerating hard-to-reach groups within the overall forcibly displaced population, including individuals in an irregular situation or without usual residence (i.e., on the move). It is important to note, therefore, that the indicators presented here may be upwardly biased, representing the population with better socio-economic characteristics among the forcibly displaced. Nonetheless, these surveys are the best source available that enable comparison of the forcibly displaced with the native-born population, and thereby obtain a measure of their socio-economic integration.

## 2.1 POPULATION IDENTIFIABLE IN NATIONAL HOUSEHOLD SURVEYS

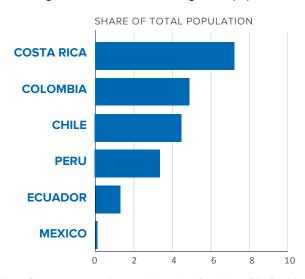
In 2022, around 5 million forcibly displaced people can be identified across the six countries in the available national household surveys.<sup>7</sup> The country with the largest number of identified forcibly displaced people is Colombia (2.4 million), followed by Peru (1.1 million). Comparing with the official statistics on the size of the displaced population reported by the Inter-Agency Coordination Platform for Refugees and Migrants from Venezuela (R4V), these estimates highlight the limited coverage of national surveys. This illustrates the challenge of capturing hardto-reach populations such as refugees and migrants in national household surveys, and efforts needed to further include them in official data collection exercises.

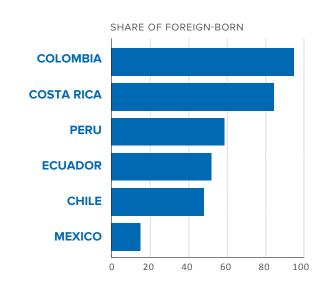
Based on the national household surveys, in relative terms Costa Rica, Colombia and Chile have the highest proportion of forcibly displaced people, at 7.0%, 4.8% and 4.3%, respectively (Figure 2.1). Ecuador and Mexico have the lowest proportions, with 1.3% and 0.1% of the population identified as forcibly displaced.

In Colombia and Costa Rica, the majority of foreign-born covered in the national household surveys are considered forcibly displaced (95% and 84%, respectively). In Colombia, the foreign-born primarily originate from Venezuela, whereas in the case of Costa Rica they mainly come from Nicaragua and a smaller share from Venezuela. In Chile, Ecuador and Peru, around 50% of the foreign-born are from Venezuela and classified here as forcibly displaced. The smallest share is observed in Mexico, where 16% of all foreign-born are from one of the top origins of asylum seekers and thus considered here to be forcibly displaced: Cuba, El Salvador, Guatemala, Haiti, Honduras or Venezuela.8 Among the target nationalities, Venezuelans account for 30% in Mexico, a similar share to that of Guatemalan nationals (30%), and more than twice that of Hondurans (16%) and Salvadorans (10%). Cubans and Haitians account for the smallest shares of displaced in Mexico, with 9% and 4% respectively.

#### FIGURE 2.1. FORCIBLY DISPLACED SHARE OF THE POPULATION

Percentage of the total and the foreign-born population, 2022





Notes: Countries are sorted in ascending order of the share of the forcibly displaced population among the total population. The 2022 data sources are: CASEN (Chile), ECE (Costa Rica), ENAHO and ENPOVE (Peru), ENEMDU (Ecuador), ENOE (Mexico) and GEIH (Colombia). Data sources with quarterly releases (i.e., ECE, ENEMDU and ENOE) are annualized. Official weights accompanying the data sources are applied to the estimates.

<sup>6.</sup> The sampling weights used to make population-wide inferences are typically based on the previous census which may have been implemented prior to the arrival of the forcibly displaced populations. In the case of Peru, the last census was in 2017 meaning statistics derived from the national household survey will underestimate the current population of Venezuelan refugees and migrants. Alternatively, some countries, like Chile, adjust their sampling weights continuously using up-to-date information of the foreign-born population residing in the country.

<sup>7.</sup> The 2022 data sources are: Encuesta de Caracterización Socioeconómica Nacional (CASEN, Chile), Encuesta Continua de Empleo (ECE, Costa Rica), Gran Encuesta Integrada de Hogares (GEIH, Colombia), Encuesta Nacional de Hogares (ENAHO, Peru), Encuesta Nacional de Población Venezolano (ENPOVE, Peru), Encuesta Nacional de Empleo, Desempleo y Subempleo (ENEMDU, Ecuador), Encuesta Nacional de Ocupación y Empleo (ENOE, Mexico). Data sources with monthly/quarterly releases (i.e., ECE, ENOE and GEIH) are annualized. Official sampling weights accompanying the data sources are applied to the estimates.

<sup>8.</sup> This proportion increases to 50% if people born in the US are excluded from the foreign-born.





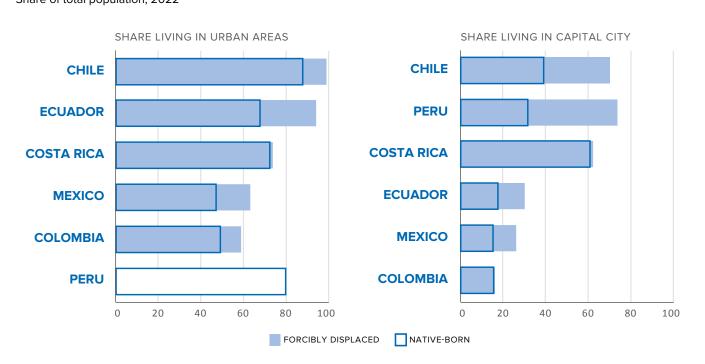


## 2.2 INDIVIDUAL AND HOUSEHOLD **CHARACTERISTICS**

#### **LOCATION**

In the six countries examined here, the forcibly displaced population is highly concentrated in urban areas and the capital city (Figure 2.2). This is especially true in Chile, where practically all displaced individuals live in urban areas (99%) and close to three-quarters live in Santiago (71%) – almost twice the share of the native-born. Similarly, in Ecuador, the overwhelming majority of those displaced resides in urban areas (94%). And, in Peru, three quarters of displaced live in the capital city (75%) – more than twice the share of the native-born. By contrast, in Colombia and Mexico, the share of displaced individuals in urban areas (around 60%) and the capital city is smaller (around 20%). Among those living in Mexico, there are important differences by country of birth. While Venezuelans are mainly found in urban areas (94%, and most of them reside in the capital city), Guatemalans are less present in urban areas (only 32%, and among those in urban areas 40% are based in the city of Tapachula, near the border with Guatemala).

#### FIGURE 2.2. SHARE OF POPULATION LIVING IN URBAN AREAS AND CAPITAL CITY Share of total population, 2022



Notes: Countries are sorted in descending order of the share of forcibly displaced living in urban areas or capital city. In Costa Rica, the figure is based on the Central Region which contains the Greater Metropolitan Area of San Jose. Data of the forcibly displaced population living in urban areas is not available in Peru. The same data sources and related notes from Figure 2.1 apply here.

#### AGE COMPOSITION AND GENDER

In all countries considered here, the share of displaced people of working age (15 to 64 years old) is well above that of the native-born (Figure 2.3). In Chile, Costa Rica, and Mexico, more than 80% of the forcibly displaced are of working age, compared with 65% of the native-born. In these countries, displaced people are particularly concentrated in the primary working age group (25 to 54 years old). By contrast, in Colombia, Ecuador and Peru, the percentage of displaced population of working age is closer to that of the native-born and they tend to be concentrated among the younger groups, those aged between 15 and 39 years (around 75%).

In Colombia and Ecuador, not only is the average age of the forcibly displaced younger, but they also host relatively large shares of children: over 30% of the displaced population is under 15 years old, compared with 22% and 28% among the native-born, respectively. Venezuelans are more likely to migrate with their families than those from Central America or the Caribbean. In Costa Rica, for example, where the overwhelming majority of the displaced population is from Nicaragua, only 9% are children under the age of 15.

In terms of gender, forcibly displaced women tend to outnumber men: the share of displaced women is slightly larger than that of men in most countries (around 52%), except in Chile (49%).

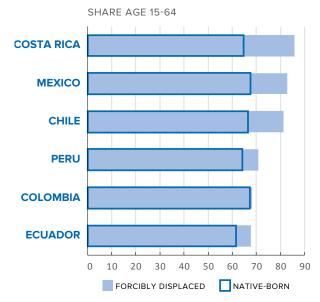




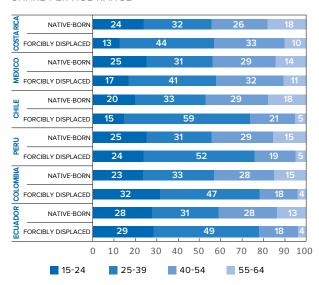


#### FIGURE 2.3 AGE COMPOSITION 15-64

Shares as percentage of total populations, 2022



SHARE PER AGE RANGE



Notes: Countries are sorted in descending order of the share of forcibly displaced aged 15 to 64. The same data sources and related notes from Figure 2.1 apply here.

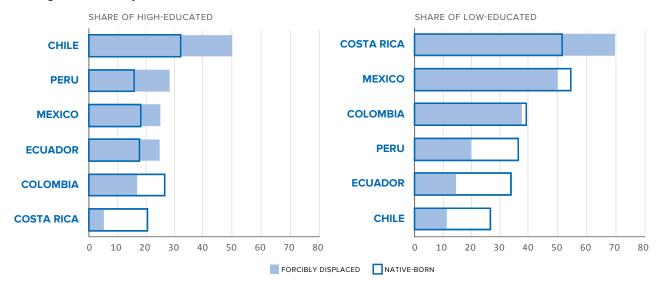
#### **EDUCATIONAL ATTAINMENT**

There is wide dispersion of education levels of the forcibly displaced across the six countries (Figure 2.4). Among the Venezuelans in South America, the share that is highly educated clearly increases as countries are further away from Venezuela, suggesting selectivity in the migration process. While in Chile half of displaced individuals are highly educated, only 17% of those in Colombia have a high level of education. On the other hand, the highest shares of low-educated individuals those with educational attainment not higher than lower secondary – are based in Costa Rica and Mexico (69% and 49%, respectively). In these countries, the majority of the forcibly displaced come from Central America.

Forcibly displaced women are more likely to be highly educated than their male peers in all countries except in Costa Rica. Similarly, native-born women tend to be over-represented among the highly educated in most countries, except Mexico and Peru, where there is no gender difference. In general, gender gaps in education are larger among the forcibly displaced than among the native-born.

#### FIGURE 2.4 HIGH- AND LOW-EDUCATED WORKING-AGE POPULATION

Percentages of 15- to 64-year-olds not in education, 2022



Notes: Countries are sorted in ascending order of the proportion of forcibly displaced with high- and low-levels of education, respectively. High-educated refers to those with tertiary education or more (ISCED Levels 5-8); and low-educated refers to those with education not higher than lower secondary (ISCED Levels 0-2). Measured using the educational attainment of people not in education. The same data sources and related notes from Figure 2.1 apply here.







# 3.SOCIO-ECONOMIC INTEGRATION

#### 3.1 ACCESS TO PUBLIC SERVICES

#### **EDUCATION**

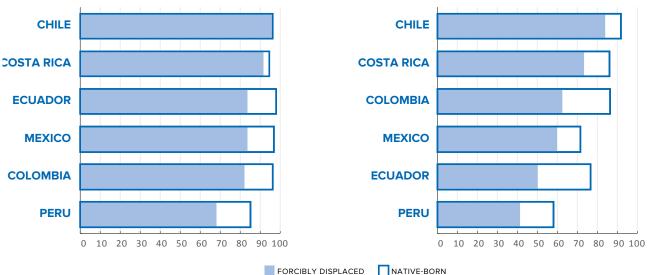
Foreign-born residents and their family members have the right to access public primary and secondary education, regardless of their legal status, in the six countries reported here.9 However, despite having the right to education, school attendance rates are lower among forcibly displaced children than among the nativeborn. This is true for all countries except Chile among the younger age group (Figure 3.1). The difference between groups is larger among older children; and they are largest in Colombia, Ecuador and Peru.

#### FIGURE 3.1. SCHOOL ATTENDANCE OF CHILDREN AGED 6-14 AND 15-18

Percentage of 6- to 14-year-olds and 15- to 18-year-olds, 2022







Notes: Countries are sorted in descending order of the proportion of forcibly displaced children attending school. The same data sources and related notes from Figure 2.1 apply here, with the exception that the data source in Costa Rica is the Encuesta Nacional de Hogares 2022 (ENAHO).

Displaced youth face more challenges to continue their studies than their native-born counterparts (Figure 3.2). They are more likely to drop out of school at an early age in all countries. Differences between groups are particularly marked in Costa Rica, where 60% of displaced young people leave school early compared with 15% of the native-born, and also in Peru where there is a 30 percentage point gap between the two groups. The share of displaced dropouts is also high in Mexico (56%), but the gap between groups is narrower because the share of youth leaving school early is also high (51%). Within the displaced population in Mexico there are, however, striking differences by country of birth. While dropout rates among Central American youth is close to 80%, the share of early school-leaves is only 21% among Venezuelans.

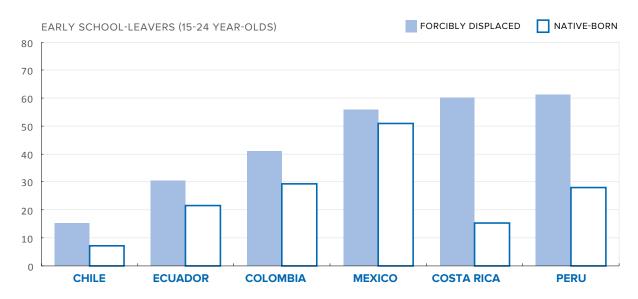






#### FIGURE 3.2. EARLY SCHOOL-LEAVERS

Percentages of 15- to 24-year-olds, 2022



Notes: Countries are sorted in ascending order of the proportion of early school-leavers among forcibly displaced youth. Early school-leavers refer to the proportion of young people (15-24 years-old) who are neither in education nor training and have gone no further than lower-secondary school. The same data sources and related notes from Figure 2.1 apply here.

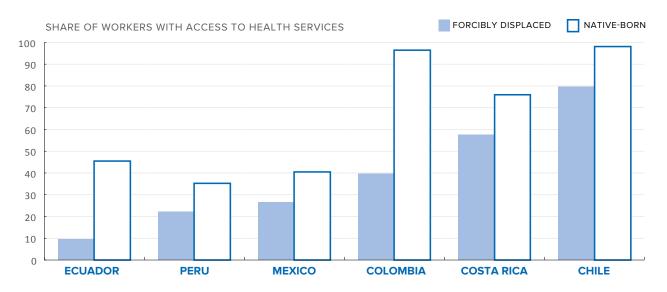
#### **HEALTHCARE**

Similar to education, all six countries provide the right to access some form of health service irrespective of legal status. Still, there are often de facto barriers which limit access to healthcare in practice. Among workers, the forcibly displaced population has significantly lower

affiliation with any health insurance relative to the nativeborn working population (Figure 3.3). The gap is largest in Colombia. Although virtually all native-born workers have health insurance affiliation (96%), this is the case for less than half of the forcibly displaced (40%).

#### FIGURE 3.3. HEALTH INSURANCE AFFILIATION AMONG THE WORKING POPULATION

Percentages of 15- to 64-year-olds workers, 2022



Note: Countries are sorted in ascending order of the share of forcibly displaced working population with health insurance. The same data sources and related notes from Figure 2.1 apply here.







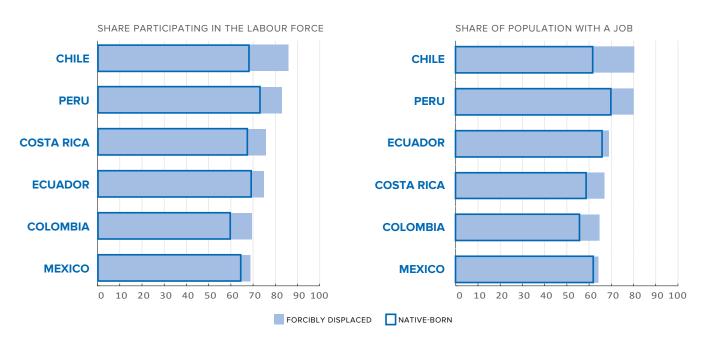
#### 3.2 LABOUR MARKET INCLUSION

#### **EMPLOYMENT**

In all six countries examined, the forcibly displaced are more likely to be part of the economy's active workforce and employed compared to their native-born peers (Figure 3.4). More than 70% of the forcibly displaced participate in the labor market in these six countries, with the highest share in Chile, 87%. Moreover, the employment rate of the displaced population exceeds 80% in Chile and Peru, and is between 65% and 70% in Colombia, Costa Rica, Ecuador and Mexico. Gaps in participation and employment in favor of the forcibly displaced are widest in Chile, Peru, Colombia and Costa Rica.

#### FIGURE 3.4. ACTIVE PARTICIPATION IN THE LABOR MARKET AND EMPLOYMENT RATES

Percentage of 15- to 64-year-olds, 2022



Notes: Countries are sorted in descending order of the proportion of forcibly displaced participating in the labor market and with a job, respectively. Labor market participation measures the economically active population (employed and unemployed) as a share of the working-age population. Employment rates are defined as people in employment as a percentage of the working-age population (those aged 15 to 64). ILO defines an employed person as someone who worked at least one hour during the reference week or who had a job but was absent from work. The same data sources and related notes from Figure 2.1 apply here.

In terms of unemployment, the share of forcibly displaced people active in the workforce - meaning available to work and seeking a job - is relatively low in all countries except Costa Rica. Moreover, cross-country differences are observed (Figure 3.5). The forcibly displaced are more likely to be unemployed than the native-born in Ecuador and Mexico, illustrating the difficulties to integrate into the local economies despite

the desire to work. In Colombia, unemployment rates are roughly the same for both groups. Alternatively, in Peru, Chile and Costa Rica the opposite is observed, which indicates the demand for skills forcibly displaced populations bring to the local labor market.

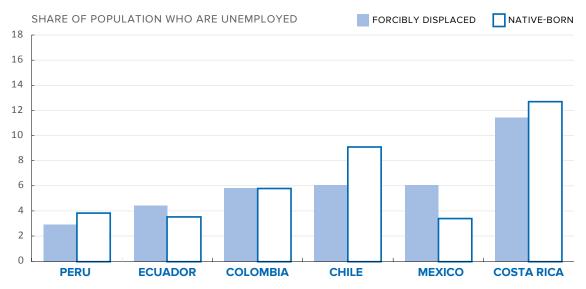






#### **FIGURE 3.5. UNEMPLOYMENT RATES**

Percentages of 15- to 64-year-olds, 2022



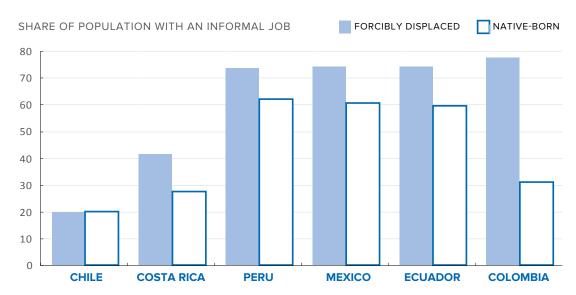
Notes: Countries are sorted in ascending order of the proportion of forcibly displaced who are unemployed. The unemployment rate is the percentage of unemployed people in the active labor force (the latter being the sum of employed and unemployed individuals). ILO defines the unemployed as people without work but who are available to work and have been seeking work during the reference week. The same data sources and related notes from Figure 2.1 apply here.

#### INFORMALITY

While the forcibly displaced are more likely than the native-born to have a job in all six countries, they are also more likely to hold informal jobs and to be overqualified than the native-born. In most countries, except Chile, the share of workers with an informal job is much higher among the forcibly displaced than among the native-born (Figure 3.6). Differences between groups are largest in Colombia (46 percentage points), where the vast majority of the forcibly displaced hold informal jobs (77%). Similarly, in countries where informality is highly prevalent among the native-born – Ecuador, Peru and Mexico – the forcibly displaced also have large shares of informal jobs (around 74%). The opposite is observed in Chile, where less than 20% of both native-born and forcibly displaced workers are in the informal sector.10

### FIGURE 3.6. EMPLOYED POPULATION WITH AN INFORMAL JOB

Percentage of 15- to 64-year-olds, 2022



Notes: Countries are sorted in ascending order of the proportion of forcibly displaced who are unemployed. The unemployment rate is the percentage of unemployed people in the active labor force (the latter being the sum of employed and unemployed individuals). ILO defines the unemployed as people without work but who are available to work and have been seeking work during the reference week. The same data sources and related notes from Figure 2.1 apply here.







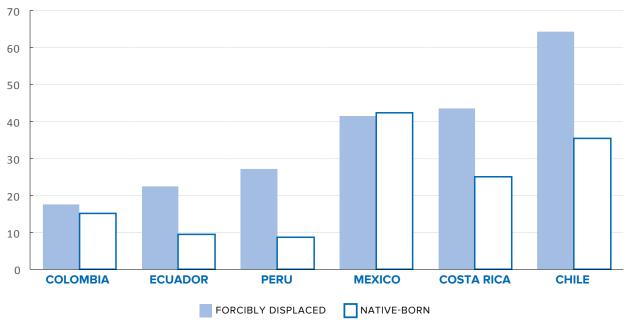
#### **OVERQUALIFICATION**

The forcibly displaced population is more frequently overqualified - as measured by the share of highly educated workers who are employed in low- or medium-skilled jobs - than their native-born peers in most countries, except in Mexico, where there are no differences between groups (Figure 3.7). More than 60% of highly educated displaced people are overqualified for their jobs in Chile, compared with only 34% of native-born counterparts. Overqualification rates of the forcibly displaced are also high in Costa Rica (44%) and Mexico (42%). They are lowest in Colombia, where the overqualification rates of native-born are also low (18% and 15%, respectively).

#### FIGURE 3.7. OVERQUALIFICATION RATES

Percentage of highly educated who work in low- or medium-skilled jobs, 15- to 64-year-olds, 2022





Notes: Countries are sorted in ascending order of the proportion of forcibly displaced workers overqualified. The same data sources and related notes from Figure 2.1 apply here.

### **WAGES**

In all countries, forcibly displaced workers earn lower wages than their native-born peers (Figure 3.8). The gap is particularly large in Chile, Colombia, Costa Rica, and Peru. This wage gap is observed, even when the forcibly displaced work, on average, longer hours than nativeborn workers; and, when in most countries, as shown above, they are more likely to be highly educated than their native-born counterparts.

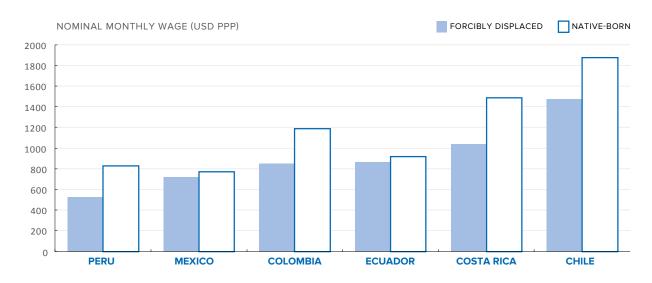






#### **FIGURE 3.8. WAGES**

Average monthly wage of 15- to 64-year-olds workers, 2022



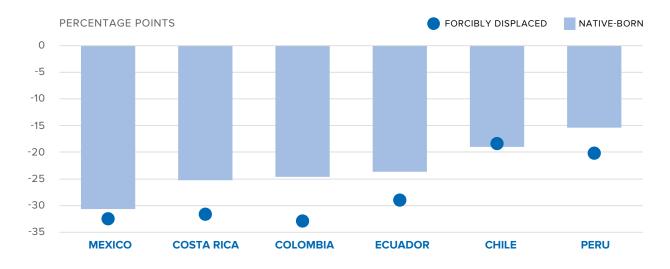
Notes: Countries are sorted in ascending order of the wages of forcibly displaced workers. Nominal monthly wages converted at 2022 USD purchasing power parity (PPP) (excluding the self-employed). The same data sources and related notes from Figure 2.1 apply here.

#### **GENDER AND YOUTH GAPS**

Forcibly displaced women face unique challenges finding gainful employment. In all countries reported here, women are less likely to be employed than men (Figure 3.9), for both native-born and the forcibly displaced. However, the gender gap in employment is more pronounced among forcibly displaced women than among their native peers. This is true in most countries, except Chile, where there is no difference between the forcibly displaced and native women.

#### FIGURE 3.9. GENDER GAP IN THE EMPLOYMENT RATE

Difference in percentage points, 2022



Notes: Countries are sorted in ascending order of the gender gap of employed native-born. The same data sources and related notes from Figure 2.1 apply here.







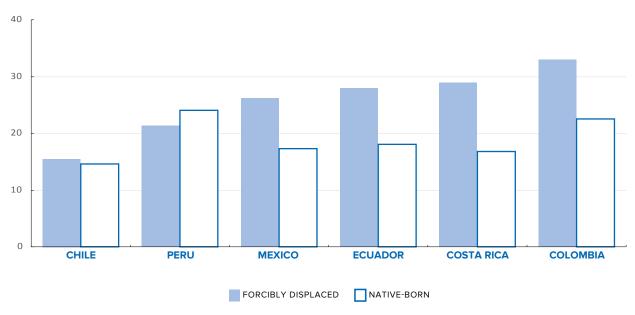
Similarly, forcibly displaced youth face more challenges than their native-born counterparts in remaining in education and finding a job. In four out of six countries, forcibly displaced young people are more likely to be without employment, education or training (NEET) than their native-born counterparts (Figure 3.10). NEET rates of the forcibly displaced youth are largest in Colombia,

with a staggering one in three being NEET, followed by Costa Rica, Ecuador and Mexico. In these countries, the share of low-educated individuals tends to be high among the displaced population (up to 69% in Costa Rica). Hence, young people may be struggling more to find a job.

#### FIGURE 3.10. NEET RATES AMONG YOUNG PEOPLE

Percentages of 15 to 24 -years-old, 2022

SHARE NEITHER IN EMPLOYMENT, EDUCATION OR TRAINING FOR YOUTH (15-24 YEAR-OLDS)



Notes: Countries are sorted in ascending order of the NEET rates among forcibly displaced youth. NEET rates refer to the proportion of young people aged 15 to 24 who are not in employment, education, or training. The same data sources and related notes from Figure 2.1 apply here.

#### 3.3 LIVING CONDITIONS

#### HOUSEHOLD INCOME AND POVERTY

In most countries, forcibly displaced people have lower household disposable income than the native-born, except in Chile and Ecuador (Figure 3.11). The difference is particularly marked in Costa Rica, where the income of displaced people is 32% lower than that of the nativeborn. However, in Chile, the forcibly displaced have household incomes that are 35% higher than that of the native-born. A plausible reason behind the higher

household income of forcibly displaced in Chile is the higher average number of earners: 2.2, compared with 1.4 among natives. However, the methodological challenge previously emphasized of enumerating forcibly displaced people in an irregular situation likely contributes to this figure being upwardly biased.

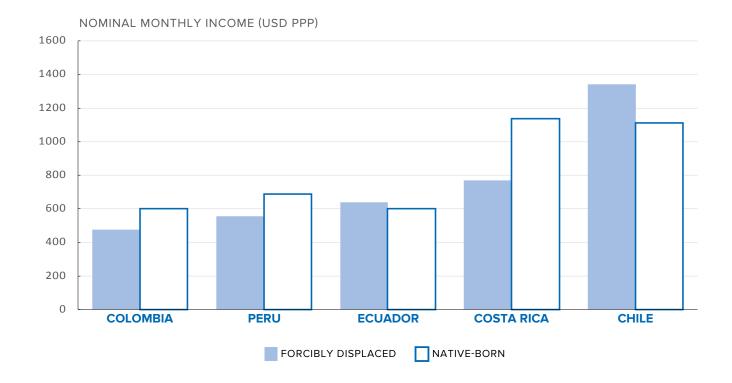






#### FIGURE 3.11. HOUSEHOLD INCOME

Median monthly income of population aged 15 and over, 2022



Notes: Countries are sorted in ascending order of the median income of the forcibly displaced population. Data for Mexico is not available. Median income is measured for the two groups separately using household's equivalized disposable income; that is, income per capita adjusted by the square root of household size. Income is expressed in monthly terms, in US dollars at constant prices based on PPP for 2022. It includes earnings from labor and capital. Median income is the income amount that divides the population into two: one half receives more than the median income amount and the other half receives less. It is estimated for people aged 15 and above. The same data sources and related notes from Figure 2.1 apply here, with the exception that the data source in Costa Rica is the ENAHO 2022.

A measure of relative poverty helps capture a contextualized standard of living in any given country, with richer countries having a higher poverty threshold.<sup>11</sup> It captures the share of people whose income is low by the standards of the country in which they reside. In most of the six countries, the forcibly displaced population is less likely to live in relative poverty than their native-born peers (Figure 3.12). The exception is Peru and Costa Rica, the latter of which shows the share of displaced people

living in poverty is 32% and that of the native-born is below 20%. On the other hand, in Chile, the forcibly displaced experience lower relative poverty rates than the native-born (5% and 13%, respectively) - mirroring the higher household income. This is even though the proportion for forcibly displaced receiving government subsidies is less than half that of native-born in Chile (24% and 58%, respectively).

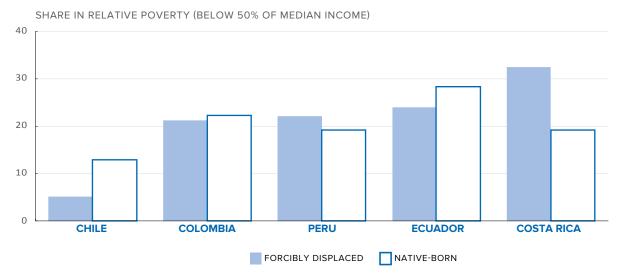






#### **FIGURE 3.12. RELATIVE POVERTY RATES**

Percentage of people aged 15 and above, 2022.



Notes: Countries are sorted in ascending order of the poverty rate of the forcibly displaced population. Data for Costa Rica only includes Nicaraguan nationals. Data for Mexico is not available. Poverty is measured using a relative measure looking at the proportion of individuals living below the poverty threshold of 50% of the median equivalized disposable income in each country. It is estimated for people aged 15 and above. The same data sources and related notes from Figure 2.1 apply here, with the exception that the data source in Costa Rica is the ENAHO 2022.

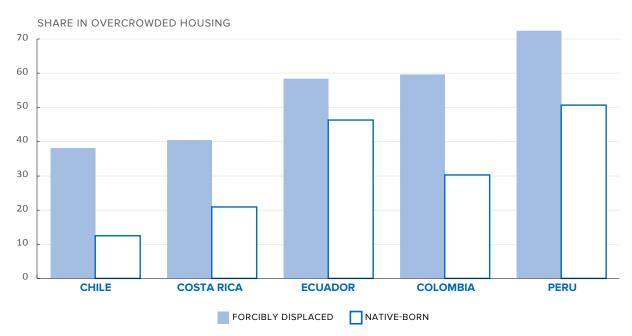
#### HOUSING CONDITIONS

In all countries, the forcibly displaced are more likely to live in overcrowded conditions than their native-born counterparts (Figure 3.13). The percentage of displaced people in overcrowded housing is largest in Peru (70%), followed by Colombia and Ecuador (close to 60%).

Overcrowding rates are smallest in Chile and Costa Rica, yet for the forcibly displaced they are close to 40%. Differences between native-born and displaced people are particularly marked in Colombia (30 percentage points), Chile (26 percentage points) and Peru (22 percentage points).

#### FIGURE 3.13. OVERCROWDED HOUSING)

Percentage of people aged 15 and above, 2022.



Notes: Countries are sorted in ascending order of the share of overcrowded housing. Data for Costa Rica only includes Nicaraguan nationals. Data for Mexico is not available. A dwelling is considered to be overcrowded if the number of rooms is less than the sum of one living room for the household, plus one room for the single person or the couple responsible for the dwelling (or two rooms if they are not a couple), plus one room for every two additional adults, plus one room for every two children. It is estimated for people aged 15 and above. The same data sources and related notes from Figure 2.1 apply here, with the exception that the data source in Costa Rica is the ENAHO 2022.







#### **FOOD INSECURITY**

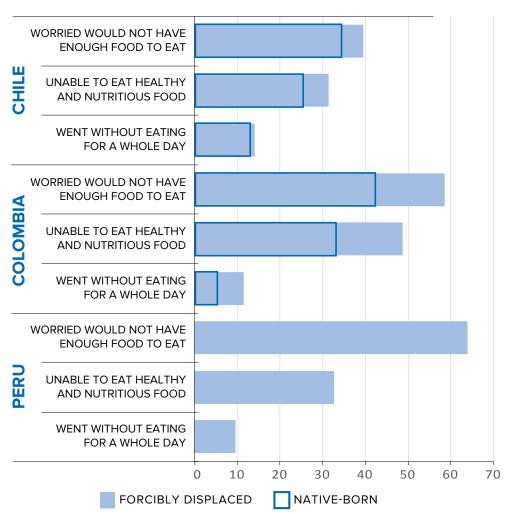
Only two countries have extensive information on food insecurity for both the forcibly displaced and the native-born: Chile and Colombia (Figure 3.14). In both, the share of people reporting food insecurity due to lack of financial resources is higher among the forcibly displaced than among the native-born. The finding for Chile is surprising, given the lower relative poverty rates among the forc ibly displaced. In both countries, more

than 10% of forcibly displaced report that they did not eat for a whole day due to lack of resources at least once in the past year. In Peru, food insecurity is only available for the forcibly displaced and comparison with other countries is difficult due to differences in the precise questions asked (past month compared with 12 months in Chile and Colombia). Still, the data suggest even higher levels of food insecurity for forcibly displaced in Peru.

#### FIGURE 3.14. FOOD INSECURITY

Percentage of people aged 15 and above, 2022.

#### SHARE THAT RESPONDED YES TO "DURING THE LAST 12 MONTHS...



Notes: Countries are sorted in alphabetical order. Data for Costa Rica, Ecuador and Mexico are not available. The time frame for Chile and Colombia is the past 12 months, whereas for Peru it is the past month. Food insecurity is assessed using three of the eight questions of the Food Insecurity Experience Scale (FAO). All questions refer to the respondent and other household members. The same data sources and related notes from Figure 2.1 apply here, with the exception that the data source in Costa Rica is the ENAHO 2022 and Colombia is the Encuesta Calidad de Vida 2022 (ECV).







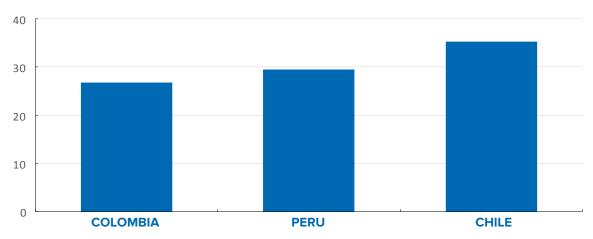
#### DISCRIMINATION

For these same countries, there is also data available on the experience of discrimination among the forcibly displaced. In all three, around 30% of displaced individuals report being discriminated because of their country of origin (Figure 3.15). The largest share of discrimination is seen in Chile (35%) and the smallest in Colombia (26%). Closely related is the issue of public opinion towards the foreign-born population. The standalone box below based on data sources other than the national household surveys shows that public opinion towards forcibly displaced populations has been deteriorating over time in the region.

#### FIGURE 3.15. DISCRIMINATION AGAINST FORCIBLY DISPLACED POPULATION

Percentage of people aged 15 and above, 2022





Note: Countries are sorted in ascending order of the share of forcibly displaced reporting discrimination. Data for Costa Rica, Ecuador and Mexico are not available. The same data sources and related notes from Figure 2.1 apply here, with the exception that the data source in Colombia is the Pulso de la Migracion 2022 (EPM).

# PUBLIC OPINION TOWARDS FORCIBLY **DISPLACED POPULATIONS**

Xenophobia is one of the principal barriers to the socio-economic integration of forcibly displaced persons, as negative perceptions impact their capacity to successfully participate within their host communities. Acts of discrimination, intolerance, and xenophobia can function as barriers to migrants' capacity to find employment and housing, and to achieve a sense of belonging in local communities.

In Latin America, nearly two-thirds of those surveyed declare themselves in favor of receiving those displaced due to political persecution. Costa Rica is the only country studied here that exceeds the Latin American regional average, while in Ecuador and Peru, only a minority of the population agrees with receiving displaced persons (Figure 3.16).<sup>12</sup> It is worth emphasizing that not all surveys use the same words and phrases and that this has an impact on the interpretation of questions, and therefore on survey results. There are important differences when asking about the perceptions of refugees, displaced persons, migrants, or even foreigners. The heterogeneity of the questionnaires across different surveys represents a significant challenge in comparing their results.



**MEXICO** 



**FCUADOR** 

**PFRU** 



#### FIGURE 3.16. PERCEPTIONS TOWARDS FORCIBLY DISPLACED POPULATION

Percentage of respondents that agree with the statement, 2020

0

COSTA RICA

SHARE OF RESPONDENTS THAT AGREE WITH THE STATEMENT: "OUR COUNTRY SHOULD HELP IMMIGRANTS WHO SUFFER POLITICAL PERSECUTION IN THEIR COUNTRIES" 80 70 60 50 40 30 20 10

Source: Public Perceptions Laboratory on Migration, IDB, based on data from Latinobarómetro, 2020.

ΙΔΤΔΜ

COLOMBIA

According to data from the survey "The Americas and the World", carried out in Mexico in 2018, 70% of the Mexican population agreed that it is important that the government allocates resources to give refuge to foreigners who are in danger in their origin country. However, it seems that when confronted with larger numbers of asylumseekers, attitudes shift. The Latinobarómetro data from two years later show a much lower level of agreement as presented in the figure above (55%).

**CHILE** 

There is also public support for the displaced population to access social protection systems. In Peru, for example, when asked specifically if Venezuelans should have the same access as Peruvians to the health system and their children be able to attend public schools, 63% and 72% agreed, respectively.<sup>13</sup> In Ecuador, 48% of respondents agreed that the government should offer social services (education, housing, healthcare) to Venezuelans that live or work in their country in 2018, a response rate that increased marginally to 49% by 2021 (Figure 3.17).

However, there are some indications of declining public support. In Colombia, the same regional "Barometer of the Americas" survey asks whether respondents agree with the government granting social services to Venezuelans that live in the country. In 2018, 59% agreed, but by 2021 this percentage had fallen to 39%.

#### FIGURE 3.17. PERCEPTION ABOUT OPENNESS TO VENEZUELANS

Percentage of respondents that agree with the statement, 2018 and 2021



Source: Public Perceptions Laboratory on Migration, IDB, based on data from The Barometer of the Americas, LAPOP.







The same public perceptions survey shows that negative perceptions of the Venezuelan population impact their willingness to live in proximity of Venezuelans. In Colombia, in 2018, 68% of respondents would not mind having a Venezuelan as a neighbor. By 2021, this percentage had fallen to 53%. In Peru, 85% of respondents rated Venezuelans as untrustworthy, and 45% would be upset if their son or daughter married a Venezuelan. These negative perceptions are also impacting economic integration. Nearly two-thirds of respondents, if they had a business, would be unlikely to hire a person from Venezuela.

On balance, countries of the Americas are relatively open, in principle, to receiving and giving asylum to those displaced by political persecution. However, the limited available data over time shows a worrying decline in public opinion support in this respect. Indeed, it seems that when faced with the realities of large numbers, this openness tends to decline. In no cases have surveys in recent years found significant increases in openness, and in some cases have identified significant reductions. This will be an ongoing challenge to the integration of the large numbers of forcibly displaced populations in the region in coming years and will require ongoing monitoring.

## 4. CONCLUDING REMARKS

The Latin America and Caribbean region face several overlapping displacement situations, notably from Venezuela, Northern Central America, Nicaragua and Haiti. The analysis developed in this note indicates the extent of socio-economic integration among forcibly displaced populations in six hosting countries with comparable data, and informs a more evidence-based discussion. The findings illustrate a few encouraging trends, as well as key challenges.

It is clear that forcibly displaced populations are filling important gaps in local labor markets as they have higher rates of participation and employment compared to their national-born counterparts. What is more, unemployment rates for the forcibly displaced are relatively low across most countries, indicating their ability to find work and contribute to their local economies. Nonetheless, forcibly displaced workers are generally more likely to be overqualified for their jobs and engaged in informal activities. This limits their wage-earning potential and results in a misallocation of their talents. In addition, the gender-based employment gap is for the most part more pronounced for forcibly displaced populations compared to native-born, highlighting particular challenges for forcibly displaced women. Similarly, the lower school attendance among forcibly displaced children and higher rates of early school leavers, along with the higher share of forcibly displaced youth in neither education, employment or training (NEET) indicates the next generation of forcibly displaced families will likely continue to face fundamental difficulties.

With respect to living conditions, the measures of wellbeing based on household income and relative poverty show a mixed picture across the six countries as well as between the forcibly displaced populations and nativeborn. However, measures for overcrowding and food insecurity show forcibly displaced people with relatively high levels of deprivation in those countries where data exists. Moreover, the available evidence on significant levels of discrimination and worsening public opinion towards refugees and asylum-seekers will remain a fundamental challenge to their full socio-economic integration across the region.

To meet these challenges and advance durable solutions, renewed efforts are needed among national governments, the international community and local partners to strengthen the coordinated response that has emerged in recent years. Various coordination platforms play a key role, including the state-led Quito Process, the Inter-Agency Coordination Platform for Refugees and Migrants for Venezuelans (R4V) jointly led by UNHCR and IOM, and the Comprehensive Regional Protection and Solutions Framework (MIRPS, in Spanish) to address forced displacement in Central America and Mexico. Moreover, the increasingly greater engagement by development actors helps complement the immediate emergency measures with medium- and long-term investments that support stability and local integration.

The recently held second Global Refugee Forum provided the opportunity for states and stakeholders to highlight progress made and share good practices on the practical implementation of the objectives agreed upon in Global Compact on Refugees. The generally welcoming policy frameworks towards refugees and migrants in Latin America and the Caribbean along with the coordinated response by states has been referred to as a model for other regions. But it also provided the space to reflect on where gaps remain and what further action is needed. In addition, the GRF saw the launch of the Cartagena +40, which is the 40th anniversary of the Cartagena Declaration on Refugees. Led by Chile, consultations among LAC states will take place throughout 2024 and result in a new declaration and plan of action for the next 10 years. This forum will allow for ample consideration for what has been working throughout the region to protect refugees, and others in need of international protection, and will advance renewed efforts to address the remaining challenges preventing full socio-economic inclusion.

# **SPOTLIGHT** NOTE

**SOCIO-ECONOMIC INTEGRATION OF FORCIBLY DISPLACED POPULATIONS IN LATIN AMERICA AND THE CARIBBEAN** 







