



Social protection response to COVID-19

in Latin America and the Caribbean

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1. Why a social protection response to the COVID-19 emergency?

The COVID-19 pandemic is now affecting all the countries of Latin America and the Caribbean (LAC). This health emergency is also economic and social, in an unprecedented scale. In addition to the impacts from the global slowdown and the drop in oil prices, the COVID-19 containment measures that are being implemented by the

countries –which include travel and movement bans, border closures and quarantine– as well as the possible declines in remittance flows as a consequence of the economic contractions, will have a shocking impact on the level of economic activity and the income of families.

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This Technical Note constitutes a preliminary analysis of the measures implemented in Latin American and Caribbean countries in response to the impacts of COVID-19. It has been fed with information shared by UNICEF Social Policy Officers in the region and will be updated as new information becomes available in this rapidly evolving situation. We appreciate the contributions of Sebastián Waisgrais, Carolina Aulicino, Fernanda Paredes, Michel Guinand, Alejandro Vera, Diego Pemintel, Liliana Chopitea, Santiago Varela, Paula Pacheco, Carolina Cuevas, Pedro Baracaldo, Blanca Ávila, Raquel Barrientos, Gavino Severino, Maya Fachrani, Lyanna Harracksingh, Alexandra Escobar, Jimmy Vásquez, Alejandra Contreras, Roberto Rivero, Maddalen Yarza, Vicente Terán, Catalina Gómez, Arianna González, André Cortés, Emmanuel Michaud, Jorge Giannareas, Andrés Osorio, Ana María Gümez, Carlos Calderón and Darío Fuletti.

This situation calls for comprehensive and multisectoral responses, which include the use of national social protection systems.² The first message introduced by this document is to convey the importance of positioning, on a technical and above all political level, the notion that social protection has a substantial role to play in this crisis. *The adaptation of social protection systems to the COVID-19 emergency* is an essential response to protect both the level of consumption and investment in social and economic assets of households, thus contributing to their resilience during this period. COVID-19 is urging States to focus their attention on the lives of the people affected, particularly the families of the poorest and most vulnerable children who, in the absence of assistance and protection, face the loss of livelihoods, lower income, higher risk of getting sick, learning obstacles with a risk of lag in education, and greater food insecurity and malnutrition. As has been noted in the initial response of some of the countries in the region, adapting and making the most of the existing tools in social protection systems is part of a quick and effective response, since it facilitates bringing the necessary assistance, supported on existing instruments or structures.

A second message is that this crisis, caused entirely by external factors, unlike others in the past, has arrived in a region that generally has significant pre-existing gaps in the coverage of its social protection systems, which are now made more conspicuous by this moment of economic slowdown, limited fiscal space, migratory flows of the last years and presenting situations of political instability and social unrest. As in other parts of the world, the emergence of COVID-19 has exposed the shortcomings and weaknesses inherent in our health and social protection

systems, including the gap in health insurance. Before COVID-19, already a high percentage of the LAC population was not safeguarded by any form of social protection: according to the ILO, almost 40% of the population in the region did not have access to effective coverage of at least one social protection benefit in 2018; and a third of children, pregnant women, mothers with newborns and older adults were not entitled to monetary social protection benefits.³ In relation to health systems, while in the last 20 years 46 million additional people have been covered by health services and programs,⁴ the WHO and the World Bank report that still around 30% of the population cannot access these services due to economic barriers.

On the bright side, however, important examples of leadership, of creation of spaces for social dialogue and the widespread use of social protection measures have been seen in these weeks, demonstrating that countries are equipped with a range of policy alternatives they can adapt to be able to deal with this emergency. The current crisis also presents the need to strengthen channels to mitigate the impacts of COVID-19 on the most vulnerable, in the short term, and stabilize aggregate demand and boost the economy, in the medium term. And this is a third message of this document: within the instruments of social protection, *unconditional cash transfers for progressive coverage to families with children during emergencies act to protect them from the deterioration of their human capital, while helping prevent the decline of the economy on the demand side*. With the proper vision, this crisis will also provide the opportunity to rethink and actively shape instruments and institutions that will allow countries to be prepared for any emergency, and move towards inclusive growth.

2 Social protection is defined as the set of public and private interventions that address poverty, vulnerability and exclusion, as well as provide the means to face risks throughout the life cycle. For the purposes of this note, this definition of social protection extends the analysis beyond a vision of social protection based solely on mitigating short-term economic risk, but rather considers multiple risks and vulnerabilities, both economic and social.

3 Labor Overview: Present and Future of Social Protection in Latin America and the Caribbean (ILO, 2018).

4 Toward Universal Health Coverage and Equity in Latin America and the Caribbean (World Bank-WHO, 2017).

2. How does the COVID-19 find Latin America and the Caribbean?

COVID-19 appeared in Latin America and the Caribbean at a time of decelerating growth and narrowing of fiscal margins. Indeed, after significant economic prosperity between 2002 and 2008, the global crisis of 2008-2009 affected a group of economies in the region. Although growth resumed in 2010, evolution was more volatile, dynamism decreased towards 2013, and it definitely sank to negative between 2014 and 2016. Starting 2017, the region gradually presented a modest recovery (See Graph 1 and 2) and the last macroeconomic perspective showed paltry

regional GDP growth of 0.1% in 2019.⁵ This narrative, however, does not consider the realities of different countries, with very heterogeneous evolutions. For example, some of the largest economies (Argentina, Brazil, Mexico, Venezuela) have performed poorly in recent years, while the countries of Central America, the Caribbean, and some in South America (Bolivia, Paraguay, Peru) have continued to grow, albeit at a slower rate than in previous years, which was a glimpse into dampening growth.

Before the episode of COVID-19, the World Bank and IMF forecast for Latin America and the

5 Preliminary Overview of the Economies of Latin America and the Caribbean 2019 (ECLAC, 2019).

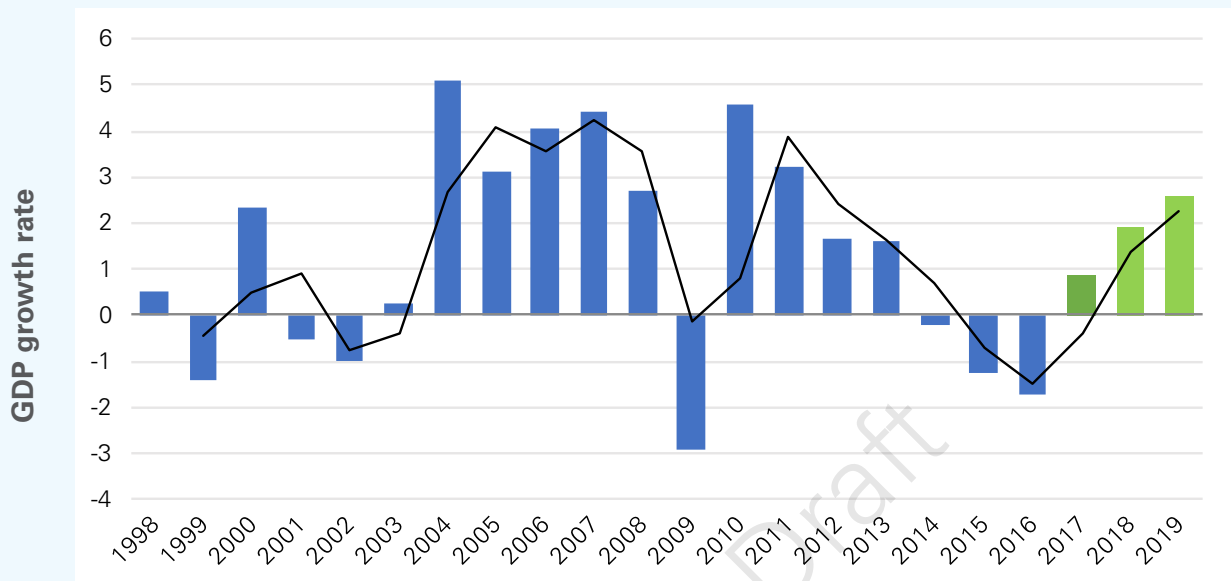
Graph 1.

Evolution of GDP per capita (PPP) and projection in Latin America and the Caribbean



Gráfico 1.

Evolución del PIB per cápita (PPP) y proyección en América Latina y el Caribe



Source: Prepared by the author based on World Development Indicators for 1998-2016 and World Bank estimate for 2017. For 2018 and 2019 projections from the International Monetary Fund were used.

Caribbean showed a slow but steady economic upturn, with GDP growth around 1.8% for 2020.⁶ For its part, ECLAC expected less growth, in the order of 1.3%, noting however that if this scenario continues, the 2014-2020 septennium would be the period with the slowest economic growth in the region in the last 40 years. Now that the pandemic has also settled in this region, and although the economic consequences are still difficult to calculate, ECLAC's first estimates conservatively approximate a contraction of -1.8% of regional GDP,⁷ coinciding with the opinions of international experts.⁸ In other words, in terms of economic performance, COVID-19 finds the region in one of the most fragile scenarios in a long time.

Despite the fact that the fiscal situation presents even greater variation between countries, the reality shows little room for maneuver for Latin American and Caribbean countries, largely due to high levels of public debt (as in Argentina, Brazil and the Caribbean countries) and to the payment of interests. Although it is true that primary deficits have been gradually reduced, this has been slow and, in many cases, at the cost of lower public spending.⁹ It is important to note that social spending, one of the most powerful tools available for governments to implement compensation mechanisms to families, has stagnated around 11% of GDP on average in the region since 2013. In particular, health spending is equivalent to 2.4% of GDP on average for

6 Global Economic Prospects (World Bank Group, 2019) and World Economic Outlook (IMF, 2019).

7 COVID-19 will have serious effects on the world economy and will impact the countries of Latin America and the Caribbean. Available at: <https://www.cepal.org/es/comunicados/covid-19-tendra-graves-efectos-la-economia-mundial-impactara-paises-america-latina>

8 COVID-19 Pandemic and Latin America and the Caribbean: Time for Strong Policy Actions. Available at: <https://blogs.imf.org/2020/03/19/covid-19-pandemic-and-latin-america-and-the-caribbean-time-for-strong-policy-actions>

9 Fiscal Panorama of Latin America and the Caribbean (ECLAC, 2019)

the region,¹⁰ which contrasts with the WHO's recommendations for public spending on health of at least 6% of GDP.¹¹ This situation, moreover, already implies intergenerational equity dilemmas, since the new generations would be suffering from public spending cuts with the continuation of the demographic transition while the older generations would be absorbing a significant part of the budgets in the form of pensions and health (CIEP, 2019).

In relation to income, taxation continues at around 18.1% of GDP¹² as the average for the region –although with marked differences among countries–, which rests on peaks in collection during periods of increased trade and economic activity, as well as in the extraction of commodities. The reduction in international oil prices greatly complicates the fiscal panorama for countries such as Ecuador, and to a lesser extent Brazil, Colombia and Mexico, which constitutes a clear and persistent risk on public spending in general, and on social protection spending in particular. Of special mention is the case of Venezuela, since it should be considered that the fall in oil prices increases the risk that the humanitarian crisis will deepen further and, with it, a spur in the migratory wave towards neighboring countries in the medium term.

Regarding this last point, it is estimated that starting in 2018, around 3.7 million Venezuelans (1.1 million are children and adolescents) have migrated to neighboring countries in search of

better economic opportunities and livelihoods for their families. This is in addition to other situations of people on the move in the region: around 500,000 unaccompanied children who migrated from Central America and Mexico to the United States were detained on the southern border of that country in 2019; there are an estimated 500,000 irregular Haitian migrants in the Dominican Republic and 7.7 million internally displaced people in Colombia; the flow of Nicaraguan citizens to nearby countries like Costa Rica and Panama has also increased since 2018 as a result of the political crisis.¹³ This implies that COVID-19 arrived in a region with little leeway in fiscal terms, and with additional pressures on public finances exerted by migration in host countries.

Additionally, three other developments are experiencing relative deterioration, as part of the pre-crisis context. First, almost simultaneous to economic growth reduction, the 2002-2008 average expansion of the labor market started slowing down since 2010, showing a drop in employment as measured by the employment rate. Second, there was a slowdown or stoppage, in almost all countries, in the incorporation of women into the labor market from 2008 onward. Third, unemployment rates grew, particularly among youth, and in some cases, presenting setbacks openly towards greater informality and precarious employment (see Table 1).

10 Social Panorama of Latin America and the Caribbean (ECLAC, 2019). Note: this data only accounts for the social spending of the Central Government, without taking into account possible expenses at the sub-national level, particularly relevant in decentralized countries.

11 Toward Universal Health Coverage and Equity in Latin America and the Caribbean (World Bank-WHO, 2017).

12 Fiscal Panorama of Latin America and the Caribbean (ECLAC, 2019).

13 UNICEF LACRO (2020), *mimeo*.

All these processes have an impact on the evolution of poverty in the region, which tends to increase in absolute terms in recessive contexts, given population growth. The sustained reduction in poverty and indigence that had taken place until 2013 (including a slight drop in the difficult years that followed the global crisis) slowed and reversed between 2014 and 2016, with moderate increases in poverty and indigence in much of the region. Income poverty went from 28.7% in 2012 to 30.8% in 2019, while extreme poverty increased from 8.2% to 11.5% in the same period (Graph 3). This implies that in 2019 around 191 million people lived in poverty and 72 million in extreme poverty (Graph 4). In fact, if we look at Graph 5 in light of GDP growth, it can be seen that both series have followed a *mirror* trend, highlighting how important economic growth for poverty reduction continues to be for this region,

above other mechanisms such as social spending or redistributive tax measures that have not been effective as countercyclical measures.

This panorama also presents one of profound inequalities: it is well documented that childhood and adolescence are overrepresented in these figures for Latin America and the Caribbean. While the prevalence of monetary poverty in adults over 65 years of age is around 15%, for 0 to 14-year-old children and adolescents that figure is three times higher (46.2%).¹⁴ This is also true for indigenous people, persons with disabilities and the people who live in rural areas. Furthermore, as can be seen in Figure 6, total and extreme poverty have increased in the 2014-2018 period for children and adolescents aged 0-14 years, while it has decreased or remained constant for adults over 65 years of age. For its part, in terms of the Gini coefficient,

14 Latin America and the Caribbean 30 years after the adoption of the Convention on the Rights of the Child (UNICEF LACRO-ECLAC, 2018).

Table 1. Evolution of main labor indicators for Latin America and the Caribbean 2007-2019

Indicators	2007	2012	2013	2014	2015	2016	2017	2018	2018	2019
									Third quarter average	
Participation Rates	61,6	62,4	62,2	62,0	61,9	62,0	62,3	62,4	61,9	62,1
Man	75,8	75,9	75,6	75,5	75,1	75,0	75,1	75,0	74,4	74,3
Woman	48,7	49,8	49,7	49,5	49,6	50,0	50,5	50,8	50,3	50,9
Occupancy rate	57,6	58,4	58,3	58,2	57,9	57,2	57,3	57,5	56,7	56,8
Man	71,5	71,8	71,6	71,4	70,9	70,0	69,9	69,9	69,1	68,9
Woman	44,6	46,0	46,0	45,9	45,7	45,4	45,7	46,1	45,3	45,7
Unemployment rates	6,7	6,4	6,3	6,1	6,6	7,8	8,1	8,0	8,4	8,5
Man	5,4	5,5	5,4	5,3	5,7	6,8	7,0	6,9	7,3	7,3
Woman	8,7	7,8	7,6	7,3	7,9	9,2	9,6	9,5	10,0	10,2

Source: Labour Overview of Latin America and the Caribbean (ILO, 2019).

ECLAC estimates a contraction of -1.8% in the regional Gross Domestic Product (GDP). This could mean, in turn, the increase in unemployment by 10 percentage points and greater poverty. The number of poor in the region could increase from 185 million to 220 million people, out of a total of 620 million inhabitants; and the number of people living in extreme poverty could increase from 67.4 million to 90 million.

the region remains the most unequal in the world, higher than Africa, with an index of 0.46. However, recent studies that combine household surveys and administrative financial records suggest that inequality could be much higher, since the proportion of the richest has decreased less than the proportion of the rest of the population, particularly the vulnerable middle class.¹⁵

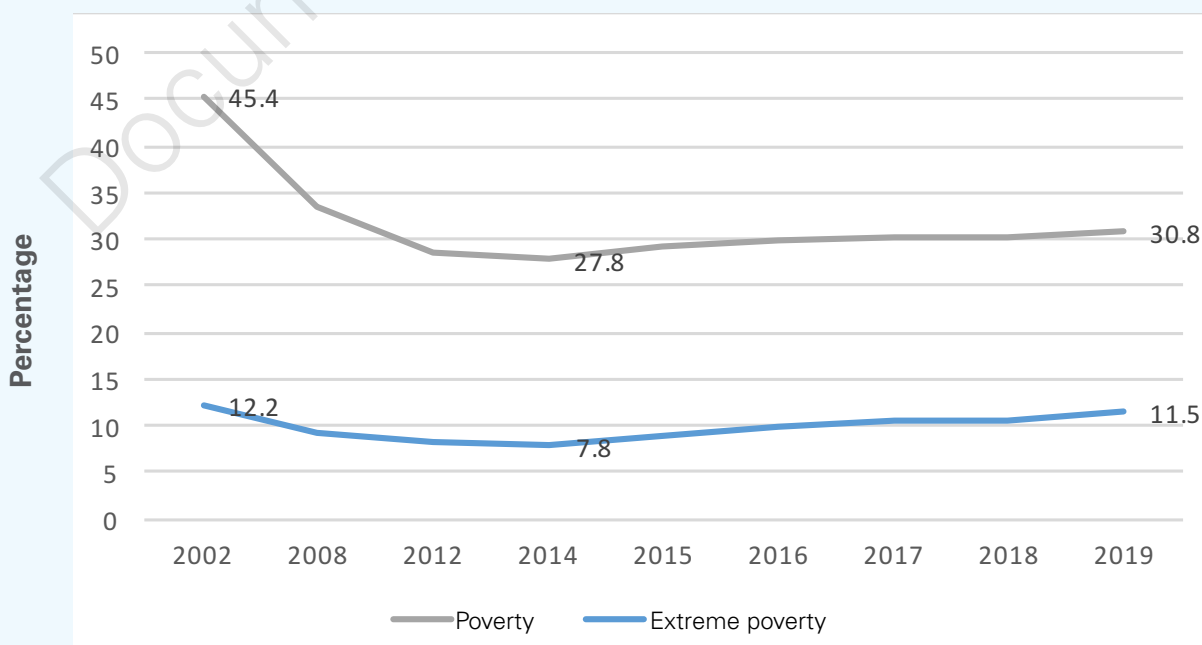
Finally, largely linked to inequality, the political front in Latin America and the Caribbean in 2019 can be defined as a year of volatility. In a scenario of weak growth, the persistence of economic and social inequalities, mistrust of democratic institutions and processes (with citizens suffering from corruption fatigue), as well as the prevalence of sexist social norms and patriarchal institutions were the breeding ground for episodes of social and political unrest in many countries in the region, which have contributed to an environment of instability. Although the source of the discontent has been different between countries, there is an underlying perception that “the prospects for upward economic and social mobility are fading.”¹⁶ Widespread episodes

15 Social Panorama of Latin America and the Caribbean 2019 (ECLAC, 2019).

16 Where next and what next for Latin America? (The Economist Intelligence Unit, 2020).

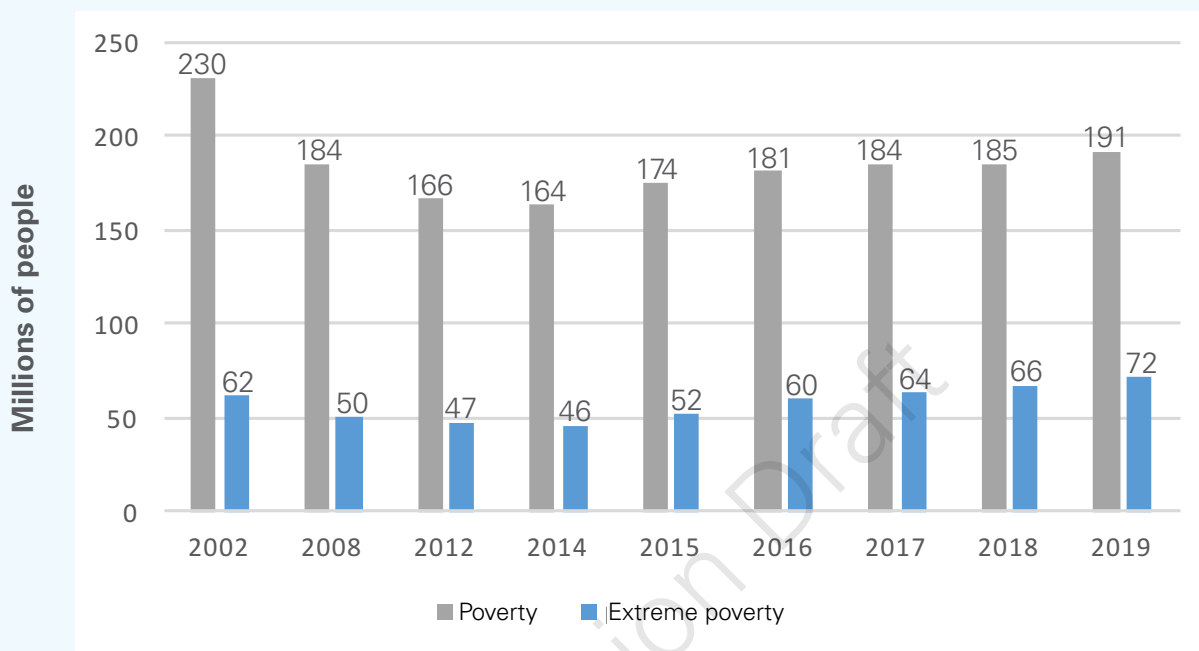
Graph 3.

Evolution of the percentage of the population living in poverty and extreme poverty in Latin America and the Caribbean



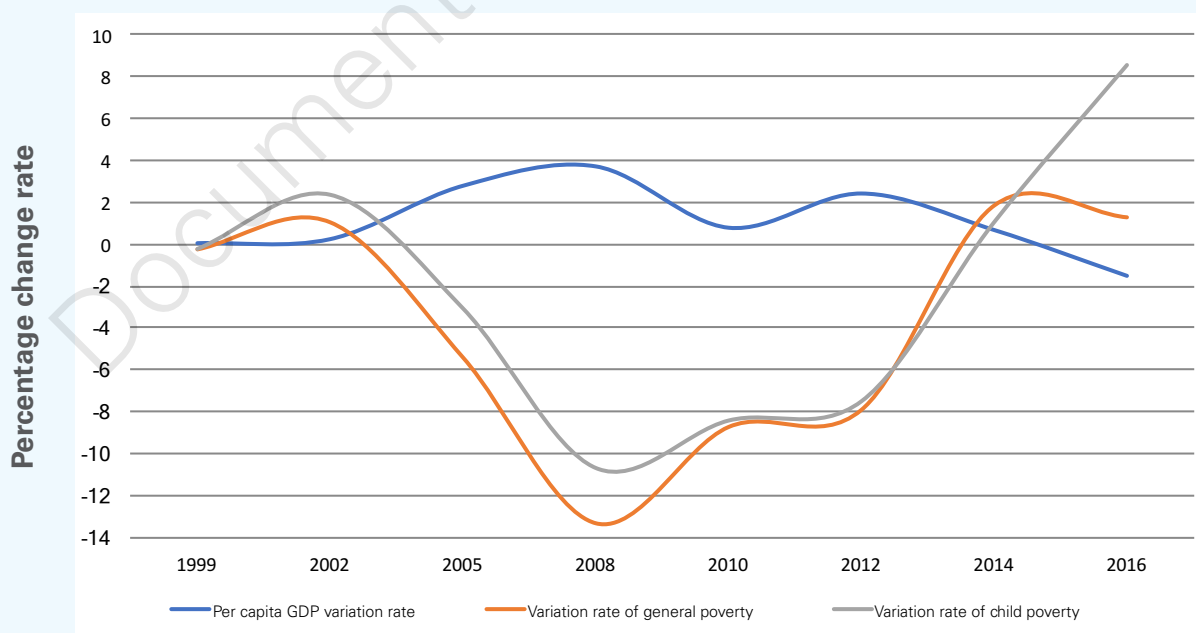
Graph 4.

Evolution of the population living in poverty and extreme poverty in Latin America and the Caribbean



Graph 5.

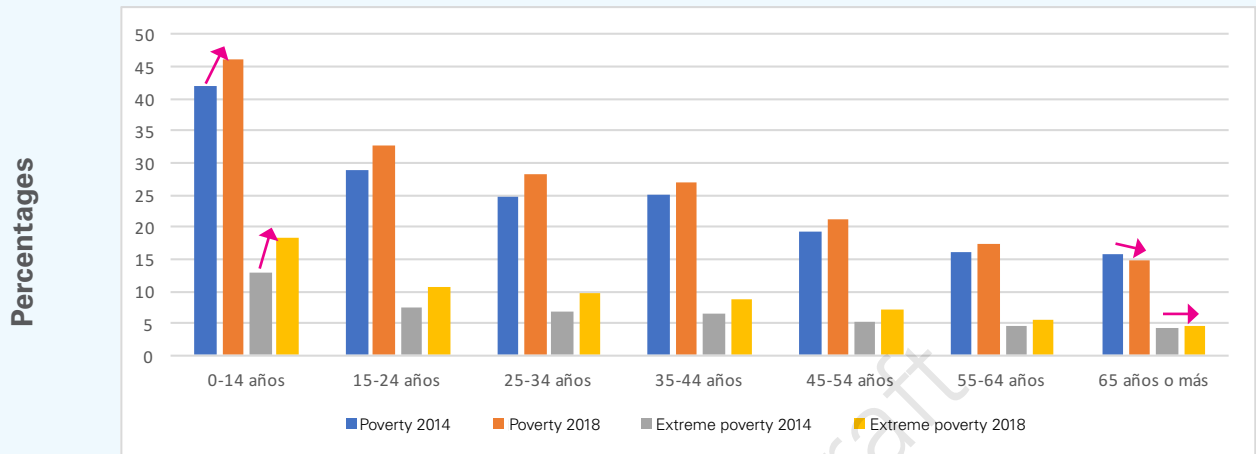
Variation rate of GDP per capita and percentage change rates of urban poverty by age group



Source: Prepared by author based on CEPALSTAT 2014 and 2017 data.

Graph 6.

Evolution of poverty and extreme poverty according to age groups in Latin America and the Caribbean (2014-2018)



Source: Prepared by author based on data from the Social Panorama of Latin America and the Caribbean (ECLAC, 2019).

of protest were observed in Bolivia, Chile, Colombia, Ecuador, Nicaragua, Peru and Venezuela, as well as specific outbreaks in Guatemala, Honduras, Mexico and Panama. Thus, the pandemic has reached LAC at a time of growing poverty, of deep structural inequalities that have not been corrected and that, to a large extent, have contributed to a scenario of social discontent and political instability.

Within all this context, COVID-19 is expected to impact the region's economy in several ways: first, by interrupting supply chains, which is particularly important for Brazil and Mexico, which import Chinese goods for their manufacturing sectors¹⁷, especially automotive, electronics, machinery and equipment.

Second, the effect that the lowest global growth rates and demand will have on exports and international prices of some raw materials, particularly from China,

an important trading partner of several Latin American economies such as Chile, Brazil, Argentina, Colombia, Ecuador and Peru. Third, due to the reduction in tourist and travel activity, as a result of mobility restrictions, this will translate into severe costs in terms of loss of economic activity, especially tourist jobs throughout the region, but particularly in Caribbean areas. Finally, the measures to contain¹⁸ the spread of the virus will reduce domestic demand, both for households and investors, who will make consumption and investment decisions in a context of risk and uncertain economic prospects.

The countries of the region will require clever policy and political responses to limit the direct effect of COVID-19 on families, all the while mitigating the economic and social impact of the slowdown stemming from the drastic containment measures. Even in a context in which the region has a limited capacity to compensate

17 Cárdenas, M. (2020). The Impact of Covid-19 and the Oil Price War on Latin America. Available at: <https://energypolicy.columbia.edu/research/commentary/impact-covid-19-and-oil-price-war-latin-america>

18 School closings, restrictions on mobility and transportation, reduction of working hours, telework, restriction of economic activities and, finally, curfews.

for external shocks, the response of several countries cannot wait: in the short term it will be necessary to create the space to finance additional health and social protection expenses to ensure containment of the spread of the virus, while mitigating the impact on families, especially in terms of food and livelihoods.

Also, the countries will have to adopt fiscal, monetary and economic stimulus measures to help companies to try to keep jobs and pay salaries, and guarantee the maintenance of basic services such as electricity and water, among other measures.

3. What does the regional context tell us about who will be most affected?

The description of the context should not hide the fact that the scope of the COVID-19 emergency is unprecedented and pressing. A reduction in the level of employment at global, regional and national levels can be expected, because it is already happening, as well as a reduction in labor income (either due to less hours worked or lower wages), and certainly an increase in vulnerability in families. For families that are seeing their livelihoods or sources of income threatened today, a lower income will also translate into less consumption, and perhaps into negative coping strategies in this situation,¹⁹ which threaten their human capital. At the moment, it can be anticipated that the following social groups will possibly be the most affected:

a. Independent, informal or occasional workers and migrant population

The type of insertion into the labor market affects the degree of vulnerability of workers,²⁰ and in Latin America and the Caribbean labor informality is high: 50% of the workforce is informal and 30% is considered self-employed (this includes domestic employment).²¹ In other words, they are mostly workers in low-productivity, low-wage jobs, who in most cases do not have the benefits stipulated by law

for their protection, such as sick leave, social security, and paid vacations, and whose families therefore lack health and retirement insurance. This protection, which would be essential to face external or biographical shocks, does not exist. For them, a fall in demand and economic activity is immediately transformed into loss of employment and income. Given that workers are employed in service activities, retail, transport, tourism, domestic activities, among others, they probably do not have the means to face a restriction of long-term economic activity, nor the ability to generate income or

The ILO estimates that the economic and labor crisis caused by the COVID-19 pandemic could increase global unemployment by almost 25 million people. Job losses in upper-middle-income countries, which is the level of most countries in the Latin American and Caribbean region, could be as high as 7.4 million.

¹⁹ It refers to actions taken to alleviate the adverse effects of a circumstantial situation that affects individuals or families, but that are detrimental to their well-being. Some typical examples of negative coping strategies in situations of abrupt reduction of income are the change of diet for one of less variety and/or nutritional quality, child labor and inclusion in illegal commercial activities.

²⁰ In 2018, the incidence of poverty was 41.6% among unemployed workers, while it was 29.4% in self-employed workers and 16.6% in salaried workers.

²¹ Labour Overview of Latin America and the Caribbean (ILO, 2019).

protect themselves against bankruptcy or interruption of their sources of income.

An additional point to take into account is that the emergency does not only affect the people who are already living in poverty today. In fact, many people who cross the threshold of monetary poverty have not necessarily had their protection or well-being guaranteed, either before or in the current situation. ECLAC shows that even within the middle-income level in Latin America,²² which grew significantly in the first decade of this century in general—and even later in some countries in particular—, a quarter of workers do so on their own without professional qualification or are domestic employees, which are activities traditionally linked to informality and with no access to social protection.²³ For its part, UNDP takes a somewhat different approach but reaches similar conclusions: it estimates that in 2014 there were 200 million vulnerable

Latin American and Caribbean people,²⁴ this is, population with a relatively high probability of falling back into poverty if some type of adverse event occurred or in the event of a shock. And it is precisely this lack of social protection that could send them back into a situation of poverty, since only half (98.5 million) are employed; of these, 54.4% are informal workers, 49.6% do not have access to medical services, 46.1% do not have the right to a pension and 53.2% do not have an employment contract.²⁵

A similar situation is experienced by the migrant population, largely due to their irregular situation. Typically, this population engages in informal activities, with low productivity, lower wages and without access to social protection, such as the construction industry or domestic employment.²⁶ The following is an example: the Survey to the Venezuelan Population Residing in the Country

22 People with incomes less than the equivalent of 1.8 poverty lines are considered low income group. The lower-middle group was defined by an upper threshold of 3 poverty lines, the mid-lower by a higher threshold of 6 poverty lines and the upper-middle by a higher threshold of 10 poverty lines. Based on this value, the high per capita income groups were defined.

23 Social Panorama of Latin America and the Caribbean 2019 (ECLAC, 2019).

24 Group with earnings between US\$4 and \$10 a day, who are neither living in poverty, nor have entered into the middle class

25 Profile of social groups in Latin America: the poor, the vulnerable and the middle class (UNDP LAC, 2015).

26 Social Panorama of Latin America and the Caribbean 2019 (ECLAC, 2019).

Table 2. Distribution of the population by income quintiles and age, Latin America around 2014

Age groups	Quintile I	Quintile II	Quintile III	Quintile IV	Quintile V
0 to 4 years	29,0	23,8	20,0	15,7	11,6
5 to 9 years	29,9	24,3	19,6	15,1	11,1
10 to 14 years	29,4	24,4	19,6	15,3	11,3
15-24 years	19,4	20,8	21,6	21,1	17,1
25 to 34 years	16,5	18,1	19,7	21,4	24,4
35 to 44 years	17,7	19,1	19,8	20,9	22,4
45 to 54 years	14,5	16,7	19,5	22,5	26,8
55 to 64 years	13,9	15,7	18,4	22,4	29,6
65 years and over	15,2	17,9	19,3	21,9	25,7

Source: ECLAC, 2016

(ENPOVE 2018) of Peru indicates that 70% of the Venezuelan migrant population is engaged in informal activities, and 91.5% lacks health insurance. While the initial protection measures do not include migrant citizens (which is probably also a result of the reality of the current political economy in several countries), it is important that international cooperation closely support and propose measures to ensure health and a minimum income to this population.

b. Families with children and youth

Families with children, especially those with children of active and reproductive age, have traditionally presented a high vulnerability to poverty and loss of well-being as a consequence of shocks in the region (Filgueira, 2009). Indeed, families with children are systematically overrepresented in the lower income groups of Latin American societies, not only in situations of poverty but also of vulnerability (see Table 2).

This situation is the result of the fact that it is generally youth (young fathers and mothers as well) who systematically present higher levels of unemployment and greater involvement in precarious employment. For example, the unemployment rate for youth aged 15-24 years (18%) is three times the unemployment rate for adults (6%) and, for youth, the unemployment rate for women is more than five percentage points higher than for their male counterparts. In many of these cases, these are women who are also not in the educational system but rather have engaged in unpaid domestic activities. On the other hand, the people who are indeed occupied generally are occupied precariously: 60% of youth under the age of 24 are employed informally.²⁷

Furthermore, family protection systems in the region –especially for families with young children–

have historically been weak. It has not been until recent years that intersectoral strategies for early childhood development have been implemented with a social protection perspective. However, family allowance mechanisms, the contributory insurance of youth, particularly young women, and other policies of monetary and service supports continue to be extremely low (Filgueira and Rossel, 2017). Social protection for children is also social protection for young families. When it is fragile, so will the well-being of children.

c. Women

For women, poverty, age disparities, precariousness in the labor market and migration status already intersect negatively in normal conditions, but are particularly harmful in the face of adverse emergency events, because they tend to reproduce existing inequalities and perpetuate exclusion situations. For example, if a structural (negative) feature of Latin American societies is that 78% of the 47.2 million people in the region who are dedicated to care work in its various forms are women, and if women also take care of 80% of household chores,²⁸ in the event of school or care center closings due to COVID-19, they will now carry an even greater burden. And if, in addition to the work in their homes, they work as domestic employees, 80% of them will likely have an informal status, which implies not enjoying a paid leave of absence during the time that they cannot work due to the emergency, being able to use certain health services, or have access to credits associated with social security.

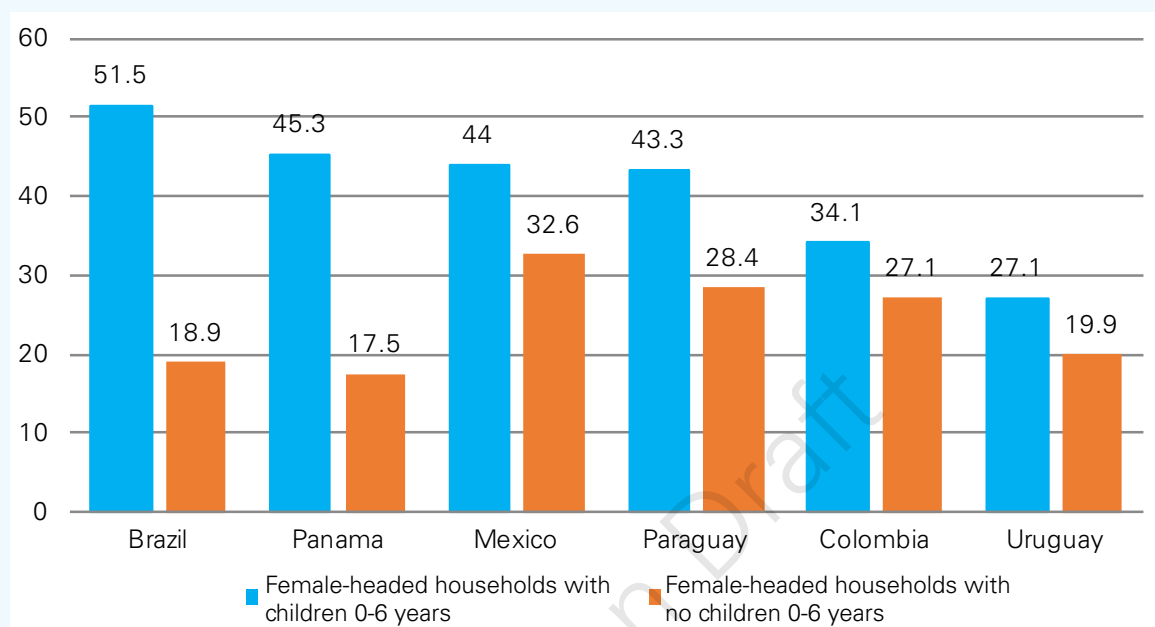
Special mention should be made of female-headed households: the increase in marital dissolution and a significant increase, more marked in the lower-income sectors, of female-headed households with children, is a demographic change in the region that requires recognition by States, so that

²⁷ Labour Overview of Latin America and the Caribbean (ILO, 2019).

²⁸ Women in the World of Work. Pending Challenges for Achieving Effective Equity in Latin America and the Caribbean (ILO, 2019)

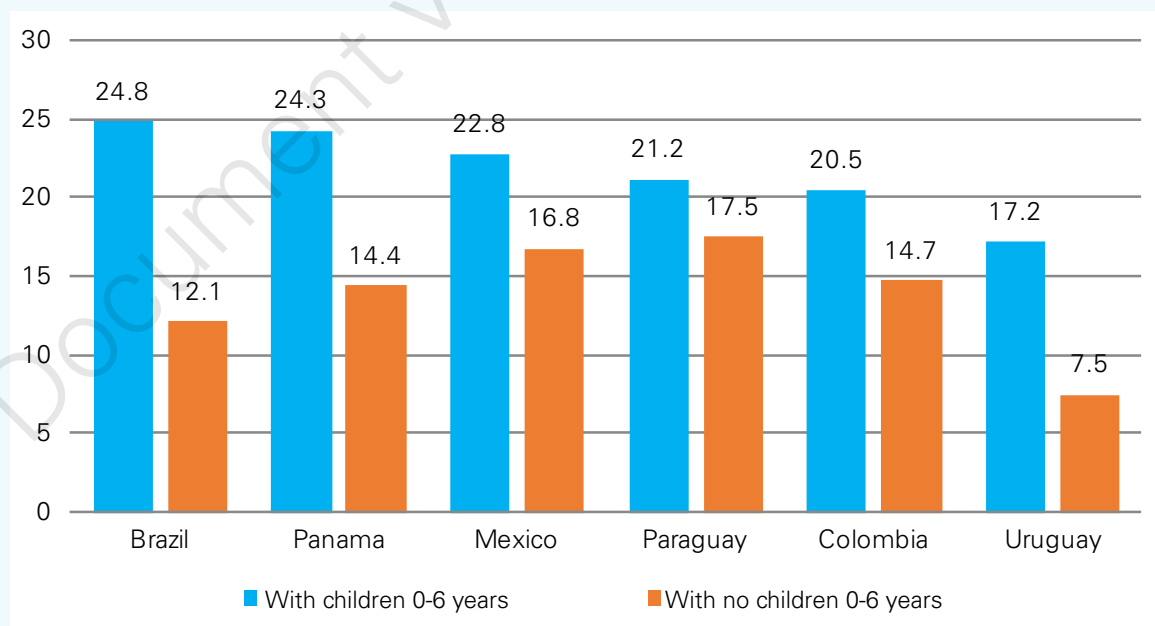
Graph 7.

Families at risk of relative poverty with female-headed households with and without children under seven -circa 2018



Graph 8.

Two-parent families at risk of relative poverty in households with and without children under the age of seven -circa 2018



Source: Nienhauseen et al, 2018

they incorporate the new vulnerabilities arising from the profound family transformations that are occurring. If the social protection model and the insurance mechanisms are designed for the “prototypical” family of father and mother with male provider, this model will be significantly dissociated from a reality where single-mother households are growing considerably. If female-headed households are already at a higher risk of falling into poverty than two-parent households in common conditions (see Graphs 7 and 8), the COVID-19 emergency will surely put additional pressure on their situation, especially when there are children in the household.

d. Girls, boys and adolescents

Even before COVID-19, the vulnerability of families with children to abrupt falls in their levels of well-being had put them at risk of situations of violation of their rights and inadequate development. COVID-19 now has the potential to make this and other new situations worse. As has been shown, poverty in the region follows a *mirror* evolution of GDP growth, that is, a procyclical behavior, and in addition, childhood and adolescence are overrepresented in these figures. Thus, the decline in economic performance as a result of the pandemic is expected to increase child poverty even more than overall poverty.

On the other hand, the closing of schools and the suspension of face-to-face classes represent a learning risk for a large part of boys and girls in the region. While it is true that a large number of educational centers have implemented online education modalities to try to continue classes following the curricula as closely as possible, the capacities for this are profoundly dissimilar, both in terms of technology skills required by students and teachers, and in aspects of household assets and services such as permanent access to a computer or mobile device, and

adequate internet connection. Furthermore, many countries implement feeding programs in schools in vulnerable areas, which have the benefit of supplementing the nutrition of boys and girls because of the lack of possibilities within their homes. With the closure of schools in the event of an emergency, this benefit has been suspended, at least temporarily, with the negative impacts that this may entail for those boys and girls.

Finally, Latin America and the Caribbean is a deeply violent region, one in which the social norms and cultural practices that are followed at home continue to reproduce situations of violence against children. In this region, two out of three boys and girls under the age of 15 experience some type of violent discipline at home (psychological and physical) and one in two is subjected to corporal punishment; four out of ten girls between the ages of 15 and 19 have experienced violence from their partner at some time; and 1.1 million adolescent girls between the ages of 15 and 19 have experienced sexual violence or another forced sexual act (including from childhood),²⁹ often perpetrated by a person they know or even from the family circle. Since COVID-19 forces social isolation to avoid contagion, this is the environment that boys and girls face while in seclusion with their families.

Although the panorama is worrying, these results do not have to be a reality in the lives of children and their families. To prevent this from happening, fiscal efforts, international cooperation and financing credits are required for the implementation of public policies of protection and social promotion to allow families with children to face the socioeconomic risks associated with COVID-19 pandemic. This will prevent the deterioration of their well-being, and promote the adequate development of their human capital, which is essential during the first years of life.

29 Children in Latin America and the Caribbean Overview 2018 (UNICEF LACRO, 2018).

4. The social protection response of Latin America and the Caribbean countries. Where are we?

Fortunately, public policy responses geared toward protecting the most vulnerable families have been quick in LAC. Table 3 presents a synthesis of the social protection measures that some selected countries have adopted as of March 24, 2020.³⁰ The challenge of immediate expansion of social protection systems to mitigate the impact of the economic crisis and have a better resilience to future shocks has been addressed with different tools, which vary in the generosity of benefits, duration, target population, among others. At first glance, it is possible to conclude that the margin to deepen these measures, so that the populations that will be most affected by this crisis can be protected, is still important.

Of the 20 countries in the region of which there is first-hand information, 90% uses some intervention that can be classified as social assistance, mainly through cash transfers or food programs. 9 countries use existing transfer programs, either through horizontal and/or vertical expansion,³¹ while 10 have created new specific transfer programs or vouchers for the current emergency, and 5 specifically food. In several countries the two strategies are used: the use or adaptation of existing transfer programs and the creation of a new program.

Argentina, for example, is increasing money transfers equivalent to an additional payment of the Universal Child Allowance (AUH) and the Universal Pregnancy Allowance for \$3,100 Argentine pesos (US\$47) for 4.3 million people, and an extraordinary bonus of \$3,000 Argentine pesos (US\$45) for the 565,000 people who receive social plans. At the same time, it created the Emergency Family Income, an exceptional non-contributory cash benefit for \$10,000 Argentine

pesos (US\$157) aimed at compensating for the loss or serious decrease in income of 18-65-year-old workers who do not receive pensions or subsidies of any kind, have no other income, and have been affected by the health emergency situation. In Brazil, a horizontal expansion of the Bolsa Familia has been adopted for 1.2 million beneficiaries, and a bonus of \$200 Brazilian reais (US\$40) per month has been provided for 3 months to poor informal workers who do not receive *Bolsa Familia*. In Paraguay the amount of the transfer of the *Tekoporá* social protection program was increased (167,000 families) and the *Ñangareko* food security program was created, destined for 330,000 families with a cash transfer of \$230,000 Gs. (US\$36) via electronic wallet to purchase food and hygiene products.

In Peru, the main transfer program, *Juntos*, does not reach urban areas. A double strategy is used to be able to expand in these areas: on the one hand, a monetary subsidy *Yo me quedo en casa* (I stay at home) for S/. 380 to about 3 million households in poverty and extreme poverty was created, and on the other hand, the payment of existing cash transfer programs. The Peruvian case is different from the Colombian, where the transfer programs cover urban and rural areas, so that the country can use the existing programs to face the emergency without creating additional transfer programs, but only by arranging an additional payment to the main conditional cash transfer social programs. These are: *Familias en Acción* for COP \$334,000 (US\$95) that benefits 2.6 million households, *Jóvenes en Acción* for COP \$712,000 (US\$203) with 204,000 youth benefited, and *Colombia Mayor* for COP \$240,000 (US\$68) for 1.7 million older adults. Additionally, Colombia is innovating in the region with

³⁰ The complete list of measures can be found in the Annex.

³¹ Horizontal expansion refers to the increase in the number of beneficiaries, generally not previously enrolled in the program. Vertical expansion refers to the increase in the amount of the transfer to the beneficiaries already existing in the program.

a VAT refund program for poor families, which was planned for next year but has been implemented now given the contingency.

In the Caribbean, the Dominican Republic, a country that has made significant progress in adapting its transfer programs to emergency situations, is also proposing a double expansion of the *Comer es Primero* program: vertical, doubling the amount received by registered families in the program, and horizontal to include families in extreme poverty, moderate poverty and vulnerable sectors, as well as formalized self-employed workers at risk of falling into poverty. In addition, it announces the creation of the Temporary *Quédate en Casa* Program, with benefits of US\$94 per month for the purchase of food and basic necessities for families that receive the *Tarjeta Solidaridad* (food card), as well as an expansion for families according to their vulnerability. For its part, Trinidad and Tobago has implemented a three-month vertical expansion for basic needs for people who receive existing cash transfer programs, Public Assistance Grant and Disability Assistance Grant, as well as vertical expansions for families who receive Food Cards, all of them with differentiated amounts according to the composition of the household.

The case of Chile is striking, since it has not yet used social programs to respond to the emergency, but is discussing the creation of an extraordinary COVID-19 Bonus, equivalent to the Single-Family Grant for \$13,155 Chilean pesos (US\$ 15) for 2 million people without formal work (for a financial effort of US\$130 million). The same is true for Panama, which plans to create a *Panamá Solidario* bonus, which would provide a minimum income to people who work in the informal sector, people who have recently lost their jobs, and people who are not working and do not receive another subsidy. Interestingly, this program would also cover foreign residents who are in the situation described. Lastly, Mexico, the country with the most evaluated conditional cash transfer program in the world and

which has recently undergone name and operation modifications, has also not activated this instrument as a compensation mechanism for the loss of household income associated with stagnation of economic activity.

Regarding food programs, 8 countries use them as the second most important social protection measure, whether adapting existing ones to a home delivery modality, such as Argentina that changed the modality of dining rooms in vulnerable areas to home delivery, or as in Costa Rica and Trinidad and Tobago that changed school feeding to a home delivery of food packages and sanitary items, in one case, and to the delivery of food packages for three months in the other case, respectively. In Uruguay, provision is made for the delivery of food to the informal population, mobile or unemployed; while Paraguay is delivering it to beneficiaries of social programs, day laborers and self-employed; and Colombia to older adults. Bolivia has created a monetary bonus with the intention of compensating the benefits of school meals. In a situation where the closure of care centers and schools is mandatory, few countries have yet evaluated and adopted alternatives to school feeding such as food distribution, or the replacement of cash for food. According to the FAO, school feeding programs benefit 85 million children in Latin America, and for about 10 million they constitute one of the main sources of safe food they receive every day.³²

Therefore, there is a space to consider household food delivery, as well as increase transfer amounts for the equivalent of the cost of meals.

In relation to the responses of the social security component, the measures applied so far in the region have basically been three: the reduction of hours worked and/or the telework modality, paid leave for selected groups, and the delivery of exceptional resources and/or the advancement of bonuses to formal or retired workers. Perhaps the one with the greatest impact is telework (Honduras, Peru, Argentina, Chile, El Salvador), since it is both a measure to contain

32 FAO-Office for Latin America and the Caribbean, 2020. Available at <https://news.un.org/es/story/2020/03/1471332>

the contagion and to maintain employment and economic activity, followed by the reduction of working hours. For its part, paid license –a plausible policy option for formal companies– is used by 5 countries. In Chile, for example, it is guaranteed through the Solidarity Unemployment Fund for all workers, public and private, who due to emergency reasons must remain at home without the possibility of remote work; in Argentina, Bolivia and El Salvador, licenses are applicable to older adults, pregnant women and people with health conditions; and in Argentina and Bolivia also for all workers, public and private, who have dependent

children and must attend their care needs due to the emergency. Finally, regarding measures such as the advance of compensation for time of service or salary bonuses or payments, in Brazil the withdrawal of part of the FGTS³³ is authorized for formal workers with a financial effort of US\$4 billion, the advance of the salary payment for formal workers and the usual end of year payment (thirteenth month) for pensioners. For its part, in Argentina an exceptional bonus of up to \$3,000 Argentine pesos (US\$45) will be awarded to the 4.6 million retirees who receive a minimum pension.

33 The Time of Service Guarantee Fund (FGTS) is a deposit fund of the Government of Brazil managed by the national bank Caixa Econômica Federal for situations of unemployment and similar situations of unprotected workers.

The Colombian case:

Colombia, a country with a robust urban and rural social protection system, has adopted broad-based measures and channels to reach different affected groups. Also, the private sector, in some cases exemplary, has announced relief schemes and support actions. Here is a brief summary of these responses.

1. Immediate use of conditional cash transfer programs: Familias en Acción (2.6 million households), Jóvenes en Acción (204,000 youth), and Colombia Mayor (1.7 million older adults).
2. Transfers to 3 million informal workers, identified through the Beneficiary Selection System for Social Programs (SISBEN).
3. Immediate reconnection and deferred payment without interest for 36 months of water, energy and gas services for socio-economic levels 1, 2 and 3.
4. Modification of deadlines to file income tax. VAT compensation for vulnerable people. Territorial entities are empowered to reduce taxes at the territorial level.
5. Freezing of mortgage and consumer loan installments, both capital and interest, for affected persons from 2 to 6 months. No negative report is generated in credit bureaus.
6. The maintenance of public employment was announced. Termination of state contractors is prohibited. The Ministry of Labor will not authorize suspension of contracts and collective dismissals. It promotes protecting employment with telework, flexible working hours, paid leave, accumulated, brought forward or collective vacation and wages without provision of services. In addition, the postponement to companies of payroll tax contributions (Sena, Compensation Funds and Family Welfare) is announced for companies that assume the commitment to maintain the employment of their employees.
7. Loans from entities for payroll protection. For example, Grupo Aval opened a line of up to 1 trillion pesos to companies for the payment of payroll; Bancolombia did the same with a line of 500 billion.
8. The unemployment protection program was reactivated, so that the people who lose their jobs and are enrolled in compensation funds receive 2 minimum wages for three months and the family allowance.
9. Territorial measures were also adopted. For example, Bogotá created the Bogotá Solidaria en Casa platform, the objective of which was to give 500,000 poor and vulnerable families a minimum income, through various channels. The requirements are a condition of vulnerability, staying at home and that there be no cases of domestic violence for any reason. In addition, Bogotá activated the www.bogotasolidariaencasa.gov.co platform for donations, even in kind. For the migrant population, they will not be denied shelter and food, but they cannot receive subsidies.
10. There has been a remarkable private and civil society response, with an important communication that promotes solidarity, and with open donation channels. The National Association of Entrepreneurs of Colombia donated \$10 billion that will be distributed in aid for \$150,000 per minimum income basket for street vendors, recyclers over 70 and street artists. In addition to banking, other groups responded. For example, Éxito (supermarkets) announced the delivery of 48,000 food packages to the families with young children, the sale of 500,000 markets at cost to deliver to the people who have lost their income, and a commitment to advance payment to small and medium-sized suppliers to mitigate the impact on their cash flows. Claro is providing 50% additional data and 50% higher speed in home services, in addition to opening 91 TV channels at no cost.

In terms of the existing space for the use of these instruments, the scenario is not clear: the duration of the containment measures (quarantines) may well be longer than the statutory periods of paid licenses and, in economic terms, be unfeasible for companies whose activity and income have been affected. Fiscal support to companies that maintain employment and payroll (for example, subsidies for companies that grant paid licenses, even partially) is essential, hence the need to gradually consider the importance of reflecting on the need of *ad hoc* legislation for the world of work in times of crisis.

Regarding access to services, there are some experiences to highlight. Notably, Jamaica has adopted a telephone psychosocial support service for families with children, while in Peru a support network for the elderly at high risk and persons with disabilities has been created. In Uruguay, the country's public telecommunications company (Antel) is providing a 5GB data bonus to all families and the data used to access the learning platforms will be free to enable educational

Table 3. Social protection measures in Latin America and the Caribbean (as of March 25, 2020)³⁴

Components of Social Protection/Countries	ARG	BRA	PAN	CHI	PRY	GUA	ECU	HON	CRI	PER	URY	COL	DOM	BOL	ELS	NIC	MEX	ECU	BEL	JAM	Total
1. Social Assistance																					
Use or adaptation of existing transfer programs	■	■			■				■	■	■	■	■						■		9
Creation of new transfer programs or VAT refund	■	■	■	■		■	■			■		■		■	■				■	■	10
Use or adaptation of existing food programs	■								■		■		■						■		6
Creation of new food programs					■							■	■						■		5
2. Social Security																					
Delivery of Bonuses or exceptional funds for formal workers or Advance payments or pensions	■	■							■	■		■	■					■			6
Sick leave	■			■						■					■						4
Paid license for special groups	■			■									■	■	■						5
Telework	■			■				■		■				■		■					5
Reduction of hours worked			■		■		■		■	■	■		■	■							8
3. Access to services																					
Family or psychosocial support services									■											■	2
Access to health									■	■											2
Bonuses or housing subsidy									■									■			2
Bonuses or subsidy for water, electricity, internet services			■						■		■	■			■				■		3
TOTAL	7	3	2	3	3	1	2	1	7	8	4	5	6	3	5	0	1	4	1	4	

Fuente: Elaboración propia con información de los Oficiales Nacionales de Políticas Sociales de UNICEF en la región.

34 Other measures such as loans to families (Ecuador), deferrals of collections of mortgage loans, credit cards, consumer loans (El Salvador), among others, are not considered in this summary.

continuity. In Chile, shelters and hygiene services have been set up for people on the street. Finally, although the situation and response changes rapidly, as of the cut-off date there is still no widespread use of subsidies

for a series of services such as housing, electricity, water and communications, used by El Salvador, Panama and Jamaica.

5. Final reflections

1. the current economic and social emergency is dynamic and changing, and the social policy instruments of the response will have to act accordingly. This document, which maps only an initial response from the countries of the region, shows that there is still significant room for maneuver in the countries to use social protection instruments to mitigate the socio-economic effects associated with the COVID-19 crisis. It also shows that *the countries have yet to delineate responses according to the different needs or vulnerabilities of different groups*. Certainly, this emergency will affect a spectrum that ranges from formal employees with social security and employment in companies with high resilience, to the other side of the spectrum of the population that was already informal or vulnerable before the crisis and without access to any social protection mechanism. Outlining the appropriate response instruments for a differentiated response among the various affected groups is essential to ensure national social cohesion in a time of severe crisis.
2. From the point of view of social assistance, countries have opted both for the adaptation of existing programs and for the creation of new programs, of cash and food transfers. The former, in particular, are a pillar of the response, but naturally, *these initial responses have been affected by the level of readiness of the social protection systems of the countries to the emergency*. Today, for example, we have the case of some countries with social protection systems designed to alleviate poverty in rural areas, and which must respond, with inadequate instruments, to an emergency that requires attending not only poor populations but also vulnerable middle classes, and mainly in urban areas. A social protection system that is not ready for emergencies faces the challenge of having to respond, at unbelievable speed, with information systems and selection of beneficiaries, payment arrangements, monitoring systems and communication mechanisms for which it is not prepared. Countries with broad-based transfer programs, such as Argentina, Brazil or Colombia show that they can respond quickly. When every day counts, the cost of working with deficient standards, targeting and payment mechanisms must be supplemented by a quick analysis of the social context.
3. In light of the operational complexity of quickly reaching the population, we believe that it is time to consider Universal Basic Income (UBI)³⁵ or *Quasi* Universal as a commensurable and timely response to an emergency of the size of the current one, at least for households where children and adolescents live, given the structural conditions of vulnerability they face, as we have described. UNICEF has carried out important technical work on universal cash benefits for children and advocates this intervention as a goal of universalizing social protection, from a rights

35 Payment of a basic level of income, which does not require a means-testing mechanism like other cash transfer programs.

perspective. The authors believe that, in this context, the UBI could be an appropriate policy option, particularly where targeting systems face difficulties in identifying specific vulnerable groups (urban poor, informal or self-employed workers, migrants) in very short-term and in situations where it is required to maintain internal demand, paying with debit cards distributed against presentation of identification documents, for instance. An UBI may well be a minimum income floor on which the other interventions of the system can continue, at a time when exclusion errors should concern us much more than inclusion errors. The fiscal cost of a proposal of this nature can be mitigated, in addition, with some level of geographical delimitation, by population group, or a combination with tax measures. Greg Mankiw, for example, presents an interesting proposal that rests on an *ex-post* targeting, which combines an immediate Universal Basic Income with the creation of an income tax for the people who pass a certain threshold of income at the end of 2020.³⁶ This, after all, is a time for solidarity.

4. It is important to note that this is only part of the answer, its social protection component. Governments in the region will have to take measures –and, in fact, they are– of monetary policy, incurred debt, fiscal and economic stimuli to the productive sectors to reactivate economic activity on the supply side, recover the jobs and re-create wealth to resume growth and development. It is, however, an opportunity for the region to do so in an inclusive, shared and solidary manner.
5. Important to mention is the migrant population. This segment of the population, in the current context of stressed public finances, political economy decisions, as well as technical and

logistical aspects of identification and delivery of benefits in contexts of quarantine and social isolation, is highly likely, in many cases, to not be able to be assisted by governments. This situation strengthens the argument of the need to open a space for international cooperation to implement –or finance– psychosocial support interventions, nutritional assistance, delivery of sanitation services, temporary employment programs, as well as humanitarian cash transfer programs.

6. Just a couple of months ago, the public debate focused on episodes of protest and political instability in a large number of countries in the region. In many of these cases, a claim was made for a social contract that would address economic and social inequalities, as well as for a leadership of the political and ruling class to seek dialogue that take charge of social unrest. Although today the most urgent needs are of a different order and public discussions move between public health and the social effects of the slowdown in economic activity, there are also opportunities to address the legitimate social demands that, until a few weeks ago, produced uncertainty in almost the entire region.
7. These days the region has seen the importance of a constructive and constant social dialogue between governments and social partners. This is an essential exercise to build trust and transmit a sense of control of the situation, as well as the conviction of joint action, since a crisis of this dimension cannot be addressed solely by governments, but rather requires the collaboration of all the actors in society. Otherwise, the impacts could be many and dramatic: from learning impacts, health and nutrition effects, less access to services, including sexual and reproductive health, protection services, and, finally, increased extreme poverty.

36 A Proposal for Social insurance during the pandemic (Mankiw, 2020). Available at <http://gregmankiw.blogspot.com/>

8. The crisis has exposed some of the problems derived from social protection systems that do not allow reaching a large percentage of the population. Today it should be apparent that social protection systems that only reach formal workers or are based mainly on contributory schemes, are not in line with the risk profile of the LAC population, nor with the need to be able to effectively respond to emergencies. On the other hand, those systems with broad and low-benefit non-contributory schemes, that do not encourage the incorporation of the population towards formality and its benefits, will continue to

need significant fiscal efforts that in times of emergency become almost unattainable and that hardly achieve universality. That fragility of social protection systems, so painfully tangible today, is not sustainable. Within this tragedy, a space is strategically opened for countries to consider the importance of social protection being effectively everyone's right, and to analyze the technical and financial feasibility of expanding its universal provision. If the opportunity presented by an unfortunate pandemic of these dimensions is not taken, it will hardly be done in other circumstances.

6. Resources

in the coming days, the following documents will be available on the [website](#) of the UNICEF LACRO Social Policy Unit:

1. UNICEF's Global Social Protection Programme Framework
2. UNICEF Programme Guidance: Strengthening Shock Responsive Social Protection Systems

3. UNICEF Humanitarian Cash Transfers Programme Guidance
4. UNICEF's Shock responsive social protection feasibility assessment tool
5. Video and media plan
6. [Resources](#) on Universal Basic Income

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8. Annex

social Policy Responses to the COVID-19 Emergency in LAC³⁷

Country	Social Protection Response	
	Social Assistance	Social Security
Argentina	<ul style="list-style-type: none"> - Increase in money transfers, equivalent to an additional payment of the Universal Child Allowance (AUH) and the Universal Pregnancy Allowance for \$3,100 Argentine pesos (US\$47) for 4.3 million people (Total: \$14 billion Argentine pesos or US\$215 million) - Extraordinary bonus of \$3,000 Argentine pesos (US\$45) for the people who receive social programs (565,000 people) - Creation of the Emergency Family Income, an exceptional non-contributory monetary benefit for \$10,000 Argentine pesos (US\$157) aimed at compensating for the loss or serious decrease in income of workers between 18 and 65 years old who do not receive pensions or subsidies of any kind and who have no other income and have been affected by the health emergency situation 	<ul style="list-style-type: none"> - Exceptional bonus of up to \$3,000 Argentine pesos (US\$45) for retirees who receive a minimum pension (4.6 million people, 63% of retirees and pensioner/ US\$208 million) - Work paid leave for adults over 60 years old, pregnant women and people with health conditions that present a risk (until the quarantine declaration on 3/20 when the leave was extended to all workers who are not in the excepted sectors: health, production, distribution and sale of food and hygiene items and pharmacy, among others) - Work paid leave for all workers, public and private, who have dependent sons and daughters and must attend to care needs due to the emergency (until the declaration of quarantine on 03/20 when the leave was extended to all workers who are not in the excepted sectors: health, production, distribution and sale of food and hygiene items and pharmacy, among others) - Telework Law
Belize		<ul style="list-style-type: none"> - Change of modality in the delivery of the Alimantar Card³⁸: it will be delivered by mail - Change of modality in dining facilities and picnic areas in vulnerable areas: it will be delivered to the home
		Access to services

³⁷ Updated to March 24, 2020 with information from UNICEF National Social Policy Officers in the region.

³⁸ Card implemented in December by the new government for \$4,000 Argentine pesos (US\$60) for families with a child up to 6 years old and \$6,000 Argentine pesos (US\$90) for families with up to 2 children up to 6 years old. It can only be used to buy food.

Bolivia

- Creation of the Family Bonus for \$500 Bolivian pesos (US\$70) per child in primary school, aimed mainly at compensating school feeding
- Reduction of working hours
- Work paid leave for older adults, pregnant women and people with health conditions
- Work paid leave for workers with dependent daughters and sons and who must meet care needs due to the emergency
- Work paid leave for all workers, public and private, that are suspected cases of having contracted COVID-19

Brazil

- Horizontal expansion of Bolsa Familia to 1.2 million beneficiaries (Total: \$3.1 billion Brazilian reais or US\$617 million)
- Coupon of \$200 Brazilian reais (US\$40) per month (for 3 months) for poor informal workers who do not receive Bolsa Familia (Total: \$15 billion Brazilian reais or US\$3 billion)
- Possibility of withdrawal from the FGTS³⁹ for formal workers (21,500 million Brazilian reais or US\$4 billion)
- Advance of the salary payment for formal workers (12.8 billion Brazilian reais or US\$2.5 billion)
- Advance of the end of year payment (thirteenth month) for pensioners (23 billion Brazilian reais or US\$4.5 billion)

Chile

- Extraordinary COVID-19 bonus, intended for current beneficiaries of the Single-Family Subsidy who are part of the Household Social Register, who belong to the 60% most vulnerable. This bonus is for extraordinary delivery in the amount of \$50,000 Chilean pesos (US\$61) per family benefit, that is, people under 18 years of age. In the case of children over 6 years of age, it must be proven that they are regular students in educational establishments (under discussion in Congress)
- Paid leave (guaranteed through the Solidarity Unemployment Fund) for all workers, public and private, who due to emergency reasons must remain at home without the possibility of remote work (US\$2 billion)
- Telework Law
- Protection for people in street situations: delivery of hygiene kits to be able to provide preventive measures to avoid contagion, as well as information and food spaces. Additionally, along with the municipalities and civil society, shelters will be available for the people who have to be quarantined or older adults and have a place to be.
- Special protection plan for the care and support of older adults: a free telephone number has been set up to provide support for the elderly and it will also serve as a window for all the people over 80 years of age who require special attention to carry out procedures, which they cannot do individually, with volunteers from the Universidad Católica and Universidad de Talca

39 The Time of Service Guarantee Fund (FGTS) is a deposit fund of the Government of Brazil managed by the national bank Caixa Econômica Federal for situations of unemployment and similar situations of unprotected workers.

- Nutritional assistance and priority home care actions in the Health Network for older adults

- Additional payments in the main social cash transfer programs: 1. Familias en Acción (Conditional transfers to families in poverty, subject to attendance of children under 5 years of age to medical appointments and/or school attendance of children between 6 and 17 years of age. The value of the family transfer depends on the number of children registered) A single additional payment in April for 2.6 million households for COP \$334,000 (US\$95). 2. Jóvenes en Acción (Conditional transfer for low-income youth between 17 and 25 years old that encourages enrollment and attendance at higher education programs) A single additional payment in April for 204,000 youth for COP \$712,000 (US\$203). 3. Colombia Mayor (Unconditional transfers for destitute older adults, who do not have a pension or live in extreme poverty or indigence) A single payment for 1.7 million older adults worth COP \$240,000 (US\$68)

Colombia

- Food services change modality: special food packages and sanitary items are prepared to deliver to families with children in educational centers where they had food services

- The pension payment is brought forward one week to almost 70% of the pensioners

- Cash transfers of Avancemos continue of \$22,500 colones or \$35,000 colones depending on the grade level (US\$40 and \$62, respectively) and the Creceamos program, which delivers an average of \$19,800 scholarship colones per student (US\$35)

Costa Rica

- Special food packages and sanitary items are delivered for families in extreme poverty

- Households with children who are in the school feeding program will receive home feeding for three months
- Rent subsidy for an initial period of 3 months and no more than 6 months

- Vertical expansion for families receiving Food Cards: \$150 TTD⁴⁰ more for families of 3 people (US\$22), \$300 TTD more for families of 4-5 people (US\$45), and \$450 TTD more for families of 6 people or more (US\$66)

Eastern Caribbean Area

- Vertical expansion for three months for basic needs for people who receive the Public Assistance Grant and Disability Assistance Grant: \$150 TTD more for families with one child (US\$22); \$300 TTD for a family with two people (US\$45); \$450 TTD for families with three people (US\$66); \$500 TTD with four or more people (US\$74)

40 Trinidad and Tobago dollars.

<p>Ecuador</p> <ul style="list-style-type: none"> - Contingency bonus of US\$60 to be delivered in April and May, aimed at the people who earn less than US\$400. It is estimated to reach 400,000 families - People will be able to access unsecured loans of up to US\$2,500 with rates from 6.5% to 8.5%, with terms of 3, 6 and 9 months. They will start paying in July 2020. - The social security institute will postpone the payment of contributions for April, May and June 90 days for voluntary affiliates and non dependencies 	<ul style="list-style-type: none"> - Paid leave for older adults, pregnant women and people with health conditions from public and private companies - Paid leave for non-essential personnel in the public sector - Leave with disability pay for quarantined workers, for the time required by health personnel - Telework Law <ul style="list-style-type: none"> - Suspension of the payment of the installment of electricity, water, telephone and internet for three months (payments are diluted in two years without generating arrears, interest or affecting credit rating) - The collection of mortgage, personal, credit card and working and entrepreneurial capital funds is frozen
<p>Guatemala</p> <ul style="list-style-type: none"> - Extraordinary temporary money transfers to older adults and children (Q350 million or US\$46 M) 	
<p>Jamaica</p> <ul style="list-style-type: none"> - COVID voucher for poor and vulnerable people - Temporary money transfers for people who have lost their income due to the suspension of economic activity 	<ul style="list-style-type: none"> - Distribution of food packages for individuals and families in quarantined communities. - Telephone psychosocial support for families with children - Food and nutritional support for students of the Program of Advancement Through Health and Education (PATH) during the time of the emergency
<p>Panama</p> <ul style="list-style-type: none"> - Creation of the Panama Solidarity Plan, aimed at providing a minimum income to people who work in the informal sector, who have recently lost their jobs, and who are not working and do not receive another subsidy. This program would also cover resident foreigners who are in the situation described. Under discussion. 	

Paraguay

- Duplication of the transfer of the Tekoporá social protection program (167,000 families)
- Advance payment of the Seniors Program (207,000 people)
- Creation of the Ñangareko food security program, for 330,000 families with a cash transfer of Gs. \$230,000 (US\$36) via electronic wallet to purchase food and hygiene products
- Distribution of food kits to 3,500 families benefiting from social programs for a total of \$1.4 billion guaranies (US\$211 million)
- Distribution of food kits to day laborers and self-employed

Peru

- Additional bonuses for \$380 soles (US\$115) to 9 million people from poor families and in vulnerable areas (Total: \$1.17 billion soles or US\$350 million)
- Advance monthly payment of the money transfer programs (Juntos, Pensión 65 and Contigo)
- Telework Law
- The Support Network for the Elderly at High Risk and the Person with Severe Disability is created: it establishes a package of prioritized services for these populations that involves i) Counseling of healthy practices to prevent contagion and mitigate the effects of COVID- 19, ii) Identification of warning signs for COVID-19 infection, iii) Immunization (pneumococcus and influenza) and iv) Follow-up of probable cases and investigation of intra-household contacts.

Dominican Republic

- Vertical expansion of conditional transfers of the Comer Es Primero (CEP) program, with a 100% increase in the amount transferred to families
- Horizontal expansion of the conditional transfers of the Comer Es Primero (CEP) program, with the inclusion of 100,000 families in extreme poverty, moderate poverty and vulnerable sectors on the verge of becoming poor due to the shock of COVID 19. This expansion will deliver the same, increased, that will be delivered to families that already participate in the program. These inclusions are temporary.
- Horizontal expansion of the conditional transfers of the Comer Es Primero (CEP) program, for formalized own-account workers who are listed in the Social Security Treasury (TSS) and who are at risk of falling into poverty due to the impact of the shock of the COVID 19
- Work paid leave for employees who are over 60 years of age and have a special health condition
- Reduction of working hours
- Advance the payment of the month's salary to all public servants
- Dining rooms and food support programs change their delivery modality to packages at specific points

Dominican Republic

- Creation of the Temporary "Quédate en casa" Program: for two months, the 811,000 families who today have the Solidarity Card and who receive an average of US\$28 per month, will have US\$94 per month to purchase food and basic necessities in the Social Supply Network. Another 690,000 additional families categorized as poor or vulnerable by the Single System of Beneficiaries (SIUBEN) will also receive this temporary support, as well as head/s of households especially vulnerable to the coronavirus, for an additional US\$38 per month (total of 350,000 homes)

Uruguay

- The Food Emergency Plan foresees an injection of money into the 87,019 Uruguay Social cards,⁴¹ which cover some 400,000 people. A total of \$1 billion Uruguayan pesos (US\$21.8 million) will be destined for people with fewer resources (the monthly amount received is expected to double)
- Application of a partial unemployment subsidy for dependent workers, contemplating reduction of hours and/or periods of subsidy of less than one month
- Antel, the public telecommunications company, provides a 5GB data voucher to all families and the data used to access the learning platforms will be free, to enable educational continuity.
- Food packages will be delivered to people with informal activities, such as car carers or street vendors whose income has been reduced, or who are directly unemployed

41 Monetary transfer that is granted to households in a situation of extreme socioeconomic vulnerability, with the purpose of helping to access a basic level of consumption of food and basic necessities. The amounts vary from \$1,200 to \$6,460 Uruguayan pesos (from US\$26 to \$141) depending on the number of minors in the home, the conditions of extreme poverty and whether pregnant women live there.