

READJUSTING THE PATH TOWARDS EQUITY:

Challenges and actions to achieve a sustainable and equitable recovery from the socioeconomic effects of COVID-19 in Latin America and the Caribbean

> SUSTAINABLE DEVELOPMENT GCALS

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Contents

Children and adolescents silently affected by the crisis Migrants, doubly affected Latin America and the Caribbean, an informal region It is increasingly harder to meet the targets of the Sustainable Development Goals 1% SDG 1. End Poverty in all its forms everywhere SDG 2. End hunger, achieve food security and improve nutrition and promote sustainable agriculture SDG 4. Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all SDG 5: Achieve gender equality and empower all women and girls SDG 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all SDG 10. Reducing inequality within and among countries Actions for sustainable and equitable recovery	Ackno	wledgements	4
Women, dispropotionatelly impacted Children and adolescents silently affected by the crisis Migrants, doubly affected Latin America and the Caribbean, an informal region It is increasingly harder to meet the targets of the Sustainable Development Goals SDG 1. End Poverty in all its forms everywhere SDG 2. End hunger, achieve food security and improve nutrition and promote sustainable agriculture SDG 4. Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all SDG 5: Achieve gender equality and empower all women and girls SDG 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all SDG 10. Reducing inequality within and among countries SDG 10. Reducing inequality within and among countries	Introdu	uction	5
Children and adolescents silently affected by the crisis Migrants, doubly affected Latin America and the Caribbean, an informal region It is increasingly harder to meet the targets of the Sustainable Development Goals 1mm SDG 1. End Poverty in all its forms everywhere SDG 2. End hunger, achieve food security and improve nutrition and promote sustainable agriculture SDG 4. Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all SDG 5: Achieve gender equality and empower all women and girls SDG 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all SDG 10. Reducing inequality within and among countries Actions for sustainable and equitable recovery	A crisis	s that does not affect everyone equally	6
Migrants, doubly affected - Latin America and the Caribbean, an informal region 2 It is increasingly harder to meet the targets of the Sustainable 2 Development Coals 2 Imm SDG 1. End Poverty in all its forms everywhere 3 SDG 2. End hunger, achieve food security and improve nutrition and promote sustainable agriculture 3 SDG 4. Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all 3 SDG 5: Achieve gender equality and empower all women and girls 3 SDG 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all 3 SDG 10. Reducing inequality within and among countries 35 Actions for sustainable and equitable recovery 4	Wome	n, dispropotionatelly impacted	10
Latin America and the Caribbean, an informal region It is increasingly harder to meet the targets of the Sustainable Development Goals Image: Comparison of the Sustainable 1mm SDG 1. End Poverty in all its forms everywhere Image: Comparison of the Sustainable 1mm SDG 1. End Poverty in all its forms everywhere Image: Comparison of the Sustainable 1mm SDG 2. End hunger, achieve food security and improve nutrition and promote sustainable agriculture Image: Comparison of the Sustainable agriculture 1mm SDG 4. Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all Image: Comparison of the Sustainable agriculture 1mm SDG 5: Achieve gender equality and empower all women and girls Image: Comparison of the Sustainable agriculture Image: Comparison of the Sustainable agriculture 1mm SDG 5: Achieve gender equality and empower all women and girls Image: Comparison of the Sustainable agriculture and sustainable agriculture and girls Image: Comparison of the Sustainable agriculture and the transment agriculture agricultur	Childre	en and adolescents silently affected by the crisis	14
It is increasingly harder to meet the targets of the Sustainable Development Goals 2 Image: SDG 1. End Poverty in all its forms everywhere 3 SDG 2. End hunger, achieve food security and improve nutrition and promote sustainable agriculture 3 SDG 4. Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all 3 SDG 5: Achieve gender equality and empower all women and girls 3 SDG 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all 3 SDG 10. Reducing inequality within and among countries 35 Actions for sustainable and equitable recovery 4	Migran	ts, doubly affected	18
Development Goals 2 1 mm SDG 1. End Poverty in all its forms everywhere 3 2 mm SDG 2. End hunger, achieve food security and improve nutrition and promote sustainable agriculture 3 4 mm SDG 4. Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all 3 5 mm SDG 5: Achieve gender equality and empower all women and girls 3 8 mm SDG 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all 3 10 mm SDG 10. Reducing inequality within and among countries 35 Actions for sustainable and equitable recovery 4	Latin A	merica and the Caribbean, an informal region	22
SDG 1: End Foreity maints forms everywhere 2 SDG 2: End hunger, achieve food security and improve nutrition and promote sustainable agriculture 3 SDG 4: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all 3 SDG 5: Achieve gender equality and empower all women and girls 3 SDG 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all 3 SDG 10. Reducing inequality within and among countries 35 Actions for sustainable and equitable recovery 4			27
Image: Solution and promote sustainable agriculture Image: Solution and promote sustainable agriculture Image: Solution and promote sustainable agriculture Image: Solution and promote lifelong learning opportunities for all Image: Solution and promote lifelong learning opportunities for all Image: Solution and promote lifelong learning opportunities for all Image: Solution and girls Solution and girls Image: Solution and girls Image: Solution and girls Image: Solution and girls Solution and girls Image: Solution and girls Image: Solution and girls Image: Solution and girls Solution and girls Image: Solution and girls Image: Solution and girls Image: Solution and girls Solution and girls Image: Solution and girls Image: Solution and girls Image: Solution and girls Solution and girls Image: Solution and girls Image: Solution and girls Image: Solution and girls Solution and girls Image: Solution and girls Image: Solution and girls Image: Solution and girls Solution and girls Image: Solution and girls Image: Solution and girls Image: Solution and girls Solution and girls Image: Solution and girls Image: Solution and girls Image: Solution and girls Solution and girls Image: Solution and girls Ima	1 NO POVERTY	SDG 1. End Poverty in all its forms everywhere	31
4 coolsta promote lifelong learning opportunities for all 3 5 coolsta SDG 5: Achieve gender equality and empower all women and girls 3 8 coolsta SDG 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all 3 10 coolsta SDG 10. Reducing inequality within and among countries 35 Actions for sustainable and equitable recovery 4	2 ZERO HUNGER		33
and girls 3 8 EXECUTENT of SDG 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all 3 10 EXECUTE SDG 10. Reducing inequality within and among countries 35 Actions for sustainable and equitable recovery 4	4 QUALITY EDUCATION	1 1 5	34
8 EXECUTION FOR A CONTRACT OF A CONTRACT	5 gender equality		35
Actions for sustainable and equitable recovery 4	8 DECENT WORK AND ECONOMIC GROWTH	economic growth, full and productive employment and	37
	10 REDUCED INEQUALITIES	SDG 10. Reducing inequality within and among countries	39
Dibliggraphy	Action	s for sustainable and equitable recovery	41
Bibliography 4	Bibliog	Iraphy	46

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Introduction

The Americas Regional Office of the IFRC conducted a study that identified and analyzed the socioeconomic impacts of the COVID-19 pandemic in Latin America and the Caribbean (LAC) and identified its potential effects on the achievement of the Sustainable Development Goals (SDGs): End Poverty, Zero Hunger, Quality Education, Gender Equality, Decent Work and Reduction of Inequalities.

In-depth literature sources were reviewed, and interviews were conducted with experts and specialists from international organizations in the region. As a result of the analysis of the pandemic's impacts and its effects on the SDGs, this report identifies opportunities to strengthen the livelihoods of the most vulnerable groups, as well as actions for a humanitarian response that supports sustainable recovery. The process was mandated and reviewed by the IFRC Americas Regional Office and supported by an external research center¹.

A perception survey on the socio-economic impact of COVID-19 in the Americas² was also conducted by the National Red Cross Societies of Argentina, Guatemala, Honduras, Panama and Venezuela. Although the methodology and coverage does not allow us to point out results that are representative of the region, the findings allow us to have a first-hand look at the effects of the crisis and the main needs for the recovery of these countries.

This crisis did not affect all people equally, there are differences in its impacts between regions, countries, individuals and groups. The results of both studies were used to identify the most vulnerable groups, the effects on the proposed SDG targets and to identify key elements for building sustainable and equitable recovery alternatives. The following pages address these issues, emphasize the inequality generated by the crisis and offer proposals for sustainable and equitable recovery actions from a humanitarian perspective.

¹ The IFRC Americas Regional Office prepared terms of reference for the study, which addressed the objectives and priorities for the study in accordance with IFRC guidelines. Based on these terms of reference and the proposed conceptual framework, a public bidding process was carried out, which resulted in the selection of the research center, KANTAR MERCAPLAN.

² The evaluation was exploratory, as it sought to approach the socioeconomic effects that the crisis generated by COVID-19 has caused in some countries, groups and communities in Latin America and the Caribbean. It also has a descriptive component since it identified how the crisis affects certain individuals, groups or communities. A sample of 300 to 385 surveys was established in each of the five countries for a total of 1,825 surveys between December 2021 and February 2022. The surveys were executed by the Red Cross in each territory.





A crisis that does not affect everyone equally

The health crisis can affect everyone, however, not all possess the same tools and resources to cope with the accompanying health, social, economic and cultural impacts. These tools and resources cannot only be viewed at a personal level, but must also be understood from a community perspective, as each countries' conditions are different.

The socioeconomic effects and the COVID-19 in LAC are accentuated by structural problems: the high levels of inequality, informal labor, lack of social protection, poverty and vulnerability. In addition, LAC is characterized by weak health and social protection systems, as well as expanding marginalized urban settlements that lack access to basic services. It also has large migratory flows, population displacements, conflicts of various kinds and suffers disproportionately from the consequences of the climate crisis.

The region is overrepresented in the number of COVID-19 fatalities with about three times the world average, despite having 8% of the world's population (591 million inhabitants), it currently accounts for 29% of the fatalities from this virus³. People with fewer resources are more likely to be infected, less likely to be able to overcome the disease in case of severity and have greater difficulty in accessing health services in a timely and appropriate manner.

According to the latest publication of the Economic Commission for Latin America and the Caribbean (ECLAC), 'Social Panorama in Latin America 2021', the social crisis continued until 2021 despite the economic recovery. The loss of employment and the reduction in labor income that occurred during the pandemic affected mainly the lower socioeconomic levels. That same year, the extreme poverty indicator was estimated at 13.8% and poverty at 32.1%, **reaching the levels of extreme poverty not seen in 27 years.**

LAC was the region most affected by the loss of income compared to the rest of the world, and it is expected that the pandemic will have long-term effects on its ability to create wealth. In terms of wealth and income loss, it was globally the most affected region by the pandemic as currency devaluations deepened the reductions in Gross Domestic Product (GDP), contracting wealth by 12.5% in U.S. dollar terms.⁴

The impact of COVID-19 on income is estimated in its decrease and the rise of income inequality. Those who remained employed during the pandemic experienced a 15% contraction in labor income; In the lowest income quintile the drop was 42%, while in the highest income quintile the average drop was about 7%. This generated a rise in total income inequality per person in 2020, which resulted in an average Gini index⁵ 5.6% higher than that recorded in 2019. With the effect of monetary transfers from governments it could surge 2.9% more.

One of the results of the perception survey conducted for this report indicated that **about 42% of the people surveyed reported income reduction due to the crisis,** and of that amount, about 60% lost between 25% to 75% of their income.

In 2020, inequality contributed to LAC's highest rise in hunger among the different regions of the world with more than 30% on average. The increase in severe food insecurity meant a setback of at least a decade, and it is estimated that in the first year of the pandemic, 60 million people suffered from hunger in the region, almost 14 million more than in 2019. This is particularly worrisome considering that high prevalence of undernourishment had already been registered in several countries in the region prior to the COVID-19 pandemic. Haiti is the country with the highest prevalence, with values around 47% between 2015 and 2019, followed by Venezuela with 20.14% and Nicaragua with 18.42% within the same period. Haiti and Venezuela were the two countries in the region with the highest Global

³ Economic Commission for Latin America and the Caribbean (ECLAC). «Social Panorama of Latin America, 2020». (LC/PUB.2021/2-P/Rev.1), Santiago de 2021. https://hdl.handle.net/11362/47718.

⁴ Credit Suisse. Research Institute. Global Wealth Report 2021. https://www.credit-suisse.com/about-us/en/reports-research/global-wealth-report.html

⁵ The Gini index, or Gini coefficient, measures income distribution across a population. The coefficient ranges from 0 (or 0%) to 1 (or 100%), with 0 representing perfect equality and 1 representing perfect inequality.



Indigenous women from the high-Andean region of Puno share time with the Peruvian Red Cross team after activities of information and vaccination against COVID-19 carried out in Quechua, their mother tongue. Dafne Martos.

Hunger Index in 2021, with values of 32.8% and 22.2% respectively.

Specific groups have been particularly affected such as children and adolescents, migrants, ethnic and afro-descendant, women and LGBTIQ+, therefore, the documentation of the impacts of COVID-19 must have a perspective that allows the identification and recognition of differences to avoid invisible inequalities. LAC's structural problems have exacerbated the crisis in vulnerable groups and generated new challenges. This report addresses the most relevant impacts and proposes activities that can serve as a reference to promote the recovery of pre-crisis conditions, as well as to contribute to the achievement of the goals projected in the region's SDGs.





Women, dispropotionatelly impacted

Globally and in LAC the COVID-19 crisis had exacerbated economic, social and mental health impacts on women for all age groups.

Their vulnerability increased mainly because they tend to work in sectors where face-to-face activities were more restricted such as commerce or occupations that cannot be easily performed through teleworking. In addition, there is a high proportion of women who are selfemployed in the informal sector in precarious conditions and without access to social protection. **Social norms in the region place women at the center of household chores**, amplified with the closure of schools and day care centers. **Before the pandemic, women in the region spent more than three times in unpaid work compared to men.**

The gender gap in LAC is greater compared with other regions of the world⁶, and reflects on women's difficulties accessing resources, inputs, markets, credits, services and employment opportunities. These barriers limit their income and livelihoods, resulting in greater poverty and food insecurity.

The perception of the impact of COVID-19 on each group also presents differences that must be addressed and analyzed: The perception survey identified that when asked "*if the impact on income due to COVID-19 has caused family conflicts or situations of domestic violence*" 36.2% of the women surveyed said it occurred, compared with only 30.6% for men.

The higher prevalence of food insecurity among women is worrisome, not only because it points to a structural problem that makes them more vulnerable, but also because this vulnerability can have repercussions on health during pregnancy and breastfeeding, affecting the



"It was distressing for the population to see their products rotting and unsold in the market, while families were in need at home." Rosa Pejendino, participant of programs of entrepreneurial workshops for rural women and implemented by the Colombian Red Cross. Luis Carlos Rosero

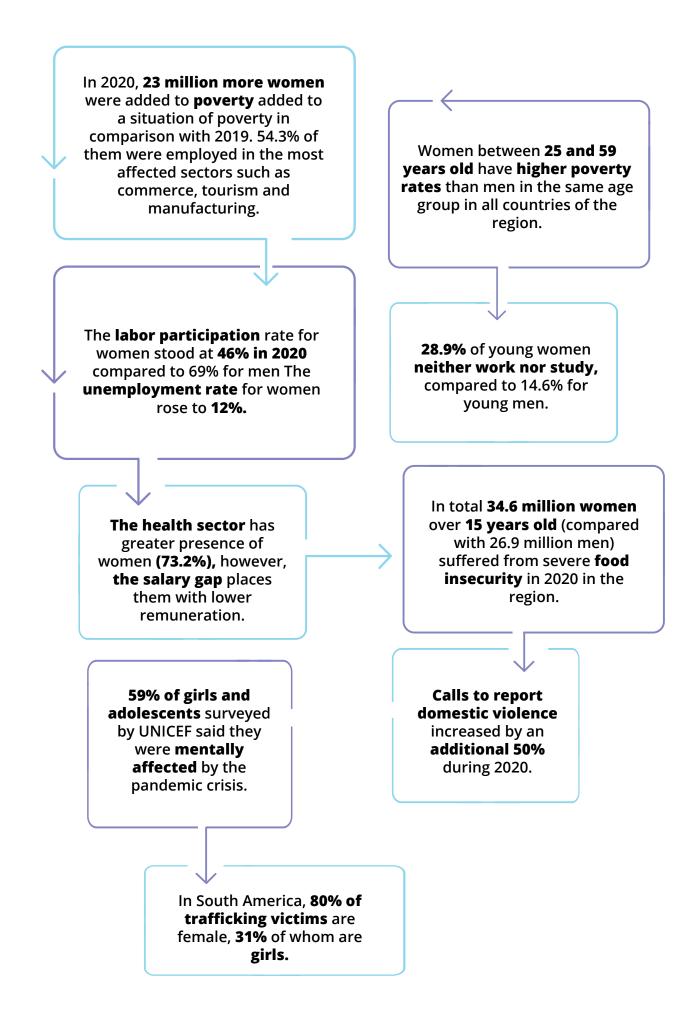
development of children, and consequently, transmitting hunger and malnutrition to the next generation⁷.

Early measures to control the pandemic had negative effects on women. The closure of schools and day care centers increased their workload at home and made it more difficult for them to resume income-generating activities in a social, economic and health context that was very different prior to the pandemic.

Undoubtedly the measures to return to school and reopen economic activities will help women to recover, to their pre-crisis status. **However, it is likely that those** groups that are more vulnerable due to their level of poverty, migratory status, age, among others, will face greater difficulties.

⁶ J. Graziano da Silva, Sistemas alimentarios en América Latina y el Caribbean: Desafíos en un escenario pospandemia (Ciudad de Panamá, Panamá: FAO y CIDES, 2021), <u>https://doi.org/10.4060/cb5441es</u>

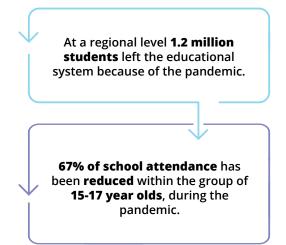
⁷ J. Graziano da Silva, Sistemas alimentarios en América Latina y el Caribbean: Desafíos en un escenario pospandemia (Ciudad de Panamá, Panamá: FAO y CIDES, 2021), https://doi.org/10.4060/cb5441es







Children and adolescents silently affected by the crisis



One of the most serious impacts of COVID-19 on the poor and most vulnerable can be seen in the field of education, due to the severe repercussions to the lives of children, youth and students. Due to prolonged school closures and poor learning outcomes, the increase in learning poverty⁸ could be as high as 70% in low- and middle-income countries, according to estimates by the World Bank. Beyond discussions about the effectiveness of these measures, LAC was the region with the longest educational interruption globally.

A UNICEF⁹ study observed that between March 2020 and February 2021, **schools were completely closed for 95 days globally.** However, this average varies widely by region. In Western Europe it was 52 days, in the Middle East and North Africa 90, while **LAC average was 158 days, a figure that marks a huge challenge for the immediate and long-term impact.**

For its part, the Center for Information for the Improvement of Learning (CIMA), highlights that in **LAC the closure of schools affected more than 165 million young people, girls and boys, who were unable to attend classes in person from mid-March 2020** at the beginning of the pandemic¹⁰.

In addition to interrupting educational trajectories, **school closures affect the food and nutrition of the student population**¹¹, especially in the most vulnerable sectors. In addition, **many students access other services in schools that were also interrupted, such as the provision of contraceptives, mental health services or recreational activities.**

An abrupt change from **face-to-face to virtual mode left important consequences** in terms of increases in educational exclusion, which translated into school **non-attendance because of poor access to the internet** and in other cases, the inability to fulfill their school responsibilities.



During the pandemic, boys and girls in Guatemala have received psychosocial support from the Guatemalan Red Cross.

⁸ the percentage of 10-year-old children who cannot read a basic textbook.

⁹ UNICEF. COVID-19 and School Closures. March 2021. https://data.unicef.org/resources/one-year-of-covid-19-and-school-closures/

¹⁰ Álvarez Marinelli et al., 2020 La educación en tiempos del coronavirus: Los sistemas educativos de América Latina y el Caribbean ante COVID-19 accesible en https://publications.iadb.org/es/la-educacion-en-tiempos-del-coronavirus-los-sistemas-educativos-de-america-latina-y-el-Caribbean-ante-covid-19.

¹¹ Schools are spaces that, in many cases, deliver 2 of the 3 daily meals for children and adolescents. The closure of schools has made it difficult for them to access these meals.

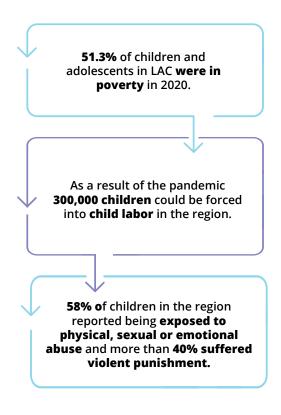


Boys and girls are also part of groups of migrants, exposing themselves to situations of violence, natural hazards and violations in the access to their rights, including education. In this photo a migrant girl receives information by part of the Panamanian Red Cross team, in its transit through the risky Darien jungle route between Panama and Colombia. Susana Arroyo

ECLAC, UNICEF and UNESCO¹² concluded that the pandemic left deep impacts on the well-being of children, adolescents and youth, not only in terms of the quality of education systems, but also a "silent crisis of education", which has impacted in a multidimensional and unequal way areas such as:

- Violence: pre-pandemic estimates calculated a 55% prevalence of physical aggression and 48% prevalence of psychological aggression in parenting in LAC¹³.
- **Child labor:** impacts of the pandemic could cause more than 300,000 children and adolescents to be forced to work¹⁴.
- Mental health: impacted by confinement, disruption of classes and closure of educational facilities.
- **Nutrition:** an increase in the double burden of malnutrition in children is expected to increase under-nutrition and obesity.

In addition, **it was estimated that 675,000 children in the region could suffer from acute malnutrition in 2020.** The countries with the highest prevalence are in the Caribbean, particularly Barbados (6.8%), Trinidad and Tobago (6.4%), Guyana (6.4%) and Suriname (5.5%).



¹² First Regional Seminar on Social Development, presented in October 2021.

¹³ Schools are considered safe spaces for children and adolescents, which make it possible to identify risk situations for them and activate protection and support measures. The closure of schools has denied this space.

¹⁴ The lack of resources in some households can promote the entry of children and adolescents into child labor. This has perverse effects on keeping them in school, since it is very difficult for households that have incorporated this income into the family budget to decide to use it to return children and adolescents to school.





Migrants, doubly affected

Throughout the migratory cycle, migrants, displaced persons and refugees face poverty and food insecurity, and have little or no access to health care and social protection measures, situations that are amplified given the irregular nature of migratory flows in the region.

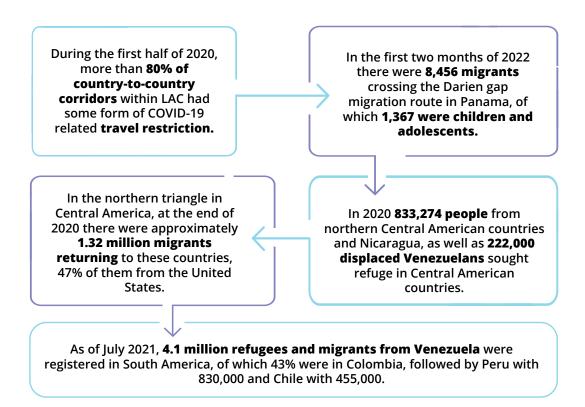
Additionally, the limitations to mobility during the pandemic increased migrants' risk of being victims of trafficking and labor exploitation, especially if other factors such as gender (being a woman), age (being a child), gender role or identity (LGBTIQ+) and ethnicity (being indigenous or Afro-descendant) are added to the migrant status.

20

Migrant workers who remained in their countries of destination often faced significant economic hardship, especially those with irregular work as they were often excluded from public benefits, including health insurance or unemployment insurance and avoided going to health institutions for fear of being detained or deported.

As for migrant children, the effects of the crisis deepened their suffering, as is the case with all particularly vulnerable groups throughout the migration cycle and especially at destination and upon return, as children are affected by the policies of expulsion and detention of those accompanying them.

Finally, in the context of COVID-19, LGTBIQ+ persons face increased discrimination¹⁵, both because they are migrants and because of their gender identity or sexual orientation. Transgender and non-binary migrants are particularly vulnerable to exploitation due to labor discrimination and human trafficking.



¹⁵ One of the cases that exemplifies the discrimination faced by LGTBIQ+ people is the gender-based mobility restrictions implemented in the Republic of Panama during 2020 as a COVID-19 control measure. See more in the Human Rights Watch report: "<u>https://www.hrw.org/es/news/2020/07/13/panama-</u> nuevos-casos-de-discriminacion-contra-personas-trans-en-el-marco-de-medidas"

Sources of income were reduced for the most vulnerable populations with informal jobs, including migrants and refugees. Close to 50% of workers in Latin America and the Caribbean work under informality; the confinement, the economic recession, among other situations, affected to a greater extent those with limited access to social security. Colombian Red Cross





Latin America and the Caribbean, an informal region

On average more than 60% of active workers in the region belong to the informal sector, according to estimates of the International Labor Organization (ILO), based on social security contributions.¹⁶.

Informality during the years prior to the pandemic was reduced due to the increase in the educational level of the labor force. Informality was lower among workers with a higher level of education and, as the overall education level of the population increased, more jobs were filled by workers with higher skills in the formal sector. Job loss was more profound in the informal sector than in the formal sector, especially at the onset of the pandemic.

The impact of the pandemic on informal employment has been greater among women than men; In fact in the second quarter of 2020 informal employment decline was greater for women, and the gap between genders was mantained during the second half of that same year. This situation would reflect the dynamics of greater loss of feminized jobs such as domestic service and unpaid family work.



In Saint Vincent and the Grenadines overlapping effects affected the economy of the populations: The eruption of the volcano La Soufriere and COVID-19. In this photo, a delegate from IFRC livelihoods consults a fish vendor how her socioeconomic situation was affected.

Nearly **140 million informal** workers in LAC are neither covered by labor legislation nor subject to the formal rules of the labor system.

On average, one out of every two women work without social security coverage in the region. In Argentina, Mexico and Paraguay, the reduction in informal jobs accounted for more than **80% of the fall** in total employment during the first half of 2020.

¹⁶ Salazar-Xirinachs, José Manuel & Chacaltana, Juan. «Formalization Policies in Latin America and the Caribbean». ILO Regional Office for Latin America and the Caribbean FORLAC, 2018. . <u>https://www.ilo.org/americas/</u> *publicaciones/WCMS_645159/lang--es/index.htm*.

"I started selling shrimp to help my elderly mother, but then I realized it was an opportunity to earn extra income that I could save and use to send my children to college. However, since COVID-19, business has been bad as tourists who used to stop by our stores and buy shrimp are no longer visiting the island," said shrimp vendor Natasha from Jamaica.

Communities from Jamaica to the Amazon were affected by lockdowns, reducing product sales. Photo of fish vendors in the Peruvian Amazon. Sebastián Castañeda

(CORA)





It is increasingly harder to meet the targets of the Sustainable Development Goals

One of the main objectives of the study conducted by the IFRC was to have a first-hand look at the socioeconomic effects of COVID-19 and its impact on the achievement of the SDGs, to better understand how the crisis not only generates needs in the short term, but also affects the goals that the region has set out to achieve by 2030. This analysis is relevant in the humanitarian field as it guides the design, implementation and evaluation of interventions, in order to understand how to contribute to the achievement of the proposed goals.

It is too early to understand the exact effects of the crisis on each objective and goal, but it is possible, with the information available, to identify trends to focus on adequate humanitarian efforts.

The study addresses the situation of six of the SDGs:



SDG 1 (End poverty): End poverty in all its forms everywhere.



SDG 2 (Zero hunger): End hunger, achieve food security and improved nutrition, and promote sustainable agriculture.

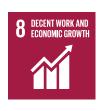


SDG 4 (Quality education): Quality education for all.

This section illustrates the impact of COVID-19 on the goals and the indicators that were identified as most relevant to the analysis of the impact of the pandemic. An approach was made based on the status of the target prior to COVID-19, and whether the pandemic had the potential effect of changing its status. For this purpose, a scale from very likely to very unlikely was considered, placing the target on a scale at the beginning of the pandemic and indicating whether after the COVID-19



SDG 5 (Gender equality): Achieve gender equality and empower all women and girls.



SDG 8 (Decent work and economic growth): Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.



SDG 10 (Reducing inequalities): Reduce inequality within and between countries.

pandemic, the target remains at the level of the initial scale or has moved to another level. The full scale is as follows:

- Very likely
- Likely
- Not likely
- Very Unlikely
- Extremely Unlikely

In general, there was a worsening of the conditions for achieving the SDGs in the region, since prior to the pandemic some indicators were already at a stage of stagnation or reduction.

The setbacks of the following targets are of particular concern:

Target 1.1. Eradicate extreme poverty, in which LAC had a setback of nearly 30 years.

Target 1.3. Implement protection systems and measures for all and achieve broad coverage of the poor and vulnerable: **The increase in poverty, the loss of income and the lack of coverage of protection systems make it very difficult to meet this target.**

Target 1.5. Build the resilience of the poor and vulnerable and reduce their exposure and vulnerability to climate-related extreme events and other economic, social and environmental shocks and disasters.

Target 2.1. By 2030, end hunger and ensure access by all people, in particular the poor and people in vulnerable situations, including children under one year of age, to safe, nutritious and sufficient food all year round: **there was evidence of an increase in moderate or severe food insecurity.**

Target 2.2. By 2030, end all forms of malnutrition, including achieving, by 2025, the internationally agreed targets on stunting and wasting of children under 5, and address the nutritional needs of adolescent girls, pregnant and lactating women and older persons: the impact on income would be most evident in the short term in terms of nutrition. Households adapt their food expenditure according to income, and in the face of severe constraints such as the ones caused by COVID-19, their diet deteriorated, opting for less healthy, wholesome, nutritious and varied foods. The duration of the crisis and new global conflicts have pushed food prices to historic highs.

Target 4.1. By 2030, ensure that all girls and boys complete primary and secondary education, which should be free, equitable and of good quality and produce relevant and effective learning outcomes: school closures and hybrid education methods have led to a loss in the quality of learning, in addition to the risk of increasing dropout rates.

Target 4.2. By 2030, ensure that all girls and boys have access to quality early childhood care and development and preschool education services so that they are prepared for primary school: children of preschool age who were deprived of preschool during the pandemic missed the opportunity to develop social, cognitive and emotional skills. There is a risk of future academic underachievement and even dropout.

Target 5.2. Eliminate all forms of violence against all women and girls in the public and private spheres, including trafficking, sexual and other types of exploitation: **domestic violence worsened which appears to be a long-term situation and difficult to reverse.**

Target 8.2 .Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including by focusing on high value-added and labor-intensive sectors: **the crisis accelerated a process of technological backlog in the region, already underway, affecting the capacity to create wealth and productivity.**

Target 8.5. Achieve by 2030 full and productive employment and decent work for all women and men, including young people and persons with disabilities, and equal pay for work of equal value: **the crisis has had a negative impact on jobs in the region; 10% of jobs were lost and 30% of those have not been recovered. In addition, there has been a loss of income and an increase in informal jobs.**

Target 10.1. By 2030, progressively achieve and maintain income growth for the poorest 40% of the population at a rate higher than the national average: **an increase in inequality of total income per person was generated, resulting in an average Gini index of 5.6% in 2020, higher than that recorded in 2019.**

Target 10.7. Facilitate orderly, safe, regular and responsible migration and mobility of people, including through the implementation of planned and well-managed migration policies: **levels of restriction to migratory movement remain significantly above the level recorded in 2019.**



Boys and girls in indigenous communities returned to classes after a long time without being able to access education in person. Sebastián Castañeda

Below are the summary tables of the main effects for each SDG. For an in-depth analysis and the elements that justify it, it is recommended to review the complete study Socioeconomic Impacts by COVID-19 in Latin America and the Caribbean.

Guide to read the tables of impacts of the pandemic on the SDGs

Transit scale of the SDGs:

- Very likely
- Likely
- Not likely
- Very Unlikely
- Extremely Unlikely

(==): Means that there is a possible negative effect, but no change in scale

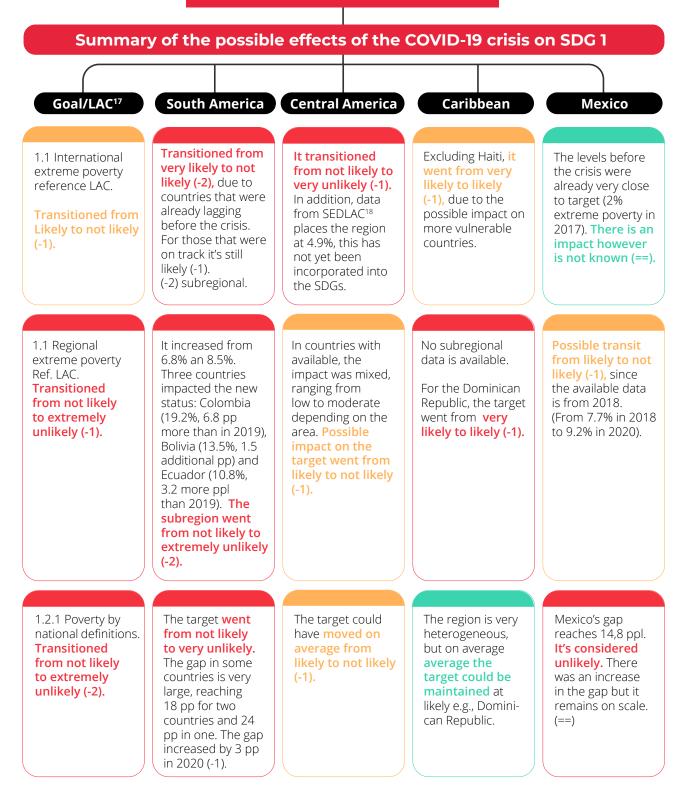
(++): Means there is a possible positive effect, but no change in scale

Likely impact on SDG and target achievement

RED COLOR: Negative transition YELLOW COLOR: Remains in a similar condition **GREEN COLOR:** positive transition

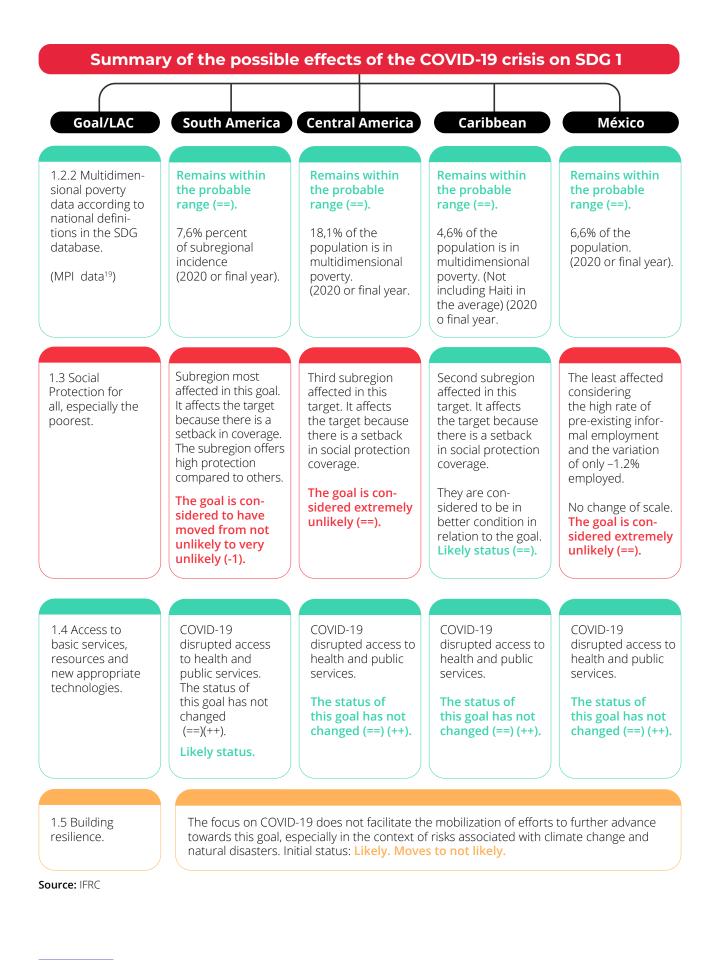


End Poverty in all its forms everywhere



¹⁷ Latin America & Caribbean (LAC) group

¹⁸ Socioeconomic Database for Latin America and the Caribbean



¹⁹ Multidimensional Poverty Index

2 ZERO HUNGER

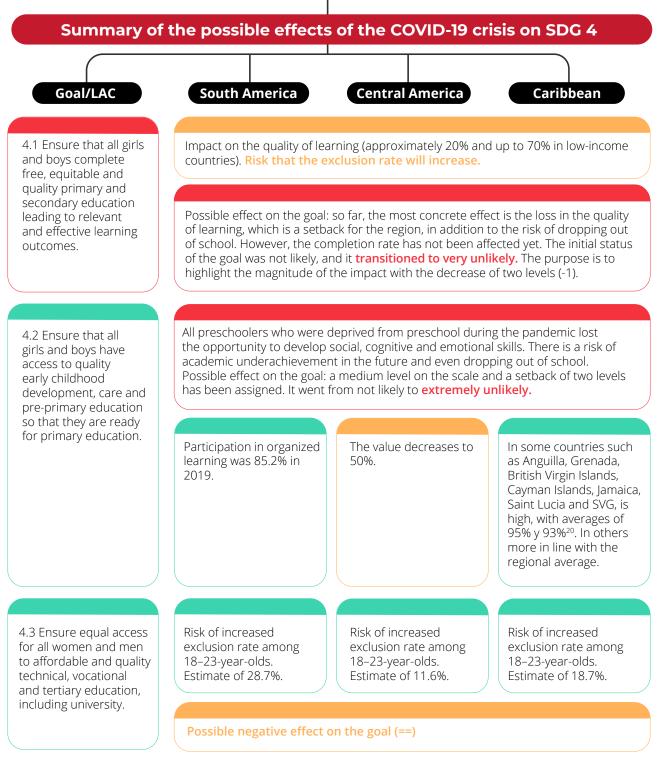
End hunger, achieve food security and improve nutrition and promote sustainable agriculture

Summary of the possible effects of the COVID-19 crisis on SDG 2





Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all



Source: IFRC

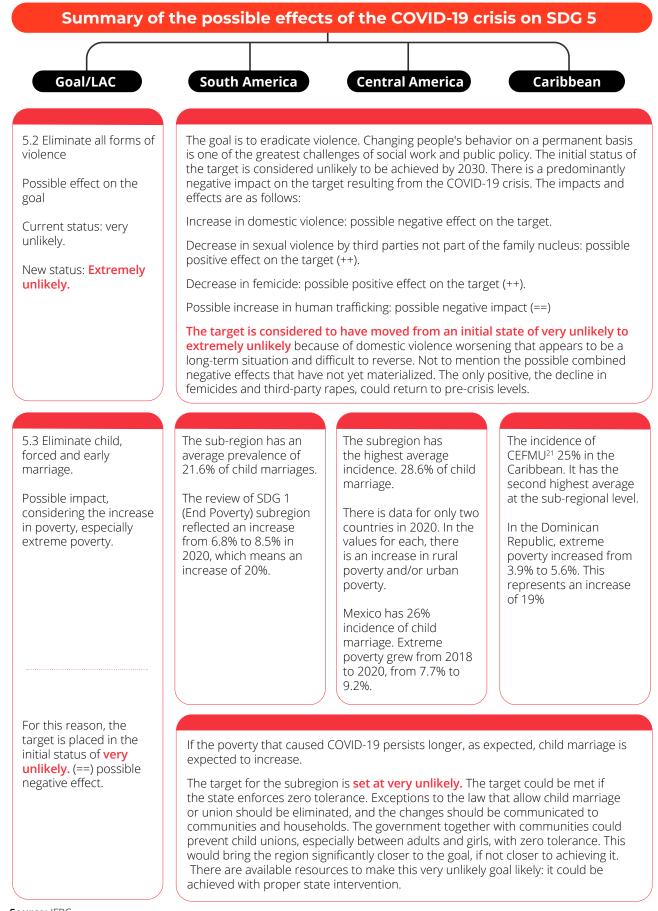
²⁰ Adjusted net enrollment rate, one year before the official age of access to primary school, both sexes (%)

5 EQUALITY

Achieve gender equality and empower all women and girls

Summary of the possible effects of the COVID-19 crisis on SDG 5

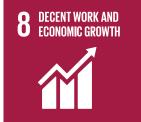
Goal/LAC	South America	Central America	Caribbean
5.2 Eliminate all forms of violence: Domestic and sexual	Increased. A net increase of 87% in the number of complaints in Colombia was identified. Background: 36.3% incidence of intimate partner violence in the Andean region and 20.2% in the Southern Cone. 28.2% incidence of intimate partner violence on average in South America.	Increased. Overall projected increase in violence of at least 20%. Background: 23% incidence of intimate partner violence.	Increased. Overall projected increase in violence of at least 20%. Background: 27% incidence of intimate partner violence.
Feminicides	Overall, there has been a decrease in femicides. The femicide rate was 1.2 in 2019 and 1.1 in 2020. But there may be national differences. In Paraguay there was an increase.	In general, there has been a decrease in femicides. The average femicide rate in CA was 2.5 in 2019, and 1.8 in 2020, per 100 thousand women.	Overall, there has been a decline in femicides. The average femicide rate in the Caribbean was 1.67 in both years.
Human Trafficking	Increased (similar to the increase in unemployment). Corresponds to 70.3% of the cases of trafficking victims in the 2014-2017 period in the Region are from South America.	Increased. Central America accounted for 21.6% of cases of trafficking victims in the period 2014-2017.	Increased. It corresponds to 8% of trafficking cases in the region in the period 2014-2017. Its share in the regional total drops. For the sub- region, the elimination of trafficking could be achievable. Therefore, it is placed on the probable scale.



Source: IFRC

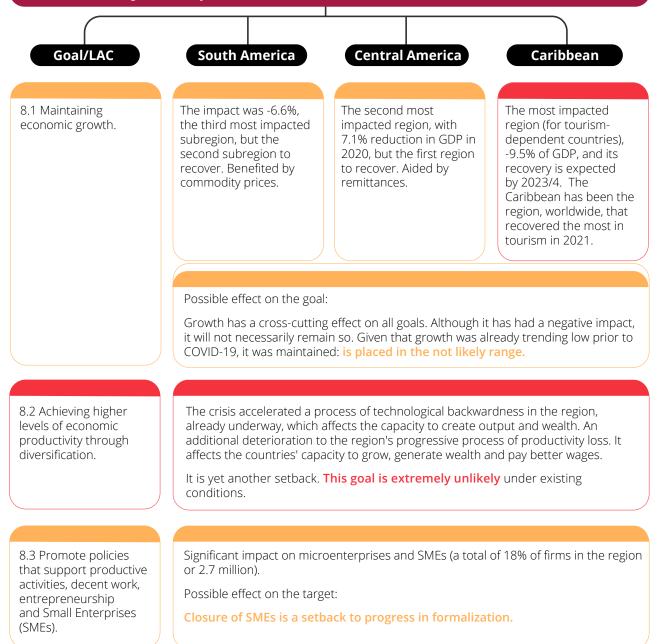
36

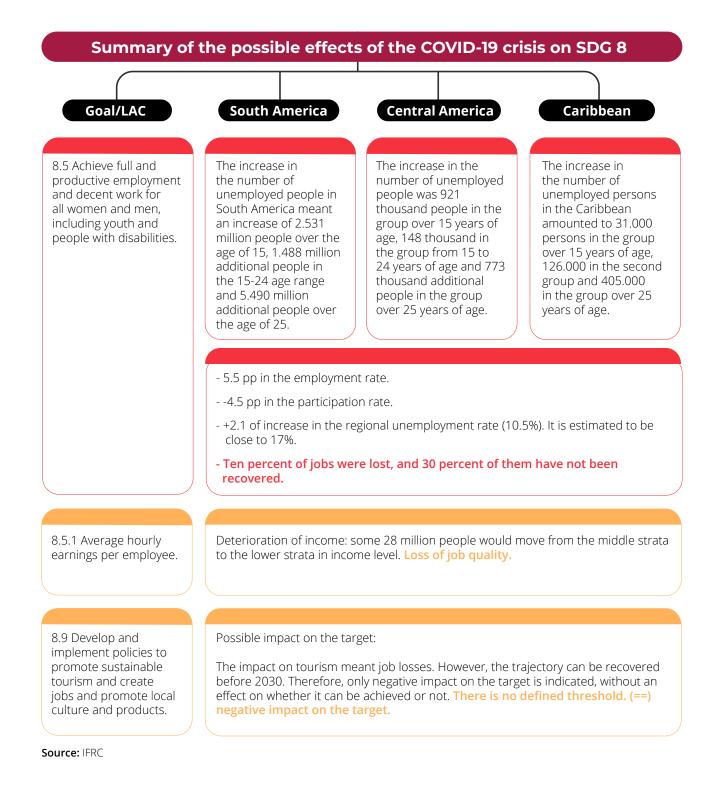
²¹ Child, Early and Forced Marriages and Unions



Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

Summary of the possible effects of the COVID-19 crisis on SDG 8







Reducing inequality within and among countries

Summary of the possible effects of the COVID-19 crisis on SDG 10 Goal/LAC **South America Central America** Caribbean 10.1 Progressively 1) For people who stopped receiving income, more were in the lowest income quintile achieve and maintain (-5.7 pp), than in the highest income quintile (-0.7 pp). income growth for 2) Decrease in labor income of those who remained employed during the pandemic. the poorest 40% Contraction of 15% in average labor income per employed person. However, in the of the population lowest income guintile, the drop in labor income was 42%, while in the highest income at a rate above the quintile, the average drop was 7%. national average. 3) As a result of these two effects, total income inequality per person increased in 2020, resulting in an average Gini index 5.6% higher than that recorded in 2019. When incorporating monetary transfers and their mitigation, the average Gini Coefficient would be 2.9% for the region. The state of the target before the The goal was to maintain progressive growth, which not only was not achieved, but crisis was verv there was a significant setback. Employment is not recovering as fast as GDP is growing unlikely. It moved again, and the countries of the region are being asked for austerity, which contrasts in the opposite with the need to implement expansive policies that generate employment, or nondirection to what was contributory social protection policies. The contraction in average labor income is desired. occurring even though a portion of those who were employed before the crisis have left the labor force. There is a progressive deterioration of income, which is a The new state is not structural problem that is not being resolved. likely. In Central America and Mexico, specifically, a reduction in labor income was observed in 53% of employed migrants in that sub-region. 10.7 Facilitating Part of the impact on this target: 51% of migrants surveyed lost their jobs due to the orderly, safe, regular pandemic and 53% of those who remained in employment had their income reduced and responsible or were not paid. migration and Possible effect on target: mobility of people. Restrictions remain considerably above those registered in 2019. The level of From not likely to requirements for international orderly migration could contribute to diverting flows to very unlikely. non-orderly migration, in a context of rising unemployment and declining opportunities in countries of origin. This contributes to an increase in the number of deportations, and to adults and children in extremely precarious situations at points close to borders. The closing of borders especially affected migrant nationals from Bolivia, Peru, Chile and Paraguay who were prepared to return massively. The effect would be negative. Additionally, because of the impact on two specific indicators of the target: number of people killed or missing in the process of migration to an international destination, and the proportion of the population made up of refugees, broken down by country.

Source: IFRC





Actions for sustainable and equitable recovery

The humanitarian challenge goes beyond the COVID-19 crisis in the region, as it must face multiple structural and historical conditions, the global context and the effects of climate change. LAC is also a region heavily affected by disasters, which permanently exposes people, especially the most vulnerable, to stress and damage to their livelihoods.

A response or support for the recovery of vulnerable groups requires a more integral, sustainable and equitable approach that aims to contribute to the major goals that the region has set for 2030.

The recommendations for recovery actions should be given in the framework of contributing first to solving the immediate needs of people in vulnerability, but at the same time they should integrate a sustainable perspective. This will contribute to the fulfillment of the SDGs, addressing the structural inequality conditions of the region and strengthening resilience.

One aspect highlighted by the perception study is the importance of generating actions and assistance that are adjusted to the type and duration of the effects on communities. 25% percent of the people surveyed indicated that the assistance they received was enough to cover their basic needs for between 15 days and 1 month, while 56% only covered up to 15 days. If we understand the depth and duration of the crisis, **this type of assistance requires additional support to enable people to meet their basic needs on a permanent and sustainable basis.**

For this reason, it is considered that actions in the region should have the following cross-cutting axes:

CROSS-CUTTING AXES

Prioritize those groups in vulnerable situations: according to the main socioeconomic impacts and structural conditions of the region. Prioritized groups should be women, children and adolescents, ethnic groups, migrants



and returnees, LGBTIQ+ people and informal workers.

Incorporate gender approaches: a Protection, Gender and Inclusion (PGI) approach makes it possible to address the situations of inequality generated by crises and thus analyze which populations are specifically



affected based on their age, gender, disability, ethnicity, migratory status and other characteristics of diversity. It also makes it possible to analyze how socioeconomic crises or emergencies that have a disproportionate and unequal impact on specific groups and population groups generate particular protection risks. Domestic violence, marginalization and stigma, human trafficking, genderbased violence, discrimination in access to employment, among other risks, violate access to and control over livelihood resources and thus expose some populations to a direct violation of their rights²².

Making the invisible visible: a fundamental role of humanitarian action is to assist the most vulnerable people, for which we must be able to identify those groups that traditional statistics or data collection mechanisms



do not allow us to identify in their diversity and particularities.

Be environmentally sustainable and contribute to reducing the effects of climate change: Response actions must take into consideration the immediate needs, but at the same time, be able to reduce the impacts on the



environment and contribute to strengthening individual and community resilience. Priority should be given to responses that contribute to the reduction of climate change and the adaptation of communities.

Contribute to the fulfillment of the Sustainable Development Goals in the region.



²² Description quoted from the draft PGI Guidelines in the Livelihoods and Food Security sector 2022.

Construction through participatory processes with the community: To ensure that the interventions are in line with what the communities need and are culturally appropriate. The implementation of the actions, using the Community Participation approach and accountability to the community, will allow for ongoing dialogues with them and ensure that it is involved in decision making throughout the intervention. It will also ensure proper accountability to the communities, the implementation of feedback and complaint mechanisms, which will allow monitoring of interventions, include community suggestions and serve as an early warning mechanism for protection cases. This requires coordination with PGI teams



and community safeguard systems.

ACTIONS PROPOSED

Support the safe reincorporation of children and adolescents into the educational system: generate activities that address the health needs of returning to school, as well as mental health. In addition, potential incentives



to return to school and measures to reinforce learning should be identified. This should be in line with support measures for mothers and caregivers of children and adolescents.

Strengthening food security at the household and community level: Food security was affected by issues of access and availability. To facilitate access, it is advisable to implement food assistance programs through



vouchers or cash that allow access to fresh and guality food. At the same time, livelihood support measures should be implemented to provide constant access to food. Another aspect to be addressed is availability, and for this purpose, actions should be developed to support and promote food production at the local level, in order to provide communities with the availability of essential foods and reduce their dependence on external factors that are unmanageable for the communities themselves.

Support the incorporation of environmentally sustainable production practices and natural resource management: One of the possible actions consists of generating and promoting support networks



to provide visibility, knowledge, tools and projects that incorporate sustainable production practices. This will facilitate the exchange of knowledge and the development of technical capacities to improve current practices.

Support the reincorporation of women into the labor market: This support should be understood in a broad and comprehensive sense. The reincorporation of women into the labor market requires, in the



first instance, recognition of the care work, as well as social and cultural obligations assigned to them in the region. For this reason, mechanisms must be created to support the care and return to school of children and adolescents. Secondly, sexual, reproductive and health care should be facilitated. Also, it is recommended to support the development of capacities and access to technology in this new context and to finance and support mechanisms for the development of microenterprises.

Support microenterprise and labor

reintegration: The labor market and economic activities have undergone changes because of COVID-19, so it is necessary to contribute to the adaptation of this new condition to



people living in vulnerable conditions. Supporting the development of skills and knowledge associated with the new needs should be a priority, as this will contribute to the sustainability of actions. In addition, funding and support should be provided for the development of microenterprises that incorporate these new needs and demands of the labor context.

Promote access to technology and technological skills at all levels of people's lives: Digital literacy, access to technological tools and the Internet is a general need among vulnerable groups of people in the region. The pandemic



has forced people to increasingly use technology to access public and private services and to develop work activities.

Support the livelihoods of migrants and returnees: It is first recommended to identify how COVID-19 has exacerbated the needs of migrants and returnees already assisted by National Red Cross Societies in the region, and



based on this diagnosis, strengthen livelihood support measures. Some of these measures may include assistance through cash transfer programs, protection and accompaniment of seasonal migrant workers and financial support for micro-enterprises of returned migrants.

Prevent and protect victims of discrimination, sexual and genderbased violence: Some of the measures that can be developed are the support of schools as spaces for the prevention and care of children and adolescents



who are victims of violence, direct care for victims of sexual and gender-based violence, as well as the development of prevention campaigns.

Chapter 3 of the study Socioeconomic Impacts by COVID-19 in Latin America and the Caribbean details options for activities linked to each vulnerable group, proposing actions that contribute to addressing the SDGs of this study.

Each of the actions outlined should not be considered as isolated alternatives. Making a concrete contribution to addressing the needs of vulnerable people and contributing to the achievement of the SDGs requires that the suggested actions be addressed in parallel and in an integrated manner, since it is the sum of each small achievement that will contribute to providing dignity and improving the lives of the most affected people.



The Brazilian Red Cross responded to the COVID-19 emergency by delivering humanitarian assistance to vulnerable populations, carrying out psychosocial support, hygiene promotion tasks, and in kind assistance for those economically affected.

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THE FUNDAMENTAL PRINCIPLES OF THE INTERNATIONAL RED CROSS AND RED CRESCENT MOVEMENT

The International Federation of Red Cross and Red Crescent Societies (IFRC) is the world's largest humanitarian network, with 192 National Red Cross and Red Crescent Societies and around 14 million volunteers. Our volunteers are present in communities before, during and after a crisis or disaster. We work in the most hard to reach and complex settings in the world, saving lives and promoting human dignity. We support communities to become stronger and more resilient places where people can live safe and healthy lives, and have opportunities to thrive.

Humanity

The International Red Cross and Red Crescent Movement, born of a desire to bring assistance without discrimination to the wounded on the battlefield, endeavours, in its international and national capacity, to prevent and alleviate human suffering wherever it may be found. Its purpose is to protect life and health and to ensure respect for the human being. It promotes mutual understanding, friendship, cooperation and lasting peace amongst all peoples.

Impartiality

It makes no discrimination as to nationality, race, religious beliefs, class or political opinions. It endeavours to relieve the suffering of individuals, being guided solely by their needs, and to give priority to the most urgent cases of distress.

Neutrality

In order to enjoy the confidence of all, the Movement may not take sides in hostilities or engage at any time in controversies of a political, racial, religious or ideological nature.

Independence

The Movement is independent. The National Societies, while auxiliaries in the humanitarian services of their governments and subject to the laws of their respective countries, must always maintain their autonomy so that they may be able at all times to act in accordance with the principles of the Movement.

Voluntary service

It is a voluntary relief movement not prompted in any manner by desire for gain.

Unity

There can be only one Red Cross or Red Crescent Society in any one country. It must be open to all. It must carry on its humanitarian work throughout its territory.

Universality

The International Red Cross and Red Crescent Movement, in which all societies have equal status and share equal responsibilities and duties in helping each other, is worldwide.