

Assessing the Socioeconomic Impact of COVID-19 on Forcibly Displaced Populations

Thematic Brief No. 5: the case of Mexico*

Key insights

- Mexico is increasingly a destination for refugees and migrants, rather than as a source or country of transit. In 2021, there were a record-breaking number of asylum claims, 131,448, primarily from Honduras and El Salvador but also Haiti and Cuba, among others. In addition, the number of Venezuelans displaced abroad that began arriving in 2018 has reached over 60,000.
- Data from two rounds of a phone survey conducted by UNHCR and IPA between March and September 2021 – comparable to a similar survey by the World Bank on nationals – provides insight on how the COVID-19 pandemic has impacted the health, livelihoods and general vulnerability of persons of concern (PoC) to UNHCR, as well as their nearby host community.¹
- By September 2021, 15% of respondent households have experienced a COVID-19 diagnosis. Around 25% of respondents report having received a COVID-19 vaccination, with far fewer persons of concern vaccinated compared to the host community.
- The economic impact of the pandemic has been severe, with 68% of all respondents reporting lower family income in round 1 compared to pre-COVID times. Financial insecurity remains pronounced, with 56% of persons of concern and 42% of host community respondents saying they were forced to deplete assets or rely on others to meet daily needs. Three out of 4 reported having no bank or mobile savings accounts.
- Food insecurity remains high particularly for Honduran and Salvadoran refugees and asylumseekers, with around 57% reporting an adult skipping a meal in the last week in round 2 compared to just 20% of nationals in the final round of the World Bank survey in 2020.
- Despite these prevalent needs, food- and cash-based support fell between February and September 2021. Similarly, requests for government support are less common in round 2, and 70% are rejected with most others pending.
- Honduran and Salvadoran households are notably worse off compared to the Venezuelan population as well as the host community along nearly all measures, which is indicative of their overall worse socioeconomic profile and concentration in the generally more marginalized Southern area of Mexico.

^{*}Craig Loschmann, Theresa Beltramo and Jed Fix of UNHCR co-authored this brief. The opinions expressed herein are the authors' own, and do not necessarily represent the views of UNHCR.

¹ <u>Persons of concern (PoC) to UNHCR</u> typically include refugees, asylum-seekers, internally displaced person, stateless people and others including those in refugee-like situations such as Venezuelans and Haitians displaced abroad.



The COVID-19 pandemic has inflicted devastating consequences across the globe. In low- and middleincome countries where most refugees live, the pandemic has increased burdens on host governments and stakeholders who work with them to address record levels of forced displacement.² While the virus itself does not discriminate, recent work shows its socioeconomic impacts disproportionally affect forcibly displaced persons due to their pre-existing vulnerabilities and often precarious circumstances.

Studies by the World Bank-UNHCR Joint Data Center on Forced Displacement (JDC), Center for Global Development and Norwegian Refugee Council highlight the exacerbated effects of the pandemic on forcibly displaced persons, many of whom work in sectors more vulnerable to economic shocks with limited access to formal labour markets, health and education services, and social protection systems.³ Despite these efforts, there is still relatively little empirical evidence on how refugees and other persons of concern to UNHCR have been affected by the pandemic, particularly in diverse settings across the Americas. This is especially relevant as the Latin America and the Caribbean region has arguably been the hardest hit in the world, with 18.5% of COVID-19 cases and 30.3% of deaths globally as of October 2021, despite representing just 8.4% of the total world population.⁴

This brief – adding to others in the series – takes advantage of newly available socioeconomic data originating from a high-frequency phone survey to examine the impact of COVID-19 on persons of concern to UNHCR in Mexico. While not exhaustive, the aim is to provide evidence of how this population is coping with the crisis compared to the national population and how their conditions evolve over time, where possible. We focus attention primarily on topics identified as priorities by UNHCR's regional and country operations, including the impact of the pandemic on access to essential services, livelihoods, and food insecurity. First, however, we provide a brief contextual background on the displacement trends in Mexico over recent years, as well as the country's general experience with the pandemic and the operational response by UNHCR.

Displacement, COVID-19 and UNHCR's livelihood response in Mexico

Mexico's geographic position and relatively higher GDP per capita compared to its southern neighbours has historically led to complex migration and displacement dynamics, including as a source and transit country for migrants travelling to the United States. In recent years, however, it is increasingly viewed as a country of destination rather than of transit, and a greater number of individuals, mainly from Central America, express their intention to remain and seek international protection as reflected in UNHCR official populations figures. As of end-of-year 2021, Mexico hosts 459,046 persons of concern including 73,469 refugees, 157,180 asylum-seekers and 63,179 Venezuelans displaced abroad (Figure 1). The considerable growth in the population of persons of concern is expected to continue, with the Mexican Commission for Refugee Assistance (COMAR) reporting a record number of individuals – 131,448 – applying for asylum between January to December 2021, with many still pending resolution.⁵

² UNHCR (2021). <u>Mid-Year Trends. Forced Displacement in 2021</u>.

³ Tanner, J., et al. (2021). Answering the Call: Forcibly Displaced during the Pandemic; Dempster, H., et al. (2020). Locked Down and Left Behind: The Impact of COVID-19 on Refugees' Economic Inclusion and; Gorevan, D. (2020). Downward Spiral: the economic impact of COVID-19 on refugees and displaced people.

⁴ CEPAL and UNICEF (2021). The COVID-19 pandemic: the right to education of children and adolescents in Latin America and the Caribbean.

⁵ Comisión Mexicano de Ayuda a Refugiados, Solicitudes (preliminares), Datos al cierre de Diciembre 2021.



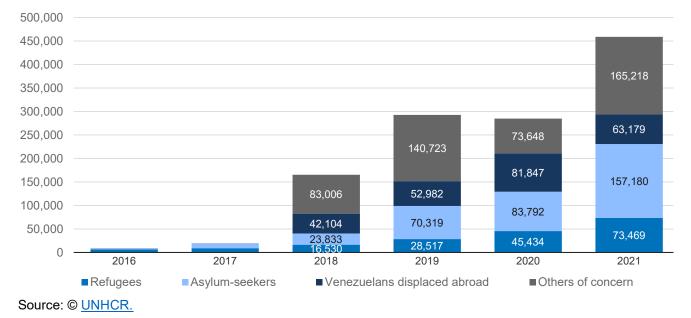


Figure 1 Persons of Concern in Mexico

UNHCR Mexico, in their response to COVID-19, has identified four priorities to address the main protection risks faced by persons of concern. First, the country team has strengthened the protection space, including increased access to and efficiency of the asylum system as well as community engagement. Second, UNHCR scaled up cash assistance programmes for the most vulnerable refugee families experiencing economic shocks and special protection needs. Third, UNHCR improved shelter preparedness to prevent human-to-human transmission of the coronavirus, supporting them through additional staff and provision of multiple months' supplies of hygiene and sanitation items. Finally, support has been provided to municipal hospitals through the provision of personal protective and medical equipment, including five ambulances, to enable the continued delivery of health services for UNHCR persons of concern and local communities.

Even before the pandemic, a central part of UNHCR Mexico's response to the growing number of arrivals has been the voluntary relocation of refugees and asylum-seekers, Venezuelans displaced abroad and others of concern from the overwhelmed southern border areas to communities in central and northern Mexico. Since 2016, this relocation and local integration programme has assisted more than 18,000 individuals with their move to one of eleven communities that have a higher demand for workers as well as better capacity to integrate individuals into the education and health systems. Currently, more than 250 national and multinational companies employ refugees as part of the programme; and from 2016 to 2020, 8,151 relocated individuals were employed in the formal economy.⁶

Besides relocation, advocating for wider social and economic inclusion is a priority for UNHCR in Mexico. An essential part of this is the inclusion into public services and programmes, including the health system, education system and population registry, as well as increased financial inclusion. Refugees and asylumseekers are also better prepared for the Mexican job market through targeted interventions that aim to improve their skills and employability, and facilitate access to market information and social networks.

⁶ UNHCR (2021). <u>2020 Highlights, UNHCR Mexico</u>.



UNHCR Mexico also increasingly relies on cash-based assistance (CBI) to address immediate basic needs and gives greater attention to the inclusion of persons of concern in national social protection systems. CBI is fully embedded in the broader protection and solutions strategy, and is given for a myriad of needs including to cover school enrollment or mandatory education, accelerated education programmes for primary and secondary education certification, literacy programmes, revalidation/recognition of diplomas issued in country of origin, examination for high school certification, support for tertiary education, vocational training and certification of skills. Similarly, cash is provided as part of the aforementioned relocation programme, namely until participants receive a job offer and find accommodation. CBI is also leveraged to promote financial inclusion through liaising with key players in the banking sector.⁷

Data sources

The analysis in this note draws primarily on household-level microdata from a survey conducted by UNHCR and Innovations for Poverty Action (IPA). Data collection was conducted across two survey rounds between February and September 2021 using UNHCR's registration data – proGres – as a sampling frame. The sample is representative of persons of concern (PoC) registered with UNHCR, though not necessarily representative of all displaced populations in Mexico. Considering vulnerable households are more likely to seek assistance and therefore be registered, our sample likely produces lower bound estimates as it relates to socioeconomic wellbeing and therefore helps inform policies targeting those most in need. In addition, a host community sample was generated using a Random Digit Dial approach in the same state as the PoC sample, allowing for cross-group comparisons.

In round 1 of the phone survey, 1,220 PoC and 1,142 host community households were interviewed across three targeted regions: Mexico City, the Northern and Central industrial corridor, and the Southern border area.⁸ In round 2,701 PoC and 517 host community households were successfully recontacted providing a panel dataset to explore the impact of the pandemic on this vulnerable population over time.⁹ Among the PoC originally surveyed: 533 are Venezuelan, 486 are Honduran, 179 are Salvadoran, in addition to 22 other individuals from a variety of countries. For the purposes of the comparative analysis, we exclude the last group of PoC and look exclusively across the host community, Venezuelan PoC, and Honduran and Salvadoran PoC.

The survey tool was designed in line with the World Bank's questionnaire for their <u>High-Frequency</u> <u>Phone Surveys</u> (HFPS) among national populations in the Latin American and Caribbean region. In Mexico, the World Bank conducted a first phase of the HFPS across three rounds between May and August 2020¹⁰, and the World Bank and UNDP together conducted a second phase of surveys between May and July 2021.¹¹ While direct comparison is not feasible due to the time lapse and associated restrictions, general trends over time between the HFPS national sample and our PoC sample are informative and included where relevant.

⁷ UNHCR (2020). <u>Stepped Up Livelihoods Strategy in the Americas</u>.

⁸ In both the Northern industrial corridor and the Southern border area, specific locations with a known share of Venezuelans displaced abroad were included in the sampling frame, including Nuevo Leon and Quintana Roo.

⁹ All round 2 estimates include post-stratification weights to adjust for differential attrition. The attrition between rounds is largely driven by low response rates among respondents in urban areas including primarily Mexico City, which is consistent with past data collection exercises in this context. For more detail, see <u>IPA RECOVR Survey</u>.

¹⁰ See the World Bank Microdata Library for more detail.

¹¹ UNDP (2021). <u>An uneven recovery: Taking the pulse of the Latin America and Caribbean Region following the pandemic</u>.



Health-related experiences and access to services

Like all countries across the region, the pandemic has led to serious disruptions to everyday life in Mexico. As of January 2022, the cumulative number of officially confirmed cases is over 4 million, which represents around 3% of the total population.¹² In our phone survey, 15% of respondent households have had at least one COVID-19 diagnosis. However, as Figure 2 illustrates, far fewer Honduran and Salvadoran PoC households (12%) have been diagnosed relative to host community (28%) and Venezuelan PoC households (32%). This could be explained by the fact that Honduran and Salvadoran respondents are far less likely to report having received at least one COVID-19 test in the past year and more likely to say receiving a test is difficult, which reflects their concentration in the generally poorer Southern area where access to health services, and therefore testing, is weakest. Venezuelan respondents, on the other hand, are mostly concentrated in urban settings (e.g. Mexico City, Monterrey and Cancun), where exposure to COVID-19 as well as access to testing facilities is significantly greater.

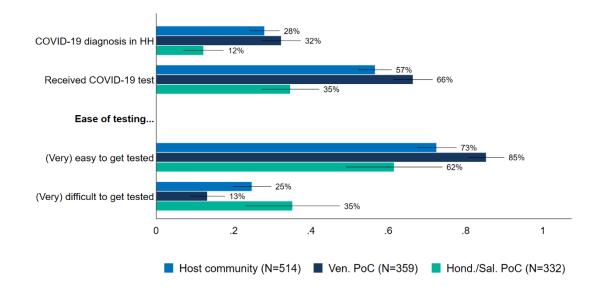


Figure 2 COVID-19 diagnosis and testing (round 2)

COVID-19 behaviour, knowledge and vaccination

In March 2021, nearly all respondents say they had always worn a mask when leaving home and in public places in the 7 days prior to enumeration, and there is no difference between host community and PoC respondents. In addition, 74% of the sample say they avoided large gatherings and crowds altogether,¹³ although that figure is slightly lower for Honduran and Salvadoran PoC (71%) than both host community (84%) and Venezuelan PoC respondents (89%). For comparison, 87% of World Bank HFPS 2020 survey

¹² Roser, M., et al. (2021). "<u>Coronavirus Pandemic (COVID-19)</u>". Retrieved on January 7, 2022. NB: Limited testing and challenges in the attribution of the cause of death means that the number of confirmed cases and deaths is likely lower than the true number of cases and deaths from COVID-19.

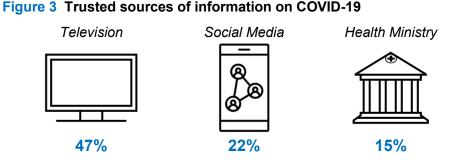
¹³ Mexico has a sub-national <u>traffic light monitoring system</u>, meaning some states may impose lesser or greater restrictions which may influence mitigative behavior based on geographic location.



national respondents reported avoiding groups of 10 or more persons, in line with the host community sample and highlighting how there has not been much change over time with respect to personal behaviour.

Respondents' knowledge of different mitigation measures is largely consistent across the two separate PoC groups and the host community. However, Honduran and Salvadoran PoC are around 16-18 percentage points (pp) less likely relative to the other two groups to say they are aware of social distancing to prevent transmission, which may indicate the need for more targeted messaging for this group. At the same time, Honduran and Salvadoran respondents are significantly less concerned about COVID-19 infection.

Figure 3 illustrates how the three most trusted sources of information on COVID-19 among respondents are television, social media, and the health ministry. Other sources of information include: UNHCR (13%), national government (11%), radio (7%), WHO (6%) and friends/relatives (3%). Across the three groups, host community households are more likely to rely on television and the radio compared to the other two groups, whereas the Venezuelan population prefers the national government, health ministry and social media relative to the other two groups. Alternatively, Honduran and Salvadoran PoC are more likely to cite UNHCR as a trusted source of information.



By round 2 conducted in August/September 2021, far fewer PoC respondents say they have received a COVID-19 vaccine compared to the host community (Figure 4). Honduran and Salvadoran PoC in particular are 35-55pp less likely to report having been immunized relative to the other two groups. While in principle all adults over 18 years of age were eligible as of July 2021, reported eligibility across the subgroups is not uniform, with only around half of Honduran and Salvadoran PoC saying they are eligible compared to more than three-fourths of both Venezuelan and host community respondents. Therefore, the difference in vaccination rates may be partially explained by the generally younger age distribution of the Honduran and Salvadoran population in our sample relative to the other two groups, and lack of information about their eligibility status. It may also partially be due to their concentration in the South where state capacity and therefore access to health services is generally more limited compared to other parts of the country. Indeed, there are clear geographic disparities in terms of vaccination rates even for nationals, with the Southern states lagging behind Northern border states which were given more attention in the early stages of the National Vaccination Plan.¹⁴

Still, once accounting for differences in reported eligibility, there remains a 20-30pp difference between PoC that are eligible and PoC that have taken steps to receive a vaccine such as registering. Part of this may be due to uncertainty around certain vaccines available. Figure 4 illustrates how Honduran and Salvadoran respondents are more likely to say they would not take any vaccine or only some vaccines relative to the other two groups. Indeed, Honduran and Salvadoran PoC are less likely to believe COVID-19 vaccines are

¹⁴ Kane Jimenez & Adrianne Gandy (2022). "<u>Mexico's Vaccine Supply and Distribution Efforts</u>", published October 4, 2021.



safe and effective, although other reasons given for not wanting to take a vaccine include not having time and a lack of concern about the virus. One can also imagine an individual's lack of intentions to stay in their current location, as is believed to be the case for many refugees and migrants located in the South, influencing the decision to seek out vaccination particularly when several doses are necessary over an extended period of time. Regardless, the noticeable gap between vaccination rates among PoC and the host community indicates that a more targeted messaging campaign towards these groups may be effective at raising levels of immunization.

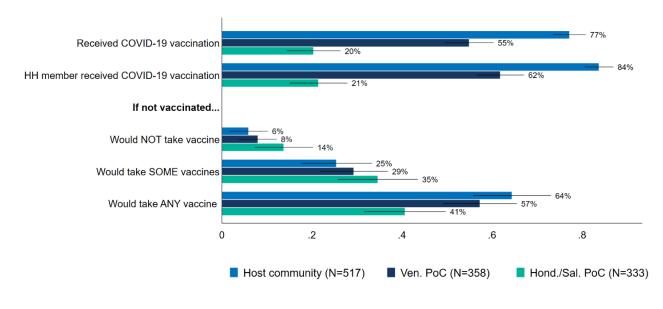


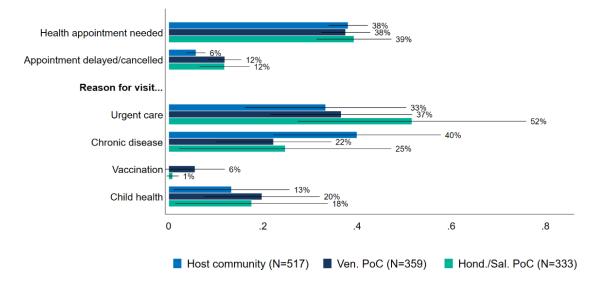
Figure 4 Vaccination (round 2)

Access to healthcare and education

A principle concern of the pandemic and related restrictions has been the effect on access to basic services. Figure 5 shows how a similar share of respondents across the three groups report their household needed a medical appointment between July and September. However, among them, 12% of Venezuelans, Hondurans and Salvadorans had to delay or cancel the appointment compared with 6% of Mexicans. Moreover, Hondurans and Salvadorans are more likely to seek urgent care as a result of a health emergency, making any delay or cancellation more costly. Honduran and Salvadoran households also report lower access to medication when needed compared to host and Venezuelan households. Lastly, PoC respondents – and Venezuelan respondents in particular – are far less likely to believe the government provides healthcare without discrimination, indicating their own perception of limited access to health services.



Figure 5 Access to healthcare (round 2)



Turning to education, school closures were a major disruption for households with school-aged children. Among children enrolled in March 2020, there is modest evidence of dropouts among Honduran and Salvadoran PoC as illustrated in Figure 6. Even though that same group also has a slightly higher expectation to return to school in the next year, a non-trivial share of Honduran and Salvadoran children are at risk of dropping out permanently. In addition, the quality of school is perceived to be far worse since the pandemic began and school closures were enforced. Around half of all respondents assess the quality of school to be poor or very poor in August 2021, compared to only 10% prior to March 2020. Challenges around remote learning are likely the main reason, especially for Honduran and Salvadoran households who report less access to all potential remote learning resources including notably the internet and other computer resources such as laptops. As a result, Honduran and Salvadoran households prefer communication with schools and teachers through other means such as WhatsApp, whereas Venezuelan and host community households are more likely to prefer online teaching applications typically accessed through a computer.

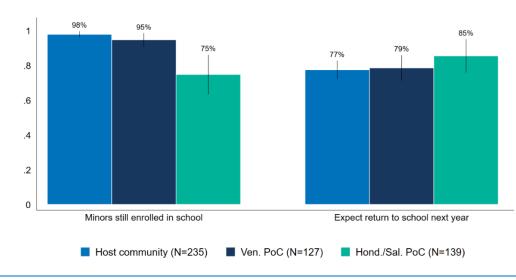


Figure 6 School enrollment (round 2)



Livelihoods and financial insecurity

While the health impacts of the pandemic are of first-order importance, the pandemic has also taken a heavy economic toll. According to Mexico's latest poverty figures, an additional 3.8 million Mexicans fell below the national poverty line in 2020 to reach a total of nearly 56 million, or 44% of the population.¹⁵ The most recent figures show how the unemployment rate has recovered modestly, currently estimated at 4%, but is still yet to reach pre-pandemic levels.¹⁶ Against this backdrop, the phone survey shed light on how persons of concern to UNHCR have been impacted by the pandemic with respect to livelihoods and financial insecurity.

Employment and sources of income

Nearly three-fourths of all respondents are employed in round 2 of the survey, a 5pp increase from round 1 (72% versus 67%). However, Table 1 shows there is considerable difference between the host community and Venezuelans relative to Honduran and Salvadoran PoC. By round 2, 80% of Venezuelans are employed, comparable to host community respondents, but 9pp more than Honduran and Salvadoran respondents. This lower rate among Honduran and Salvadoran PoC likely reflects the relatively limited opportunities in the South where they are highly concentrated, and supports the argument for an area-based approach to development as well as relocation of persons of concern to more dynamic local economies.

	Round 1	Round 2
Host community	76.6	81.8
Venezuelan PoC	72.7	79.6
Honduran/Salvadoran PoC	66.1	71.1
Total	67.4	72.2

Table 1 Employed (%)

Note: employed comprise persons working in the week prior to the interview, including persons who are gainfully employed or self-employed, who did not work in the reference week, but are guaranteed to return to work.

PoC respondents are significantly less likely to have formal employment and its associated protections including access to social security relative to the host community (Figure 7). Honduran and Salvadoran respondents, in particular, are much less likely to be employed in the formal sector, putting them at greater risk to harmful labour conditions and greatly reducing their access to the employment-based social security system. In rural areas, both host community and PoC respondents were about 20pp less likely than respondents in urban areas to have a formal employment contract, highlighting the prevalence of informality outside of cities. In addition, more than half of all respondents – 55% of Hondurans and Salvadorans, 46% of Venezuelans and 39% of hosts – faced a disruption in formal employment since the pandemic began which includes a household member losing a job, having a formal contract suspended or seeing a reduction in the number of hours. This is far greater than the 25% of national respondents reporting having lost a job in May/June 2020 in the World Bank's HFPS survey, and indicates the importance in collecting data over time during economic shocks to assess the long-run consequences of the pandemic on household's income-generating activities, as well as the pronounced impact on refugees and migrants compared to nationals.

¹⁵ CONEVAL (2021). <u>Medición de la Pobreza</u>.

¹⁶ INEGI (2022). Empleo y ocupación.



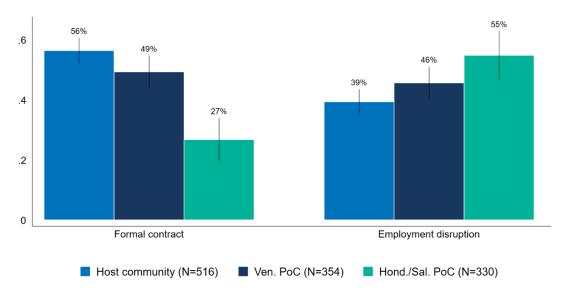


Figure 7 Formal employment and employment disruption (round 2)

Both PoC and host community households receive income from a wide variety of sources and 3 in 5 report counting on multiple sources to cushion against job loss. Figure 8 illustrates how wages and business/self-employment are primary sources for host community as well as Venezuelan households, whereas Honduran and Salvadoran households are significantly less likely to have earned wages or income from business/self-employment. In addition, all PoC households rely heavily on the support from NGOs, foundations and churches. Remittances are shown to also be an important source of income for PoC, especially for Honduran and Salvadoran households.

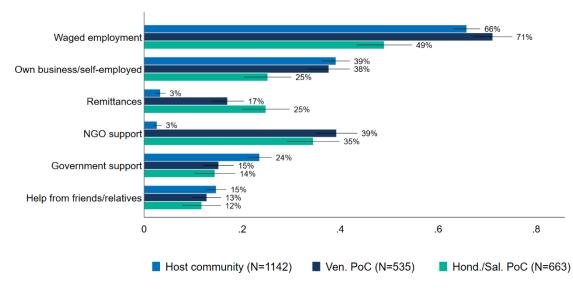


Figure 8 Income source over the last 12 months (round 1)

Figure 9 highlights loss of income since pandemic-related measures were first put into place in March 2020. In round 1, 68% of households report a reduction in total family income compared to pre-COVID times, whereas another 41% report a reduction in round 2 compared to the previous round. The former is



comparable but slightly higher than the World Bank's HFPS finding in 2020 that 60% of national household cite a reduction in total income in the early months of the pandemic when business closures were most prevalent. This underlines the challenges in recovering to pre-pandemic levels of welfare even after the gradual reopening of the economy starting in July 2020, particularly for those households relying on self-employment often within the informal sector.

In addition, differences across subgroups helps illustrate how PoC households wereharder hit during the initial stages of the pandemic, and are also slower to recover. More specifically, PoC households are 14pp more likely to report a loss of income in round 1 from pre-COVID times compared to the host community (69% versus 55%), and 11pp more likely to report a loss in round 2 from the previous round (41% versus 30%). Remittances, in particular, remain rather suppressed for PoC, with 39% saying they receive less in round 2, compared to only 9% of host respondents.

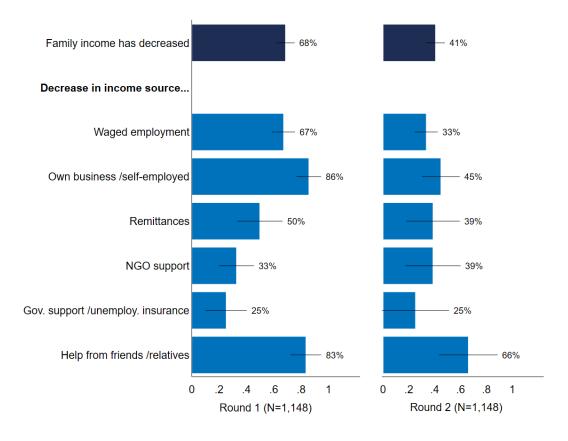


Figure 9 Decrease in income since pandemic began/previous round



The survey data illustrates that the level of concern over the economic impact of the pandemic remains high. Most respondents still regard the pandemic as a threat to their household financial situation, with Venezuelan respondents more likely to report feeling "somewhat or very threatened" compared to host community and Honduran and Salvadoran respondents (78% versus 67% and 57%, respectively). Interestingly, by round 2 Honduran and Salvadoran respondents are the least likely of the three groups to feel that the pandemic is a threat to their economic situation, which is contradictory to the prior evidence



around them being the worst off in terms of labour market outcomes. In addition, this figure for the host community is comparable to the World Bank's HFPS survey in 2020, indicating that anxiety due to economic hardship lingers over time.

Part of this concern is due to the level of financial insecurity refugee and migrant households face, often in light of the risk of job loss illustrated prior. Honduran and Salvadoran respondents report much lower access to financial services than Venezuelans and hosts in that they have no bank or mobile savings account – 82% versus 24% and 44%, respectively. Lack of documentation is a fundamental barrier to financial inclusion for PoC respondents, with around half indicating they do not have an account because they lack necessary documents. It follows therefore that Venezuelans are far more likely to have access to financial instruments considering the majority arrived to Mexico with a passport.

We also measure financial insecurity of a household when faced with an emergency. Asking respondents if they would be able to come up with \$1,514 MXN (~\$70 USD) in emergency funds within the next 30 days, nearly half of all respondents say it would be "very difficult" or "impossible". Across subgroups, Honduran and Salvadoran respondents are considerably more likely to say it would be "very difficult" or "impossible" relative to the other two groups (Figure 10). PoC respondents are more likely to cite social networks as the expected source of such funds when compared to hosts, although Venezuelan PoC are also most likely to say money from work. In addition, female respondents report a harder time getting emergency funds in the next 30 days, and the gender gap is far wider for the host community relative to PoC (~25pp difference for hosts versus 10pp for PoC groups).

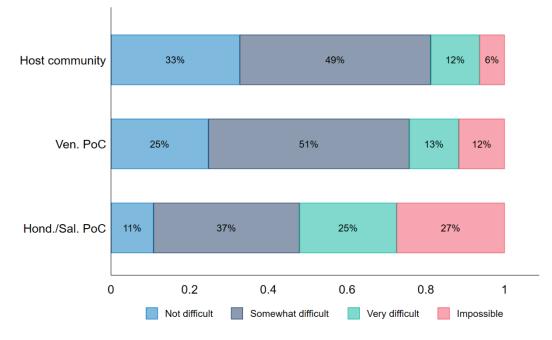


Figure 10 Ability to come up with emergency funds in 30 days (round 2)

Beyond the hypothetical emergency, 56% of all PoC respondents compared to 42% of host community respondents report being forced to deplete assets or rely on others to meet basic daily needs such as food and healthcare between the two survey rounds. There is no significant difference between Venezuelan and Honduran and Salvadoran households. The most common coping method when faced with such a challenge includes borrowing money (25%), seeking help from friends and relatives (14%) and depleting savings



(11%). Honduran and Salvadoran respondents are particularly more likely to have gone into debt because of not being able to meet basic daily needs, as well as to have sought support by friends and relatives.

Food insecurity and assistance

As to be expected given the economic impact of the pandemic, the loss of income-generating activities has placed households in a precarious situation. For displaced populations who are already largely reliant on the informal economy, measures to curb the spread of the disease have had a disproportionate impact on livelihoods and led to severe challenges in meeting basic needs necessitating targeted assistance.



[/] Food insecurity

Asking PoC respondents about three food items essential for their household, Table 2 shows that access to those foods has increased around 6pp across rounds. The most common food items mentioned are grains (e.g. rice), legumes (e.g. beans) and protein (e.g. chicken). However, considerable differences across groups remain with Honduran and Salvadoran respondents 16-22 pp more likely to report difficulties in buying or stocking up on essential items compared to Venezuelans and host community respondents. Indeed, by round 2 Venezuelans are mostly on par with the host community. Considering the vast majority of respondents say lack of money is the main reason for limited access, this is a clear reflection of the Venezuelans better socioeconomic profile compared to Honduran and Salvadoran PoC, as well as the latter's concentration in the generally poorer Southern area.

	Round 1	Round 2
Host community	85.3	89.6
Venezuelan PoC	78.5	87.0
Honduran/Salvadoran PoC	62.4	68.4
Total	64.6	70.8

Table 2 Able to buy/stock up on three essential food items (%)

Similar to limited access to essential food items, there are large disparities with respect to food insecurity. While there is modest improvement between survey rounds, half of all respondents still report their household ran out of food in round 2 of the survey. But this overall figure is largely driven by Honduran and Salvadoran PoC, as they are at least 31pp more likely to report running out of food in the 30 days prior to enumeration compared to Venezuelan and host community respondents (54% versus 23% and 19%, respectively). Figure 11 illustrates Honduran and Salvadoran PoC are worse off along nearly all food security measures, including adults going without food within the last 24 hours. The rate of adult food insecurity among the host community in round 1 is similar to the World Bank's 2020 survey of the national population, highlighting the consistency between the two distinct samples. But it also shows the disparity between certain vulnerable refugee and migrant groups such as Hondurans and Salvadorans compared to nationals: 19% ran out of food, 20% skipped a meal, and 6% went a full day without food.

Figure 11 shows food insecurity among children is also a serious problem among the Honduran and Salvadoran population. More than 3 in 10 Honduran and Salvadoran PoC respondents report a child going hungry or skipping a meal in the 30 days prior to enumeration because of lack of money or other resources, compared to less than 1 in 10 of both Venezuelan and host community respondents. More striking still, 13%



of Honduran and Salvadoran respondents report a child going without food for 24 hours in the last 30 days compared to 4% of the host community and 2% of Venezuelans.

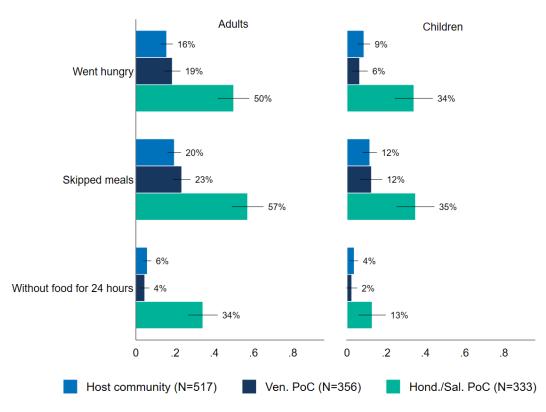


Figure 11 Food insecurity (round 2)

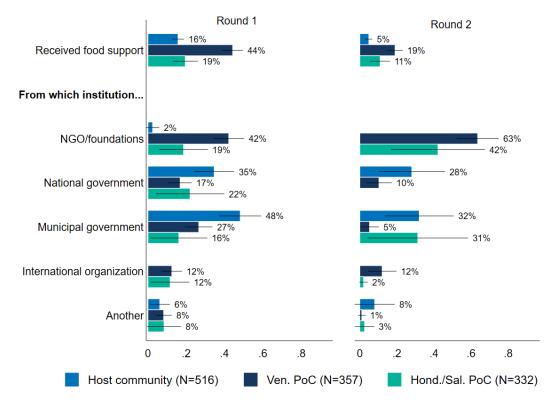


Considering the risk of food insecurity as a result of the pandemic, food assistance is essential to counteract hunger. Yet Figure 12 shows how food-based support – for instance, a free meal or voucher to exchange for meals – declines considerably over the two rounds of the survey. Perhaps more striking is that fact that food assistance is far more prevalent for Venezuelan households relative to Hondurans and Salvadorans, which may contribute to the Venezuelan population's relatively better food security, and may reflect a targeted strategy towards this group, particularly by NGOs, foundations and international organizations. In round 2 of the survey, national government support is negligible for Honduran and Salvadoran PoC, though it appears that municipal governments provide a partial substitute.







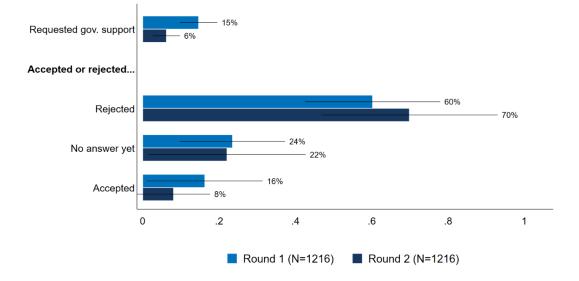


Beyond food assistance, in round 1, about 1 in 4 respondents report their households receiving direct financial support in the form of either cash, check or electronic transfer. However, there is again a noticeable drop in assistance between both rounds of the survey, with only 5% of PoC reporting the receipt of monetary support in August/September. Moreover, there is considerable difference across groups, with 36% of Venezuelans respondents receiving cash assistance in round 1 compared to 24% of Honduran and Salvadoran PoC and 8% of host community respondents. Those shares drop substantially by round 2 for the PoC population in particular, with 12% of Venezuelans receiving monetary support compared to just 5% of Honduran and Salvadoran respondents. The median amount received is around ₱7,000 (~\$190), and mainly comes from NGOs, international organizations and the national government, even though the latter provided more limited support by round 2 of the survey. In comparison, the World Bank survey in 2020 found that between 4%-9% of national households had received some form of monetary assistance, which is generally consistent with our host community sample.

Figure 13 illustrates how in round 2, fewer respondents report having requested government support since the first round compared to the six months prior to round 1. Between 60%-70% of all requests for government support are rejected across the two rounds with most others still pending. Host community respondents are slightly more likely to request support than PoC respondents, while Honduran and Salvadoran PoC report considerably higher rejection rates. Among PoC respondents, Venezuelans have considerably higher chances of success in receiving government support particularly in round 2: 27% versus 5% for Honduran and Salvadoran respondents.



Figure 13 Government support (across rounds)



Final reflections

The COVID-19 crisis has complicated the displacement situation in Mexico. In the region more generally, the difficulties associated with insecurity and extensive internal displacement require continued and increased engagement of humanitarian and development partners. Similarly, the rapidly increasing arrivals of Haitians, Hondurans, Cubans and Venezuelans, among other groups, calls for a multi-year vision in the search for sustainable solutions.

The health and economic impacts of the pandemic, along with the effects of mitigation measures, have placed a significant burden on the entire population, including persons of concern to UNHCR. Shocks to demand, movement restrictions and closures have contributed to a significant loss in economic well-being and reduced the resilience of many already vulnerable groups. While UNHCR continues to transition away from in-kind support towards cash-based assistance and economic inclusion, the pandemic shock, rising food prices and fewer jobs make that transition more and more difficult. Mixed approaches, such as cash plus livelihoods assistance are necessary to ensure immediate basic needs are met while building greater self-reliance among refugee and migrant groups.

In Mexico, the internal relocation strategy is also helping to relieve pressure in already vulnerable host communities particularly in the South and contributing to greater socioeconomic inclusion. Further efforts to facilitate financial inclusion including through streamlined access to documentation such as residence permits, tax payer numbers and population registration numbers would help to address some of the fundamental challenges persons of concern to UNHCR face in their day-to-day lives.

Beyond the targeted responses of UNHCR and partners, the global recovery continues, but with significant uncertainty tied to vaccine access, worsening pandemic dynamics and supply disruptions. Market prospects for low-skilled workers and youth are relatively bleak compared to other demographic groups, pointing to increasing inequality and higher vulnerability to incomes falling below extreme poverty thresholds. In Mexico, the negative impacts of the pandemic continue to ripple through the economy despite the fact that the labour market has partially recovered. Nonetheless, the country continues to offer asylum to those in need welcoming a record-breaking number of asylum-seekers, refugees and other persons of concern to UNHCR.



This rapid increase in the number of persons seeking protection in Mexico underlines the importance of areabased approaches benefiting both host communities and displaced populations to bring about humanitarian and development-oriented solutions.

Any robust recovery strategy will need to include vaccinations across countries and for all parts of society. Currently, around 120 countries – including Mexico – have pledged to include displaced populations in their national vaccination plans. Increasing that number to ensure all persons of concern to UNHCR have the option to receive a safe vaccine will help slow down the spread of the virus, and minimize the socioeconomic damage already inflicted on some of the world's most vulnerable. Similarly, greater efforts to systematically include refugees and other PoC groups into strengthened national social protection systems will help support vulnerable households during the ongoing COVID-19 pandemic as well as in future crises to come.

Lastly, the pandemic has underscored the fundamental need for timely socioeconomic data in displaced settings to fully understand the conditions of those under UNHCR protection and inform appropriate programmatic and policy responses. The World Bank-UNHCR Joint Data Center on Forced Displacement was established to address such data gaps and its substantial investment in <u>household surveys</u> during the pandemic has helped to shed light on the deteriorating conditions of both the forcibly displaced and host populations, with their pronounced setbacks in access to health and education, employment and income and slower signs of recovery. The results presented in this note expand on this work, providing further evidence on the impact of COVID-19 on displaced populations in a region previously not covered.¹⁷

¹⁷ Tanner, J., et al. (2021). <u>Answering the Call: Forcibly Displaced during the Pandemic</u>.