



# **The Venezuelan Migrant Crisis: Forging a Model for Regional Response**

Cindy Huang and Kate Gough

Center for Global Development

CGD Note

August 2018

An economic, political, and humanitarian crisis has driven more than one million Venezuelans across the border into Colombia in the past year. While the crisis has deep roots, the current wave of migrants started fleeing in 2015, after the fall in oil prices and President Nicolás Maduro's counterproductive responses. After inheriting an already failing economy from his predecessor Hugo Chávez, Maduro resorted to running his government via oil-driven patronage, printing more money, and dismantling democratic institutions. The result has been economic freefall: the International Monetary Fund (IMF) estimates hyperinflation may reach one million percent this year. A majority of Venezuelans have involuntarily lost more than 20 pounds on average and violent crime is rampant. At some points, the Red Cross estimated an average of 37,000 migrants—both Venezuelans and returning Colombians—were moving across the border each day. Some stay for a few hours or days to gather supplies and access services before returning. Many remain in Colombia at the border or in larger cities, while others migrate onward to other countries. Across the region, there are more than 1.5 million displaced Venezuelans (see table below). The number of displaced Venezuelans may eventually exceed the number of Syrians displaced by the Syrian civil war.

There is broad consensus among experts that the situation will get worse before it gets better. Last Saturday's apparent attempt to assassinate Maduro with drones is likely to escalate political repression and instability. The international community has condemned the Maduro regime for its most recent elections (deemed a "sham" by the United States) and called upon the government to acknowledge and address the crisis. In June, the Organization of American States took a step toward suspending Venezuela, passing a resolution to call a vote on its suspension. These are important measures, but until there is dramatic political and economic change in Venezuela, the international community must help meet humanitarian needs and prepare for the possibility that the migrants will be displaced for a protracted period.

Countries hosting Venezuelans have done so with relative welcome, keeping their borders open and offering some services and protection to migrants. In a remarkable act of solidarity, Colombia's outgoing president, Juan Manuel Santos, announced late last week that the government would grant temporary residency and work permits to more than 440,000 undocumented Venezuelans identified in the national migrant census, bringing the total number of Venezuelans issued work permits in the past few years to 880,000. He also announced a commitment of \$6.9 million to repay hospitals that have treated migrants.

But additional significant financial and other support will be required to meet the needs of both migrants and hosts. Governments in the region face the difficult dilemma of wanting to show solidarity with displaced Venezuelans while also better meeting the needs of their own vulnerable citizens. The Venezuela crisis response appeal from UNHCR puts 2018 funding requirements at \$46 million, \$38.5 million of which is targeted outside of Venezuela, including to support other countries in the region. The International Organization for Migration launched a regional response plan appealing for \$32.3 million to support countries in the region. These estimates represent only a small fraction of the funding that will be needed for a sustainable response.

The United States has committed \$60 million to supporting Venezuelans in the region since 2017. Vice President Michael Pence pledged American support to displaced Venezuelans until "democracy is restored" in Venezuela, and a bipartisan group of congressional representatives signed on to a call for countries in the region to provide protection to Venezuelans seeking refuge. In June, the European Union committed €35 million in humanitarian aid and medium-term development assistance to both Venezuelans and hosting countries. Earlier this year, Colombia submitted a proposal to the IMF to provide financing to countries in the region hosting Venezuelans. Colombia's

president-elect, Ivan Duque, has proposed the creation of a humanitarian fund to deal with the crisis, and prior to Santos' announcement, expressed support for policies that would give migrants access to the formal labor market.

These commitments, and many others, are important and commendable—but cracks are starting to show in the response. Countries have started to increase immigration enforcement, including deporting irregular migrants. In Brazil, there are new outbreaks of measles among migrants and local indigenous populations, and reports of increasing tensions between Venezuelan migrants and their hosts. In April, the municipal government of Brazil's northern state bordering Venezuela sued the federal government of Brazil, calling for border closures to stop the flow of migrants and more resources for social services. Border areas, which are often already home to vulnerable populations, face some of the most acute challenges—the population of Colombian border city Cucuta is now 23 percent Venezuelan.

Drawing on our ongoing research on development-led approaches to address protracted displacement, including work in collaboration with the International Rescue Committee (IRC), we offer our preliminary thinking on key issues for managing the regional effects of the Venezuelan crisis. Initial priorities include regularizing the legal status of Venezuelans, forging a regional response, and improving and expanding local service delivery to meet the needs of migrants and hosts. In addition, we discuss the potential role of the United States, building on its long-standing partnership with Colombia and leadership in the region.

Estimated numbers of Venezuelan migrants in host countries in the region<sup>1</sup>

*Total increase, 2015 to 2017: 862,881 more migrants, or 697 percent increase*

Country	Venezuelan Migrant Estimates 2015	Venezuelan Migrant Estimates 2017	% Increase
Colombia	48,714	600,000 <sup>2</sup>	1,131%
- Colombian returnees		- 250,000	
Chile	8,001	119,051	1,388%
Argentina	12,856	57,127	344%
Ecuador	8,901	39,519	343%
Panama	9,883	36,365	268%
Brazil	3,425	35,000	922%
Mexico	15,959	32,582	104%
Peru	2,351	26,239	1,016%
Dominican Republic	5,417	25,872	377.6%
Costa Rica	6,437	8,892	38%
Uruguay	1,855	6,033	225%
Trinidad & Tobago	1,732	1,743	.6%

## Regularize the legal status of Venezuelans in Colombia and beyond

Colombia is signatory to the 1951 Refugee Convention and the 1967 Protocol, but the vast majority of Venezuelans do not meet those refugee definitions because they are not fleeing targeted persecution based on their “race, religion, nationality, membership of a particular social group, or political opinion.” Rather, they are fleeing the life-threatening effects of a cycle of economic collapse and political and criminal violence. (Some Venezuelans have applied for asylum, including on political grounds, but the process is often slow. UNHCR appealed to the region in March 2018 to treat Venezuelans as refugees rather than strictly as economic migrants.) Colombia was issuing special stay permits and

<sup>1</sup> These estimates should be considered very conservative given the continued flows in 2018 and compared to other reported estimates of migrants (including those who arrived without registering). These numbers come from the [Migration Data Portal](#).

<sup>2</sup> The government of Colombia conducted a national census and identified more than 870,000 Venezuelan migrants in the country as of mid-2018.

border mobility cards to Venezuelans, but stopped issuing them to new arrivals in February 2018.

Colombia completed a census of all Venezuelans in the country in mid-July, recording more than 870,000 Venezuelans in Colombia: 382,000 with regular status, 442,000 in the process of regularizing their status, and 46,000 with irregular status. An estimated 24 percent of Venezuelans in the country are living in Bogota (more than 204,000). The census was, in part, an effort to understand and plan for the number of people who would need to be accommodated in health and school services. With the declaration last week, Santos delivered on the promise by giving the 442,000 Venezuelans residency and work permits, which allows them access to education and the national health insurance system. Those who remain unregistered are at risk of being deported, and the government should prioritize regularizing their status.

Other countries in the region, such as Peru and Brazil, have created special permits for Venezuelans. Yet, many practical barriers exist: in Peru, only 45,000 of the 350,000 Venezuelans who have entered the country have received permits. In Brazil, just 10,000 of the more than 52,000 arrivals have secured temporary residency permits (25,000 have applied for asylum). Other countries are using existing legal frameworks with mixed results (for an excellent overview, see this report by MPI). Hundreds of thousands of Venezuelans in the region remain without documentation. Across the region, a framework for legal status is essential and the foundation for protecting and promoting the well-being of Venezuelans fleeing crisis.

## Create a regional framework: The promise of the Cartagena Declaration

The crisis is still in its early stages, and the opportunity exists to develop an effective regional approach. Indeed, the region is no stranger to tackling the challenges of displacement, with the 1984 Cartagena Declaration offering a potential framework. The nonbinding Declaration emerged from discussions on how best to respond to displacement in Mexico, Panama, and Central America, and kicked off an ongoing regional process that has led to broad consultation, expanded membership, and ambitious action plans. The Declaration, as well as the subsequent regional declarations (Cartagena +10, +20, and +30), reaffirms the refugee protections in the 1951 Convention and 1967 Protocol, and goes a step further by articulating an expanded refugee definition that includes “persons who have fled their country because their lives, safety or freedom have been threatened by generalized violence, foreign aggression, internal conflicts, massive violation of human rights or other circumstances which have seriously disturbed public order.”

There is debate around whether in its current form the Cartagena Declaration might apply to Venezuelans, potentially based on its provision for “other circumstances.” Diplomats and experts should mobilize quickly to explore the opportunity for the Declaration to serve as a basis for a regional protection model. At a minimum, a regional process can build on the collaboration and action generated by the Declaration, as well as lessons from the UNHCR-led Comprehensive Regional Response Framework.

A regional framework should ensure the rights and protections of Venezuelans fleeing crisis, reflecting the substance of the 1951 Refugee Convention and 1984 Cartagena Declaration, even if they are not officially declared refugees. Beyond this, a framework should promote responsibility sharing, recognizing a common interest in ensuring the needs of migrants and host communities are met in ways that advance—rather than undermine—stability and inclusive growth. (The efforts around such a framework would complement and potentially be linked with the Lima Group of Latin America, led by

foreign ministers in the region, which is addressing the root causes of displacement in Venezuela.) A fundamental component of responsibility sharing is avoiding border closings that limit migrants to one country or a small number, while also forging arrangements that lead to a distribution of and approach to hosting that facilitates migrant contributions.

Countries in the region are understandably concerned about the potential challenges posed by a large influx of migrants. With the collapse of Venezuela's health system, the threat of diseases and epidemics has increased, including heightened risk of the spread of HIV/AIDS. Some have raised the prospect of increased crime or social tensions. There are concerns about the impact of migrants on the wages and employment rates of host populations.

It is important to respond to these concerns in an evidence-based and collaborative manner. Scaled up efforts to reach migrants with health services, including in transit, can mitigate risks of new outbreaks. Rather than increase crime, evidence shows that refugees and immigrants commit crimes at lower rates than natives. With appropriate support and policy choices, refugees can be an economic and fiscal gain for hosting countries. Any framework should include concrete commitments by hosting governments and international partners to new investments and policy measures (such as freedom of movement and access to quality education) that support greater economic benefits for Venezuelans and hosts and mitigate social tensions.

## Strengthen existing social services and local infrastructure

Displaced populations require access to social services, including education and health care, and oftentimes cannot afford private providers. This leaves public service providers facing increased demand, straining resources and capacity in a context where there is likely poor quality and/or under-provision of basic services for the host population. Local infrastructure, such as water and sanitation, may also be unable to meet the needs of an influx of migrants. To the extent possible, support from the international community should focus on improving the quality and capacity of existing national systems to serve both hosts and migrants.

Creating parallel systems can lead to duplication of efforts and inefficient resource allocation, and may compromise the services available to the host population (e.g., if local health workers are hired by international agencies). The relative strength of safety nets and services in Latin America, compared to many developing countries hosting refugees, creates opportunities for a more effective and efficient response. Even if Venezuelans return home in the near future (which is unlikely given Maduro's stance and global averages), such investments will yield ongoing benefits for local communities. Given that hundreds of thousands of additional Venezuelans can now access education, health, and other services (such as help finding work at job centers) in Colombia, it is critical to mobilize financing and expertise to strengthen national and local systems, including by supporting tailored services for migrants who may have unique needs and vulnerabilities. Providing access to these services is not only an act of solidarity, but also smart policy: it will facilitate inclusion of migrants into the labor market, accelerating their positive economic contributions. In Colombia, there are important lessons to learn and apply from the experience in extending services and protection to the more than 7.6 million internally displaced people (IDPs), comprising some 15 percent of the population.

Based on the recent census and other data collection efforts in Colombia, it should be possible to begin a more detailed mapping of needs and vulnerability in ways that facilitate inclusion of Venezuelans in local systems. Many of the poorest Venezuelans will remain near the border given the costs associated with moving to urban areas in Colombia or to a

third country. A comprehensive plan should also take into account the 250,000 returning Colombians and the many internally displaced Colombians. Responding to the complex reality of vulnerability in Colombia and other hosting countries will require improved data and collaboration across stakeholders, including migrants themselves. Given the large number of migrants moving to third countries, a regional approach would also be useful in tracking and responding to the needs of migrants in transit.

New and existing financing mechanisms should be considered to mobilize a more comprehensive as well as a regional response. The Global Concessional Financing Facility (GCFF), a trust fund housed at the World Bank designed to support refugees and hosts, is a potential [resource](#) for the region. The GCFF is an innovative facility that offers loans to middle-income host governments at concessional rates usually reserved for low-income countries. The GCFF was created in 2016 in recognition of the need for longer-term development financing and direct support to host governments to respond to protracted displacement. In Jordan, the GCFF has invested in programs that promote inclusive growth for refugees and host communities alike, supporting the displaced as well as Jordan's own development efforts.

In addition to being a middle-income country, [GCFF eligibility criteria](#) require that a country hosts at least 25,000 refugees (comprising a minimum of 0.1 percent of the population) and demonstrates commitment to long-term solutions for refugees and hosts. Based on these criteria, Colombia meets the quantitative threshold and likely meets or is moving toward meeting the commitment criterion. Other countries, such as Chile and Ecuador, meet the quantitative threshold, though there is uncertainty about how Venezuelan migrants count toward this given their lack of official refugee status. Presumably, countries that grant special status to Venezuelan migrants could qualify (indeed, the rights provided by temporary permits in Colombia, such as legal right to work, are more expansive than those afforded to many officially recognized refugees). The World Bank should accelerate discussions around eligibility and potential programming with Colombia and explore which other countries in the region may be promising GCFF partners. For any new fund focused on the Venezuelan migrants in the region, the Inter-American Development Bank would be a natural host and convener given its existing lending portfolio, expertise, and networks.

## The United States can play a productive leadership role

The United States has stepped up its engagement and leadership during this crisis and is the largest donor to the humanitarian response with its \$60 million commitment to date. USAID Administrator Mark Green visited Colombia earlier this month, meeting with stakeholders to discuss the implications of the Venezuelan crisis. Green called on the international community to support Colombia, [writing on Twitter](#), "The world owes Colombia a debt of gratitude for welcoming Venezuelans fleeing [the] Maduro regime." Vice President Pence [announced](#) US humanitarian support for Venezuelan migrants in both Colombia and Brazil at the Summit of the Americas in April.

Support to hosting countries in the region is coupled with hardline rhetoric against Venezuela's President Maduro as a dictator condemning the country to a downward economic spiral. This rhetoric is backed by [measures](#) directed at Venezuela, including targeted sanctions and a ban on most loans to the country. President-elect Duque has [indicated](#) that he will look to the United States to marshal regional partners to approach the Venezuela crisis collectively. He has strong ties and experience in Washington that will help maintain and strengthen the US-Colombia partnership.

Even while providing considerable humanitarian assistance, the United States has stepped back from its historic role as a diplomatic leader in addressing refugee and displacement

issues. But Venezuela presents an opportunity for the United States to play an important convening and leadership role on an issue that unifies leadership in the White House and both parties in Congress. Maduro's regime is having destabilizing effects throughout the hemisphere, and an outpouring of migrants could potentially reach US borders on a significant scale. The United States can play a productive role in both addressing the root causes of the crisis and advancing solutions in hosting countries, including by supporting regular status for Venezuelans, participating in dialogue on a regional framework, and investing in local service delivery.

\*\*\*

The Venezuelan crisis is, unfortunately, increasingly similar to other displacement crises around the world—with significant outflows, regional impact, and a protracted reality. The international community must support Venezuelans and the countries in the region hosting them, ensuring legal status and necessary protections for Venezuelans, pursuing a regional framework to agree on a coordinated and collaborative response, and supporting host country system capacities to provide lifesaving services and advance inclusive growth for Venezuelans and host communities.

To make quick progress on these fronts, a high-level diplomatic group (through or affiliated with the Lima Group of Latin America) could be convened among hosting countries and their partners. At the same time, a technical working group could be created to pull together data, evidence, and best practices to guide the design of a regional response. If the international community mobilizes quickly, there is an opportunity to prepare for the larger crisis likely to come and forge a model for regional response that has global implications, including for implementation of the Comprehensive Refugee Response Framework and the forthcoming Global Compact on Refugees.

*We are grateful to Dany Bahar at the Brookings Institution and Lauren Post at the International Rescue Committee for their insight and feedback. Thanks also to our CGD colleagues Erin Collinson, Amanda Glassman, Roxanne Oroxom, and Liesl Schnabel. All errors remain our own.*