

PROJECT DOCUMENTS

# Social protection tools for coping with the impacts of the COVID-19 pandemic

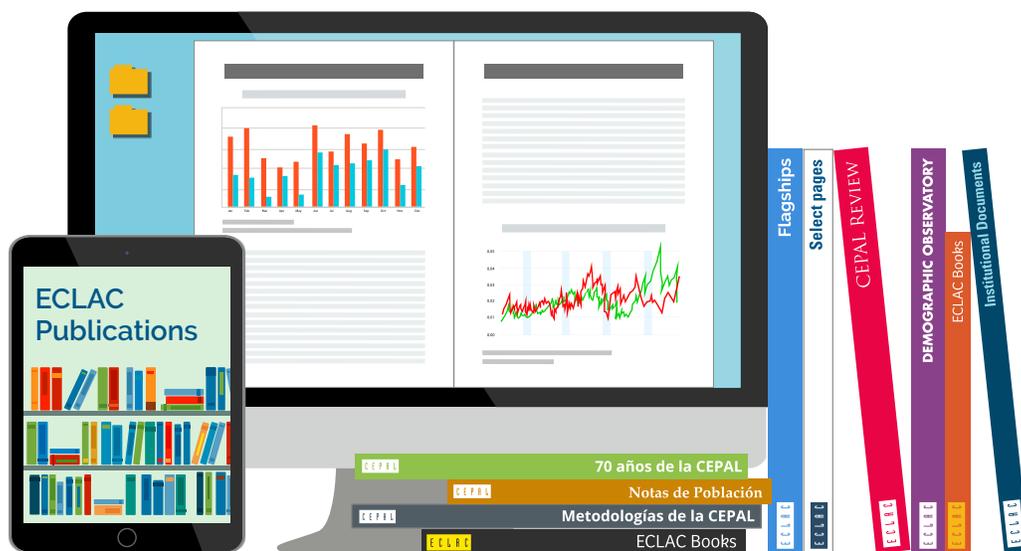
The Latin American experience

Claudia Robles  
Cecilia Rossel



**COVID-19**  
**RESPONSE**

# Thank you for your interest in this ECLAC publication



Please register if you would like to receive information on our editorial products and activities. When you register, you may specify your particular areas of interest and you will gain access to our products in other formats.



[www.cepal.org/en/publications](http://www.cepal.org/en/publications)



[www.cepal.org/apps](http://www.cepal.org/apps)

# Social protection tools for coping with the impacts of the COVID-19 pandemic

The Latin American experience

Claudia Robles  
Cecilia Rossel



This document was prepared by Claudia Robles, Social Affairs Officer in the Social Development Division of the Economic Commission for Latin America and the Caribbean (ECLAC), and Cecilia Rossel, a consultant with the same Division, in the framework of the United Nations Development Account project, "Strengthening Social Protection for Pandemic Responses: Identifying the Vulnerable, Aiding Recovery and Building Resilience". The authors are grateful for the valuable inputs from research and information processing provided by Pilar Urraburu as well as for the collaboration of Nicole Araya and Consuelo Farías, consultants with the Social Development Division of ECLAC. Thanks are also owed to Simone Cecchini, Camilo Cid, Daniela Huneeus, Rodrigo Martínez, Beatriz Morales, Amalia Palma and Luis Hernán Vargas, also of the Social Development Division, and Humberto Soto de la Rosa of the ECLAC Subregional Headquarters in Mexico, for their helpful comments and contributions.

The views expressed in this document, which is the translation of a document reproduced without formal editing, are those of the authors and do not necessarily reflect the views of the Organization or the countries it represents.

United Nations publication  
LC/TS.2021/135  
Distribution: L  
Copyright © United Nations, 2022  
All rights reserved  
Printed at United Nations, Santiago  
S.21-00612

This publication should be cited as: C. Robles and C. Rossel, "Social protection tools for coping with the impacts of the COVID-19 pandemic: the Latin American experience", *Project Documents* (LC/TS.2021/135), Santiago, Economic Commission for Latin America and the Caribbean (ECLAC), 2022.

Requests for authorization to reproduce this work in whole or in part should be directed to the Economic Commission for Latin America and the Caribbean (ECLAC), Division, [publicaciones.cepal@un.org](mailto:publicaciones.cepal@un.org). Member States and their governmental institutions may reproduce this work without prior authorization but are requested to mention the source and to inform ECLAC of such reproduction.

## Contents

<b>Abstract</b> .....	7
<b>Introduction</b> .....	9
<b>I. Latin America and the Caribbean and the pandemic: impacts of the crisis and challenges for social protection responses</b> .....	13
A. Main economic and social impacts of the COVID-19 pandemic in the region.....	13
B. Differentiated impacts of the crisis.....	17
C. Strengths and weaknesses of social protection policy responses for coping with the COVID-19 crisis.....	23
1. The concept of social protection and its challenges in disaster situations.....	23
2. Social protection in Latin America before the COVID-19 pandemic.....	25
<b>II. Social protection policies and recovery strategies: lessons from comparative experiences</b> .....	29
A. Overview of social protection measures at the international and regional levels.....	29
B. Contributory and non-contributory social protection tools for dealing with the social impacts of the COVID-19 pandemic.....	33
1. Contributory social protection measures: social security.....	33
2. Non-contributory social protection: social assistance measures and minimum welfare guarantees.....	38
<b>III. Social protection management tools in the context of the COVID-19 crisis</b> .....	51
A. Improvement and expansion of social registries and rolls of recipients .....	51
B. Devising new targeting criteria and tools.....	52
C. Simplification, streamlining and introduction of digital technologies for the delivery of entitlements .....	52
<b>IV. Lessons learned, policy recommendations and a road map for enhancing the role of social protection in coping with future crises in Latin America and the Caribbean</b> .....	55
A. Lessons learned.....	55

B.	Policy recommendations .....	57
1.	Sick leave and unemployment insurance .....	57
2.	Measures for formal employment.....	57
3.	Cash transfers.....	57
4.	Adaptation and expansion of labour regulations to soften shocks and to build the necessary linkages for social and labour inclusion policies.....	59
5.	Care-related policies.....	60
C.	Lessons learned, policy recommendations and a road map for enhancing the role of social protection in coping with future crises in Latin America and the Caribbean .....	62
1.	Adapting strategies to differential starting points and routes .....	62
2.	Focusing on children and families .....	63
3.	Increasing social protection for informal employment .....	63
4.	A social compact, social dialogue and policy coordination .....	64
5.	Lessons learned from past and present crises .....	64
<b>Bibliography</b> .....		65

## Tables

Table 1	Population groups subject to the most severe socioeconomic impacts of COVID-19 .....	17
Table 2	Selected countries in North America, Asia and Oceania (6 countries): use of social protection measures in response to the COVID-19 crisis .....	31
Table 3	Main social protection measures adopted and recommendations for addressing the impacts of the COVID-19 pandemic, by type of measure.....	61

## Figures

Figure 1	Latin America (18 countries): population by per capita income stratum, 2019, 2020 and 2021 .....	15
Figure 2	Latin America and the Caribbean (17 countries): year-on-year variation in the number of employed persons, the overall participation rate and the unemployment rate, 2019–2020.....	16
Figure 3	Latin America (16 countries): distribution of households with children or adolescents and with a head of household or their spouse of working age, by access to social protection, around 2018 .....	27
Figure 4	European OECD countries (25 countries): social protection measures taken in response to the pandemic .....	30
Figure 5	Latin America and the Caribbean (32 countries): emergency social protection measures for the population in situations of poverty and vulnerability announced between 1 March 2020 and 22 January 2021, by week .....	31
Figure 6	Latin America and the Caribbean (32 countries): non-contributory social protection measures adopted in response to the pandemic, by type of measure, between 1 March 2020 and 22 January 2021.....	32
Figure 7	Latin America and the Caribbean (32 countries): non-contributory social protection measures adopted in response to the pandemic, by type of measure, between 1 March 2020 to 22 January 2021 .....	33
Figure 8	Latin America and the Caribbean (31 countries): employment protection measures introduced during the pandemic .....	37
Figure 9	Latin America and the Caribbean (12 countries): emergency cash transfers to informal workers, by type of recipient (individual or household) and duration, up to 8 March 2021.....	40

Figure 10	Latin America and the Caribbean (32 countries): cash transfer programmes, by duration (in months), from 1 March 2020 to 22 January 2021 .....	42
Figure 11	Latin America and the Caribbean (32 countries): cash transfer programmes, by type of innovation, from 1 March 2020 to 22 January 2021.....	43

### Boxes

Box 1	Social protection in the Regional Agenda for Inclusive Social Development .....	24
Box 2	Selected European countries: measures associated with sick leave introduced in response to the COVID-19 crisis .....	34
Box 3	Selected European countries: measures based on unemployment insurance .....	35
Box 4	Selected Latin American countries: income and employment protection measures for formal workers in response to the COVID-19 crisis .....	37
Box 5	Selected Latin American countries: new emergency entitlements and transfers for informal workers .....	40
Box 6	Selected Latin American countries: measures for providing access to basic services.....	46
Box 7	Lessons for the recovery learned from the implementation of labour and productive inclusion policies.....	48
Box 8	Selected Latin American countries: measures relating to social registries and rolls of recipients.....	52
Box 9	Emergency basic income programmes and anti-hunger grants.....	58

### Diagrams

Diagram 1	Impacts of the pandemic on social and labour inclusion and options of social protection tools in the short, medium and long terms .....	14
Diagram 2	Comprehensive social protection systems .....	23



## Abstract

In response to the unprecedented crisis brought about by the coronavirus disease (COVID-19) pandemic and its many devastating effects on the level of well-being of households and individuals, the governments of Latin America and the Caribbean have implemented a series of measures to mitigate the impacts of the pandemic. These measures have sought to counter the impacts from the deterioration of the labour market, the loss of income and the increases in poverty and unemployment. A broad set of measures—including monetary and in-kind transfers and guarantees for the provision of basic services—has been aimed at assisting the most vulnerable people and population groups. These actions attest to the countries' capacity to strengthen and expand the coverage of non-contributory programmes, utilize social protection tools, identify potential recipients and reach the most vulnerable groups. The crisis has also, however, laid bare the existing weaknesses and structural inequalities of the countries' social protection systems, particularly as regards access to contributory social protection schemes.

The harmful impacts of the crisis and the actions that have been deployed in response to it highlight the importance of moving towards universal, comprehensive and sustainable social protection systems. This study examines the social impacts of the COVID-19 crisis in Latin America and the current challenges that countries face in the area of social protection. It then reviews the main social protection measures introduced to address the pandemic, including information management tools, social registries and digital technologies. Finally, it explores some of the lessons learned from the crisis, makes policy recommendations and proposes a road map for reinforcing the recognition of the fundamental role played by social protection systems and furthering that role through the use of strategic instruments that may be used for supporting a recovery and increasing the region's preparedness in the event of the emergence of new crises in the future.



## Introduction

The coronavirus disease (COVID-19) pandemic is having far-reaching economic and social impacts throughout the world. This crisis has pushed the global economy into its worst recession since the Second World War (ECLAC, 2020a).<sup>1</sup> ECLAC (2021a) has estimated the drop in the region's GDP in 2020 at 6.8% and the increase in the unemployment rate between 2019 and 2020 at 2.5 percentage points. Its estimates also indicate that the total number of employed persons and the labour force participation rate have fallen by 9% and by 4.8 percentage points, respectively (ECLAC, 2021a). These figures indicate that the severity of this crisis in the region is without precedent (ECLAC, 2021b). Although positive growth rates of 5.2% for 2021 and 2.9% for 2022 are projected, the growth of the economy in 2021 will not be enough to regain the region's 2019 level of output, and there is a great deal of uncertainty about how the economy will fare later on in view of the region's uneven progress in terms of vaccination coverage and the different countries' response capacities (ECLAC, 2021a). All this is having severe impacts in terms of the social development process at the regional level and threatens to undermine opportunities for attaining the full social and labour inclusion of the population and progress towards sustainable development.

In addition to its health impacts, the COVID-19 pandemic has sharply reduced people's levels of well-being in ways that have interfered with their ability to exercise their rights and that have jeopardized the achievement of the Sustainable Development Goals.<sup>2</sup> ECLAC has estimated that, even when the emergency monetary transfers implemented by the countries in 2020 are incorporated into the figures, Latin America's extreme poverty rate reached 12.5% in 2020 and its poverty rate came to 33.7%. Compared with 2019, these estimates represent an increase of 8 million in the number of people living in extreme poverty, for a total of 78 million people, and an increase of 22 million in the number of people living in poverty, for a total of 209 million people. This represents a return to the poverty levels seen nearly 12 years earlier and the extreme poverty rates recorded some 20 years ago (ECLAC, 2021b). This is in addition to a year-on-year increase in the Gini index equivalent to 2.9% in 2020. The situation of children and adolescents is particularly worrisome: 51.3% of this population group is thought to have been living in poverty in 2020, although that estimate does not take the effects of the non-contributory

<sup>1</sup> In 2020, the world economy shrank by 3.3% and the developed countries' economies contracted by 4.7%. In 2021, GDP is expected to grow at an average rate of 6%, although the rates for individual countries and regions are likely to diverge substantially from that average (ECLAC, 2021a).

<sup>2</sup> For detailed projections of increases in poverty and inequality based on different scenarios for different regions, see United Nations Department of Economic and Social Affairs (2020).

social protection measures instituted during this emergency into consideration (ECLAC/UNICEF, 2020). Young people and women have also been particularly hard-hit by the pandemic; the impact on women has been heightened by the extraordinary workload of unpaid caregiving tasks that they have had to shoulder within the household (ECLAC, 2021b and 2021c). Viewed from a broader perspective that takes in the full range of vulnerable population groups, it is expected that the social, health and economic impacts of the COVID-19 pandemic will have translated into a severe deterioration in the living conditions of older adults, migrants, persons with disabilities, people in street situations, indigenous peoples, people of African descent and vulnerable workers, including informal workers and domestic service workers, among others (ECLAC, 2020c; ECLAC/UNFPA, 2020).

The health, social and economic impacts of the COVID-19 pandemic, as well as the increasing frequency of natural disasters, have underscored the importance of having universal, comprehensive and sustainable social protection systems and the need to strengthen their preventive components and their emergency response capacity (ECLAC, 2020b, 2021d and 2021h). This study seeks to contribute to that effort by identifying a selected set of social protection instruments that could play a strategic role in achieving those objectives. It provides a compilation of information on the recent experiences of the countries of this and other regions of the world with the implementation of social protection measures to combat the deterioration in people's levels of well-being caused by the pandemic, with special emphasis on the needs of the most vulnerable groups within the population. In addition, it identifies some of the tools and instruments that can be of use in strengthening countries' social protection systems. The underlying contention is that social protection systems in Latin America were insufficiently prepared to deal with the pandemic (ECLAC, 2021b). In the presence of new types of risks, including disasters and climate change, shifting conditions in the world of work, epidemiological transitions (ECLAC, 2019a) and pandemics, existing social protection systems need to be revisited with a view to increasing the region's preparedness for such events within the framework of a transformative recovery based on equality, sustainability (ECLAC, 2020i) and the construction of a rights-based welfare State.

As noted in the *Regional Agenda for Inclusive Social Development* (ECLAC, 2020j), social protection systems are geared towards guaranteeing access to an adequate income for a sufficient level of well-being, to social services and housing, and to policies on labour inclusion and decent work. Contributory policies (entitlements associated with people's participation in the labour market and the contributions deriving from that participation)<sup>3</sup> and non-contributory policies (entitlements in the form of transfers or services whose receipt does not depend on participation in the labour market)<sup>4</sup> both play a role in achieving that objective, and both types of policies have played a key role in governments' response to the COVID-19 pandemic. Social protection systems perform an important function in guaranteeing access to social services and to the entitlements afforded by social inclusion policies, particularly in the areas of health, education and food security, during lockdowns, but also in terms of the provision of basic services such as electricity, water, sanitation and Internet connectivity. In addition, governments' response to the pandemic entails the regulation of labour markets and the development of policies for making them more inclusive, galvanizing them and ensuring that they provide decent working conditions. Lastly, integrated caregiving policies are seen as a cross-cutting element and pillar of social protection systems. These policies can guarantee the right to care for those who need it at various stages in their lives and can help to reduce the gender inequalities associated with the increased caregiving burden generated by the pandemic during lockdowns and school closures.

---

<sup>3</sup> Examples include retirement pensions, unemployment insurance, maternity entitlements and other entitlements based on workers' social security contributions. As discussed in Abramo, Cecchini and Morales (2019) and ECLAC (2021b), recipients of non-contributory social protection entitlements contribute to society and the economy in various ways, including through unpaid caregiving and indirect taxation. In addition, contributory entitlements are often partly financed by government transfers based on general revenues and employers' contributions.

<sup>4</sup> This component includes public assistance transfers, as well as services and entitlements, for poor or vulnerable members of the population. In practice, this also includes broader programmes to combat poverty that may be deployed in a wide range of areas, including health, nutrition, basic education and housing, and in the form of emergency interventions. Universal entitlements may also be included, as in the case of possible universal basic income schemes or universal child allowances.

In addition to espousing a comprehensive approach to social protection, this study endorses the tenet that social protection is a human right (Cecchini and others, 2015). This implies that, during the current crisis, States have the obligation to guarantee a level of social protection and that, as citizens' rights are indivisible and interdependent, all citizens have the right to be protected (ECLAC, 2006; Sepúlveda, 2014). This position is in line with International Labour Organization (ILO) Recommendation 202 on Social Protection Floors (No. 202) and with the belief that social protection systems should guarantee people's well-being throughout the different stages of the life cycle and should ensure an adequate transition between them (Cecchini and others, 2015; ECLAC, 2017). Finally, a social protection policy response should be based on a universalist approach that is sensitive to difference and takes into account different vulnerabilities, specific needs and the identities and demands of diverse population groups (ECLAC, 2020c).

Based on these precepts, this study explores the role of different social protection policies in dealing with the consequences of the COVID-19 crisis, both at its peak and during the recovery from it. In line with the objectives of the Development Account project entitled "Strengthening Social Protection for Pandemic Responses: Identifying the Vulnerable, Aiding Recovery and Building Resilience", the study provides an overview of the policies that have been implemented or that may be under consideration for helping Latin America to recover from this and future crises. Rather than engaging in an academic discussion, the objective is to draw upon both the international and regional debates concerning the array of protection policies that could be deployed by the social institutional frameworks of the countries of the region to address this crisis and to help to identify other policy options and priorities for a recovery with equality and sustainability (ECLAC, 2020i). Within this framework, the concepts of citizenship and rights equality are central to a new cycle of development policies that will combine growth, employment, sustainability and equality (ECLAC, 2021e). In addition to a review of the evidence and literature on each topic, bibliographical references are provided for each section to help readers to explore these ideas in greater depth.

The first section briefly summarizes the current and projected economic and social impacts of the pandemic on the countries of Latin America and the Caribbean. It also presents an analysis of the initial state of preparedness of social protection systems in the region for dealing with these impacts, their main weaknesses and strengths, and the opportunities that the situation created by this crisis opens up for the region. The second section explores the social protection measures that have been deployed as short-term strategies for coping with the crisis, both in the developed world and in Latin America and the Caribbean. As part of that exploration, an in-depth examination of some of the specific measures that have been implemented is presented along with an overview of some general trends in government action that have emerged. Section III discusses some of the courses of action that have proven useful in the implementation of these measures from a monitoring and evaluation perspective. Section IV concludes the study with a summary of some lessons and an agenda of measures and recommendations for strengthening the role of social protection in the recovery from this crisis. It also offers an initial road map for building universal, comprehensive and sustainable social protection systems based on lessons learned from the current situation.



# I. Latin America and the Caribbean and the pandemic: impacts of the crisis and challenges for social protection responses

## A. Main economic and social impacts of the COVID-19 pandemic in the region

In Latin America and the Caribbean, the COVID-19 crisis has had profound social and economic effects.<sup>5</sup> The current economic and social crisis is the most severe shock to have hit the countries of Latin America and the Caribbean in several decades. The contraction of economic activity and the resulting slump in domestic demand precipitated a steep drop in GDP (ECLAC, 2020e). For the region as a whole, that drop is estimated to have amounted to 6.8% in 2020 (ECLAC, 2021a). Although positive growth rates of 5.2% and 2.9% are projected for 2021 and 2022, respectively, growth in 2021 will not be enough to regain the level of output registered in 2019, and there is a great deal of uncertainty about how the economy will fare later on in view of the sharp inequalities existing among the countries of the region (ECLAC, 2021a).

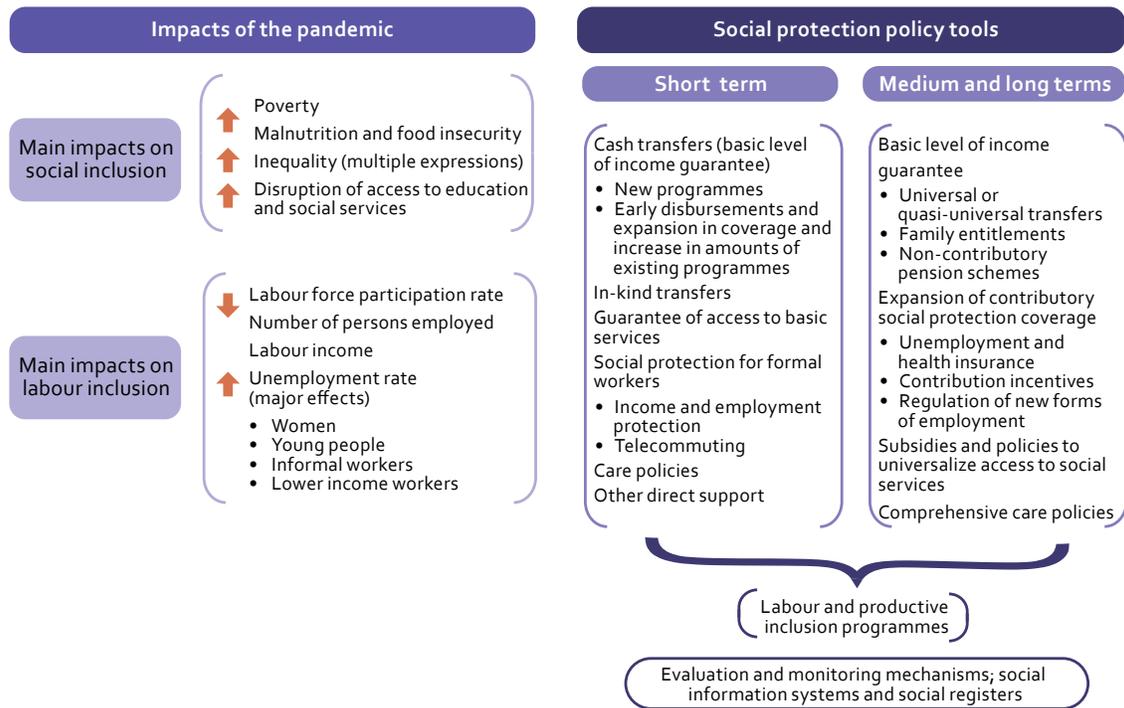
When identifying and designing possible social protection responses for the short, medium and long terms, it is important to consider the social development impacts that the health and economic situation has had in terms of both social and labour inclusion. Diagram 1 provides an initial overview of these impacts and of some of the policy tools that Latin American and Caribbean countries and countries in other regions have used to deal with the fallout from the pandemic and that could be employed as short-, medium- and long-term tools to support a recovery.

As a metric of the social impacts of the pandemic that takes into account the non-contributory emergency social protection transfers implemented by the countries of the region, the number of people living in poverty appears to have increased by 22 million in 2020, climbing from 187 million in 2019 to 209 million people in 2020, which is equivalent to 33.7% of the Latin American population. This figure includes people living in extreme poverty. The number of people below the extreme poverty line

<sup>5</sup> For an overview of virus prevalence levels, infection rates and epidemiological strategies, see Filgueira and others, 2020.

is estimated to have risen by 8 million, increasing from 70 million in 2019 to 78 million in 2020, which is the equivalent of 12.5% of the total population. This represents a return to the poverty levels seen nearly 12 years earlier and the extreme poverty rates recorded some 20 years ago (ECLAC, 2021b).

**Diagram 1**  
**Impacts of the pandemic on social and labour inclusion and options of social protection tools in the short, medium and long terms**



Source: Prepared by the authors.

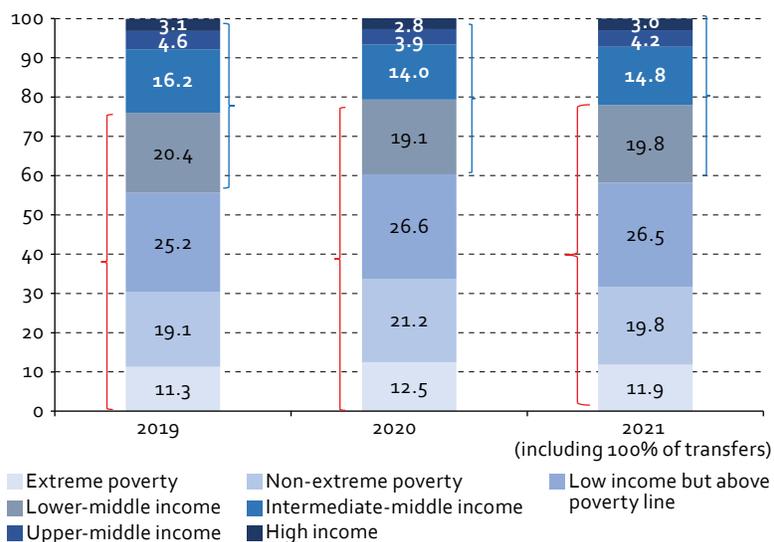
ECLAC projections also point to a deterioration in income distribution. According to these estimates, the average Gini index was 5.6% higher in 2020 than it was in 2019, but when the transfers made by Latin American governments are factored into the equation, the increase drops to 2.9%. Thus, according to calculations for 17 Latin American countries, the Gini index rose by between 1% and 8% (ECLAC, 2021b). This is a particular cause for concern in a region marked by persistently high levels of inequality and low productivity (UNDP, 2021).

ECLAC analyses have highlighted the impact of the crisis on income distribution, not only affecting population groups living in poverty and extreme poverty. Middle-income strata have seen their income levels fall steeply as a consequence of restrictions on movement, the downturn in economic activity and job losses. The high- and upper-middle-income strata, which are made up of people who live on per capita incomes higher than three times the poverty line, shrank by 1 percentage point between 2019 and 2020, and the percentage of people in the intermediate-middle- and lower-middle-income strata is estimated to have fallen by 3.5 percentage points. Meanwhile, the low-income strata, composed of people with incomes below 1.8 times the poverty line, and including the population living in poverty or extreme poverty, are estimated to have increased by 4.7 percentage points (see figure 1).

Between 2019 and 2020, the population strata corresponding to incomes of less than three times the per capita poverty line, which are the ones most at risk from the crisis, increased from 76% to 79.4% of the population (ECLAC, 2021a). If the emergency cash transfers implemented in 2020 are fully maintained in 2021, the size of this population will be reduced by only 1.4 percentage points. This reflects the unequal

asset endowments that people in different income strata have to draw upon as they strive to cope with the impacts of a disaster of this magnitude. It also demonstrates the need to design differentiated, yet broad, social protection strategies to confront these challenges.

**Figure 1**  
Latin America (18 countries): population by per capita income stratum, 2019, 2020 and 2021<sup>a</sup>  
(Percentages)



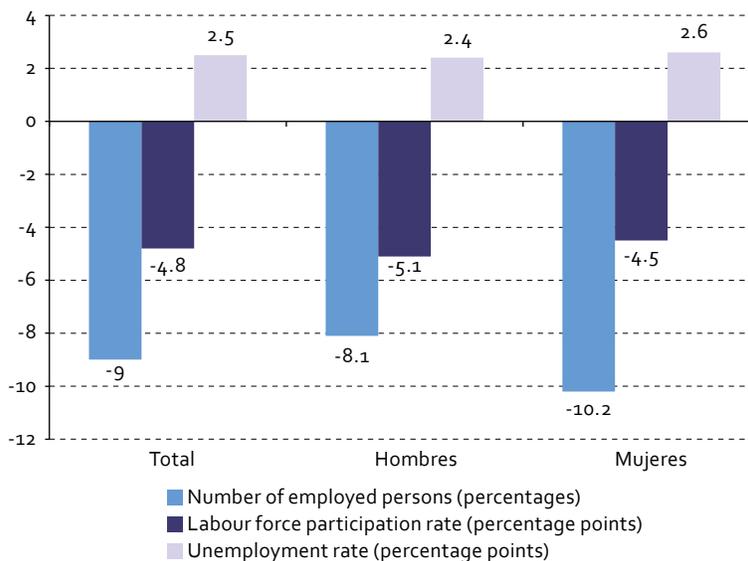
Source: Economic Commission for Latin America and the Caribbean (ECLAC), "The recovery paradox in Latin America and the Caribbean. Growth amid persisting structural problems: inequality, poverty and low investment and productivity", *COVID-19 Special Report*, No. 11, Santiago, July, 2021, p. 21, on the basis of Household Survey Data Bank (BADEHOG).

<sup>a</sup> Argentina, Bolivarian Republic of Venezuela, Brazil, Chile, Colombia, Costa Rica, Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, Plurinational State of Bolivia and Uruguay.

This situation is compounded by severe impacts in areas of key importance for maintaining people's well-being and access to opportunities, including diminished access to social services and increased food insecurity. Access to education has also been seriously disrupted by the pandemic, and the Secretary-General of the United Nations has spoken of the risk of a "generational catastrophe" associated with the learning crisis brought about by prolonged school closures. By May 2021, schools in the countries of the region had, on average, either not been offering in-person classes for more than a full academic year or their in-person classes had been interrupted for extended periods of time. This situation affected some 167 million students at different grade levels in 2020 (ECLAC, 2021b; ECLAC/UNESCO, 2020). Although remote learning has been maintained via digital channels or traditional media (e.g. television or radio), this has magnified the digital divide separating the rural and lower-income populations, which have less access to connectivity and digital skills, from the rest of the population. In all, 66.2 million households in the region (based on data from 14 countries) lack Internet connections (ECLAC, 2021a). With regard to access to health care, a reduction in attendance at health centres, in children's regular health check-ups and in the fulfilment of immunization schedules, as well as in the number of people seeking treatment for illnesses, has been documented at the global level (UNICEF, 2020b). According to information compiled by the World Health Organization (WHO) based on a survey regarding the continuity of essential health services during the pandemic, just under half of the 29 participating countries in Latin America and the Caribbean reported interruptions in health monitoring services (WHO, 2021). In addition, moderate or severe food insecurity was experienced by 40.4% of the population in 2020. This was an increase of 6.5 percentage points over 2019, which means that 44 million additional people suffered from moderate or severe food insecurity in the region in 2020 (Torero, 2021).

With regard to labour inclusion, the crisis is deepening the stagnation that the region was already experiencing in 2019, when it recorded an average unemployment rate of 8.0%, which represents approximately 25.7 million people (ECLAC, 2020e). In addition, according to the International Labour Organization (ILO), 53.1% of workers in Latin America and the Caribbean were in informal employment in 2016 (ILO, 2018). The unemployment rate is estimated to have risen by 2.5 percentage points in 2020, while the total number of employed persons and the labour force participation rate fell by 9% and by 4.8 percentage points, respectively, between 2019 and 2020 (ECLAC, 2021a) (see figure 2).

**Figure 2**  
**Latin America and the Caribbean (17 countries): year-on-year variation in the number of employed persons, the overall participation rate and the unemployment rate, 2019–2020<sup>a</sup>**  
*(Percentages and percentage points)*



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of Economic Commission for Latin America and the Caribbean (ECLAC), "The recovery paradox in Latin America and the Caribbean. Growth amid persisting structural problems: inequality, poverty and low investment and productivity", *COVID-19 Special Report*, No. 11, Santiago, July, 2021, p. 15, on the basis of official figures. Economic Commission for Latin America and the Caribbean/United Nations Children's Fund (ECLAC/UNICEF), "Social protection for families with children and adolescents in Latin America and the Caribbean: An imperative to address the impact of COVID-19", *COVID-19 Report*, Santiago, December 2020.

<sup>a</sup> Argentina, Belize, Brazil, Chile, Colombia, Costa Rica, Dominican Republic, Ecuador, Honduras, Jamaica, Mexico, Nicaragua, Panama, Paraguay, Peru, Plurinational State of Bolivia and Uruguay.

As various studies have shown (ECLAC, 2021a and 2021b; ECLAC/ILO, 2021), the impacts of the pandemic in the labour market have been manifested in at least three major ways that should be taken into consideration when framing social protection responses to support a recovery:

- A record decrease in the labour force participation rate. The impact was particularly adverse in the case of women owing to the extra demand for unpaid care and the prevailing inequality of the distribution of that type of task within households. The female labour force participation rate consequently fell to levels similar to those seen in 2002 (ECLAC, 2021a).
- The deactivation of the traditional household adjustment mechanism of entry into informal employment. In fact, informal workers were one of the population groups in the region for which the unemployment rate climbed the most (ECLAC, 2021b).
- A marked downturn in the labour inclusion of young people, combined with a drop in their labour income, especially among lower-income workers (ECLAC, 2021b). Among the occupational categories that were hit the hardest, there was a year-on-year reduction of 20.9% in the employment of domestic service workers (ECLAC, 2021a; ECLAC/ILO, 2021).

In order to design the most relevant strategies, different groups' varying degrees of exposure to the impacts of the crisis must be incorporated into the tools to be used by the region's social protection systems as they work to backstop a transformative recovery with equality in the medium and long terms.

The slump in economic activity has also hurt central governments' public revenues, and this, together with increased spending on subsidies and transfers, has swelled the countries' fiscal deficits and their central governments' gross public debt, which rose, on average, by 10.7 percentage points from its 2019 level of 45.6% of GDP to 56.3% of GDP (ECLAC, 2021a). As a result, the public accounts of Latin American countries are facing the most challenging situation since the 1980s debt crisis (ECLAC, 2020e, p. 81).

## B. Differentiated impacts of the crisis

Although the pandemic has dealt a shock to Latin American and Caribbean societies as a whole, it is to be expected—given the region's long-standing pattern of social inequality—that the resulting deterioration in living conditions will be distributed unequally among different sectors of the population (ECLAC, 2016). Table 1 lists the population groups that have been affected the most by the socioeconomic impacts of the pandemic and the main areas in which the pandemic has heightened the vulnerabilities of these groups.

**Table 1**  
Population groups subject to the most severe socioeconomic impacts of COVID-19

Population group	Area of impact
Children and adolescents	Physical and mental health
Young people	Nutrition
Older adults	Education
Women	Child labour
Low- and middle-income strata	Labour income and labour inclusion
Informal workers	Access to basic utilities and services (water, sanitation, electricity, natural gas, digital technologies)
Paid domestic workers	Unpaid care work
Rural populations	Domestic violence
Indigenous peoples	
Afrodescendants	
Persons with disabilities	
Migrants	
Homeless persons	

Source: Economic Commission for Latin America and the Caribbean (ECLAC), "The social challenge in times of COVID-19", *COVID-19 Special Report*, No. 3, Santiago, May 2020.

*Children and adolescents:* This population group is especially vulnerable to the impacts of the current crisis (Hincapié, López-Boo and Rubio-Codina, 2020). In addition to the well-established fact that younger cohorts' level of well-being is lower than that of other age groups in the region, the pandemic has had age-specific ramifications for children and adolescents. While this is the age group for which the virus has the least health consequences, it is nonetheless one of the groups that has been hit the hardest by the crisis (ECLAC/UNICEF, 2020; UNICEF, 2020a). Lockdowns, in particular, have reduced children's and adolescents' educational opportunities, and more than 165 million of them have stopped attending school because of these measures (ECLAC, 2021b). Despite the strategies rolled out by the countries of the region to provide channels for remote learning, the reduction in school attendance seen in 2020 will probably have lasting effects on learning, as it is likely to drive up dropout rates and to accentuate inequalities between children and adolescents with differing degrees of access to the Internet and digital skill levels, as well as varying levels of support from adults at home (ECLAC, 2020c). These effects will have medium- and long-term economic and social implications, not only for these children and adolescents themselves but also for society as a whole (Hincapié, López-Boo and Rubio-Codina, 2020; López Boo,

Behrman and Vázquez, 2020). It is also likely that the lockdowns will have exacerbated the mental health risks faced by this age group, and this, added to the total or partial suspension of health services, will have detrimental effects on the mental health status of children and adolescents. These effects are in addition to the repercussions of the reduction in growth and development check-ups, under-compliance with vaccination schedules and, given the greater likelihood that they will suffer from food insecurity, lower nutritional levels (ECLAC/UNICEF, 2020; Hincapié, López-Boo and Rubio-Codina, 2020). ECLAC/UNICEF (2020) has also projected an increase of up to 7.6 percentage points in the number of children living in monetary poverty in 2020, bringing the rate for children and adolescents based on this poverty metric up to 51.3%; this means that one out of every two children and adolescents in the region is living in poverty as measured by this indicator (ECLAC/UNICEF, 2020). The loss of support networks for this population group and the likelihood that children and adolescents may be more exposed to psychological and/or physical violence, especially if they live in overcrowded households, are another source of concern, as is the potential increase in the use of child labour as an adjustment strategy to cope with a loss of household income (ECLAC, 2020c; ECLAC/UNICEF, 2020; ECLAC/UNICEF/ORESGVN, 2020b; ECLAC/ILO, 2020a).

*Young people:* The pandemic puts the young population in an especially vulnerable position. Given young people's overrepresentation among the unemployed and among persons employed in the informal sector, it comes as no surprise that this population group's access to a livelihood has been greatly reduced by the COVID-19 crisis. In fact, young people are one of the groups in which the level of informal employment fell the most (ECLAC, 2021b). The results of a United Nations survey of Latin American youth point to a deterioration of their situation during the pandemic in other areas of personal development as well, including their mental health, increased exposure to violence and the barriers they face in accessing sexual and reproductive health services, including contraceptives (United Nations Sustainable Development Group for Latin America and the Caribbean, 2020).<sup>6</sup> The situation of young people is of particular concern because of the complexity of the factors involved in enabling them to resume their educations and seek new employment opportunities. These difficulties will, in turn, influence their present and future chances of becoming integrated into society and the labour market (ECLAC, 2020c).

*Older adults:* Older adults are particularly vulnerable during the COVID-19 crisis, as they are the most likely to become severely ill from the virus and at the greatest risk of dying from it in combination with other chronic diseases and multiple co-morbidities at their stage in the life cycle (ECLAC, 2020m). They are also the population group that is most in need of highly specialized and complex health-care services. In addition, lockdowns and other restrictive measures that have led to the closure of health-care, daycare and rehabilitation centres have limited access to treatment for older persons suffering from other illnesses, and this has, in turn, resulted in a deterioration in their well-being. Their likelihood of becoming infected is also influenced by such factors as the degree of overcrowding in the home, lack of access to safe drinking water, living in a multi-generation environment and not having access to support or care services. In most of the countries, older adults are also the group whose physical and mental health have been the most severely affected by lockdowns and other restrictive measures (United Nations, 2020b). This is a particularly frequent problem for older people in residential centres and those living alone, whose ability to gain access to information about the virus, food, medicines or other types of services may be impaired.<sup>7</sup> Yet another factor is the greater digital divide that affects many members of this population, which can intensify their isolation.

*Women:* It is thought that the worldwide COVID-19 crisis will significantly diminish women's degree of autonomy owing to the unequal distribution of work between men and women that is characteristic of traditional gender relations in the region. This imbalance has been exacerbated by the pandemic and the restrictive measures introduced in response to it (ECLAC, 2020f and 2021c). Given the historically

<sup>6</sup> The preliminary results of the survey indicate that nearly 1 in 3 working youths report that their employment situation has worsened as a result of the pandemic and that 13.8% of young people no longer have access to free contraceptives (Working Group on Youth of the Regional Collaborative Platform for Latin America and the Caribbean, 2020).

<sup>7</sup> A study conducted by ECLAC for a group of countries (Costa Rica, Cuba, Dominican Republic, El Salvador, Guatemala, Haiti, Honduras, Mexico, Nicaragua and Panama) highlights the negative effects of age-based discrimination in the admission of COVID-19 patients, restrictions on residential visits for older adults and the particularly strong effects on the older adult population of restrictions on access to health services in general (Huenchuán, 2020).

disadvantageous position of women in the labour market, as attested to by their lower labour force participation rates and higher unemployment rates, along with the fact that so many women are employed in precarious and/or low-skilled jobs, the impacts of the crisis have led to such a sharp reduction in women's labour force participation rates that those rates have fallen back to where they stood almost two decades ago (ECLAC, 2021a). They have also greatly increased women's unpaid workload, as lockdown measures have left children without the ability to attend school on a daily basis and dependent persons without access to outside care services. The pandemic has thus not only deepened the crisis in caregiving but has also drawn attention to its importance and to the unfair distribution of these tasks in the region.<sup>8</sup> Women spend three times as many hours each day as men do on domestic and unpaid care work. The imbalance is especially stark in lower-income households, where there is less flexibility in work schedules for resolving caregiving issues and where the gap between men and women has traditionally been greater (ECLAC, 2020f). What is more, poverty among women and women's overrepresentation in poor households, in informal employment and in groups with limited access to social protection are expected to increase. In addition, the impacts of the pandemic on women's employment differs by sector, with particularly strong impacts being seen in tourism, export industries, trade, health care, education, and micro-, small and medium-sized enterprises (ECLAC, 2021c). Lastly, women face other barriers, such as more limited access to the Internet for teleworking and scheduling clashes between paid employment and unpaid caregiving work, and they are more likely to be exposed to domestic violence or aggression (UN-Women, 2020b).

*Domestic service workers:* Paid domestic service workers play a central role in the economy, in society, in caring for children, adolescents and dependent persons, and in women's participation in the labour market, but they have been exposed to a heightened degree of risk and vulnerability ever since the pandemic began. Lockdowns and quarantines have made it difficult to maintain the working arrangements that were in place before the pandemic, and many of these workers have sustained a loss of income as a result (UN-Women, 2020a). This occupational sector is also among those in which unemployment has risen the most (ECLAC, 2021a). The continued weakness of domestic service labour regulations in many countries of the region has put these workers in a particularly vulnerable situation. It is estimated that domestic service work accounts for an average of between 10.5% and 14.3% of female employment in Latin America and the Caribbean and that 77.5% of domestic service workers are employed under informal arrangements that do not give them access to social security or, in particular, to the unemployment entitlements that are of such crucial importance in periods of crisis such as the present one (UN-Women/ILO/ECLAC, 2020). For migrants and the disproportionate number of domestic service workers who are members of indigenous peoples or Afrodescendants, the situation is even more difficult (UN-WOMEN/ILO/ECLAC, 2020). Finally, this population group has also had to deal with other prejudicial situations, such as an increase in these persons' workload as a result of lockdowns, being required to provide care or to carry out teaching duties without proper training or knowledge (ECLAC, 2020f) and greater exposure to the virus because they have to shop in person or travel by public transport to get to and from their place of employment without proper protection (UN-WOMEN/ILO/ECLAC, 2020).

*Middle-income and lower-middle-income workers:* The mobility restrictions instituted in response to the pandemic have had different effects on middle-income and lower-middle-income workers than on other workers because the former generally have less flexible working hours and are unable to work remotely. ECLAC has estimated that only just over one-fifth (21.3%) of all employed persons in 13 countries of the region have been able to telework during the pandemic (ECLAC, 2020k). This has increased the risk of infection of workers who cannot do so and has heightened the overall vulnerability of the members of this group, as the economic situation of an estimated 15% of lower-middle-income workers will have

<sup>8</sup> In Uruguay, for example, data from the Survey on Children, Time Use and Gender, which was conducted after the onset of the COVID-19 crisis, show that, prior to the pandemic, women and men spent 6.9 and 3.9 hours per day on unpaid work, respectively, but, after the outbreak of the health emergency and the introduction of lockdowns, those figures have changed to 8.1 hours for women and 4.6 hours for men. Thus, although, on average, the overall gender gap has remained virtually unchanged, the gender gap in total workload (paid work + unpaid work) has shifted sharply against women. The increase in the amount of time spent by women has been similar across social strata, but not for men. In the segments of the population with the lowest levels of education, men are spending the same number of hours on unpaid work now as they had before the pandemic. As a result, not only has there been no narrowing of the gender gap in these sectors, but that gap has actually widened (UNICEF/UN-Women, 2020).

deteriorated during this pandemic (ECLAC, 2020c). Unlike high-income workers, this population group cannot resort to drawing upon stored assets to offset income losses, and they therefore sustain their livelihoods in large part by taking out loans and using credit (ECLAC, 2020c).

*Informal workers:* It is estimated that, as of 2016, 53.1% of Latin American workers were in informal employment (ILO, 2018). Not only are these workers more vulnerable and more likely to have to shoulder a disproportionate share of the burden associated with the current crisis (many of these workers are employed in sectors that have been hard-hit by the pandemic, and many of them are essential frontline workers), but their situation in terms of access to social protection is extremely uncertain. Informal workers are often not given access to contributory social protection entitlements and have generally not been identified as a target group for non-contributory social protection programmes (in particular those that provide cash transfers). However, in the course of the pandemic, some countries have succeeded in delivering non-contributory cash transfers to members of this group even though they had not necessarily been entered into social information systems or recipient registries. It is estimated that 89% of informal workers in the region have been directly impacted by the pandemic, and the poverty rate for this group of workers is estimated to have jumped by 54 percentage points (ILO, 2020l). Job losses have been greater among informal workers than they have been for their formal-sector counterparts (ECLAC, 2021b; ECLAC/ILO, 2021 and 2020a). In the medium term, informal employment is expected to expand in a context of job losses in formal employment and as people find themselves in situations where they need to obtain an income quickly. This is a cause for concern, as the jobs that are recovered in the informal employment will tend to be low-skilled, low-paid jobs that do not provide social protection entitlements and are therefore far removed from what could be described as decent work (Velásquez Pinto, 2021). This trend produces differentiated effects, since a large proportion of young people, women, Afrodescendants and migrants tend to be employed in these jobs (ECLAC, 2020c; ECLAC/ILO, 2020b).

*Rural populations:* Although the rural population tends to be less exposed to the virus than the urban population, the economic and social crisis is having a particularly strong impact on people residing in rural areas. The suspension of basic health and education services has had a severe impact in sectors where access was already limited and where Internet access was already non-existent or very scarce. This segment of the population is particularly vulnerable because of the structural conditions affecting it (higher proportions of indigenous persons and Afrodescendants, higher poverty and extreme poverty rates, a higher level of informal employment, less access to services, less access to social protection and so forth) (ECLAC, 2020c; FAO/ECLAC, 2020a and 2020b).

*Indigenous peoples and Afro-descendent persons:* Indigenous peoples and Afrodescendants are particularly exposed to the impacts of the pandemic, especially because of the long-standing discriminatory barriers to their access to health care, which have only grown worse during the current emergency. Because members of indigenous peoples and Afrodescendants are overrepresented in the ranks of the unemployed and in informal employment and self-employment associated with precarious working conditions, low and unstable incomes and a lack of social protection, they have been more exposed to the effects of the economic crisis (ECLAC/UNFPA, 2020). This is compounded by their lack of access to basic sanitation services and drinking water, by their often overcrowded living conditions and by the confluence of profound inequalities between men and women. These inequalities are reflected in the gender gaps that are discernible in multiple indicators of well-being, such as the difficulties encountered by women and girls in accessing sexual and reproductive education and the greater burden of unpaid work that they are called upon to shoulder. These aspects of vulnerability are even greater for women in rural areas, where poverty rates are higher, access to health and education services is more limited and wage streams are more unstable (ECLAC, 2020c, 2020l).

*Migrants:* The cumulative impacts of the crisis are compounding the social and economic risks and vulnerabilities that the migrant population usually faces in the region (ECLAC, 2020c; Maldonado, Martínez and Martínez, 2018). The migrant population has been hit particularly hard by the COVID-19 crisis because such a large proportion of migrants are employed in the informal sector and because many of them are at a disadvantage when it comes to gaining access to social protection entitlements

(ECLAC, 2020g). Their situation is complicated further by border closures, internal displacement, rising joblessness, discrimination, xenophobia and difficulties in obtaining health care (in some cases for fear of being identified) and others related to efforts to prevent the spread of the virus, which in some cases have restricted their access to drinking water and sanitation services and resulted in overcrowding (ECLAC, 2020c). The pandemic is likely to deepen the inequalities and poverty of many migrants, as so many of them are in informal employment, poorly paid, and with precarious and unstable jobs.

*Persons with disabilities:* Lockdowns have severely restricted access to educational and employment opportunities for the estimated 70 million persons with disabilities in the region (ECLAC, 2020c and 2014b). For the most part, the needs of this group were not considered in the early days of the pandemic; for example, the necessary adjustments were not made in digital instructional devices and materials, making it difficult for children and adolescents with disabilities to continue their studies and, for those of working age, making it harder for them to obtain employment and to keep their jobs. In addition, the suspension of health-care, rehabilitation and caregiving services and of access to medicines, assistive devices and special foods, among other things, has posed a major barrier for persons with disabilities, especially those with low incomes. In addition, alternative care services have not been regularly available. Persons with certain types of disabilities are likely to be particularly at risk of a marked deterioration in their mental health status during lockdowns, which can be a source of added stress and anxiety. Given the correlation between disability and poverty, access to social protection for persons with disabilities is crucial, yet the pandemic has interrupted the delivery of social protection services, and it is difficult to determine if this population group has been taken into consideration in the development of new social entitlements. Finally, this group's structural vulnerability, which has already been heightened by the pandemic, may be further exacerbated during the post-pandemic reactivation if mechanisms for meeting the needs of persons with disabilities are not incorporated into the design and implementation of recovery measures over the medium and long terms (ECLAC, 2020h; Meresman and Ullman, 2020).

*Homeless persons:* The number of homeless persons in the countries of the region is likely to increase considerably as a consequence of the current crisis. People in street situations are more exposed to possible infection with COVID-19 because of their lack of food, housing and access to health care (ECLAC, 2020c).

Given the existing evidence of the varied impacts for different population groups of the social and economic crisis caused by the pandemic, at least three points must be considered in the selection of social protection tools to be employed in the short, medium and long terms:

- The need for disaggregated, up-to-date information that can be used to anticipate the differentiated impacts of critical events such as the COVID-19 pandemic. For example, the use of small area estimation methodologies to analyse household survey information could provide valuable inputs for this purpose (Molina, 2019).
- The need to strengthen social information systems and to universalize the coverage of social registries (Berner and Van Hemelryck, 2021) so that the most vulnerable population groups can be quickly identified in the event of a crisis or disaster.
- The need to design policies that provide universal coverage but are sensitive to difference. The principle of universalism that is sensitive to difference is an important one in this connection. As stated in the *Regional Agenda for Inclusive Social Development*, this approach combines the principle of universality in access to social services, following a rights-based approach, with policies that actively aim to overcome existing gaps and inequalities in order to “leave no one behind” and to accord recognition to diverse identities and demands “as a prerequisite for full inclusion and a culture of equality, fostering the adoption of gender equality, interculturalism and non-discrimination perspectives” (ECLAC, 2020h, p. 14). Measures that are in line with this approach include affirmative action policies aimed at breaking down barriers to access for individuals and population groups that have suffered from discrimination and exclusion, such as indigenous peoples and Afrodescendants, and actions aimed at overcoming the prevailing culture of privilege and the institutional practices that perpetuate it.

### Further reading on the impacts of the COVID-19 crisis in Latin America

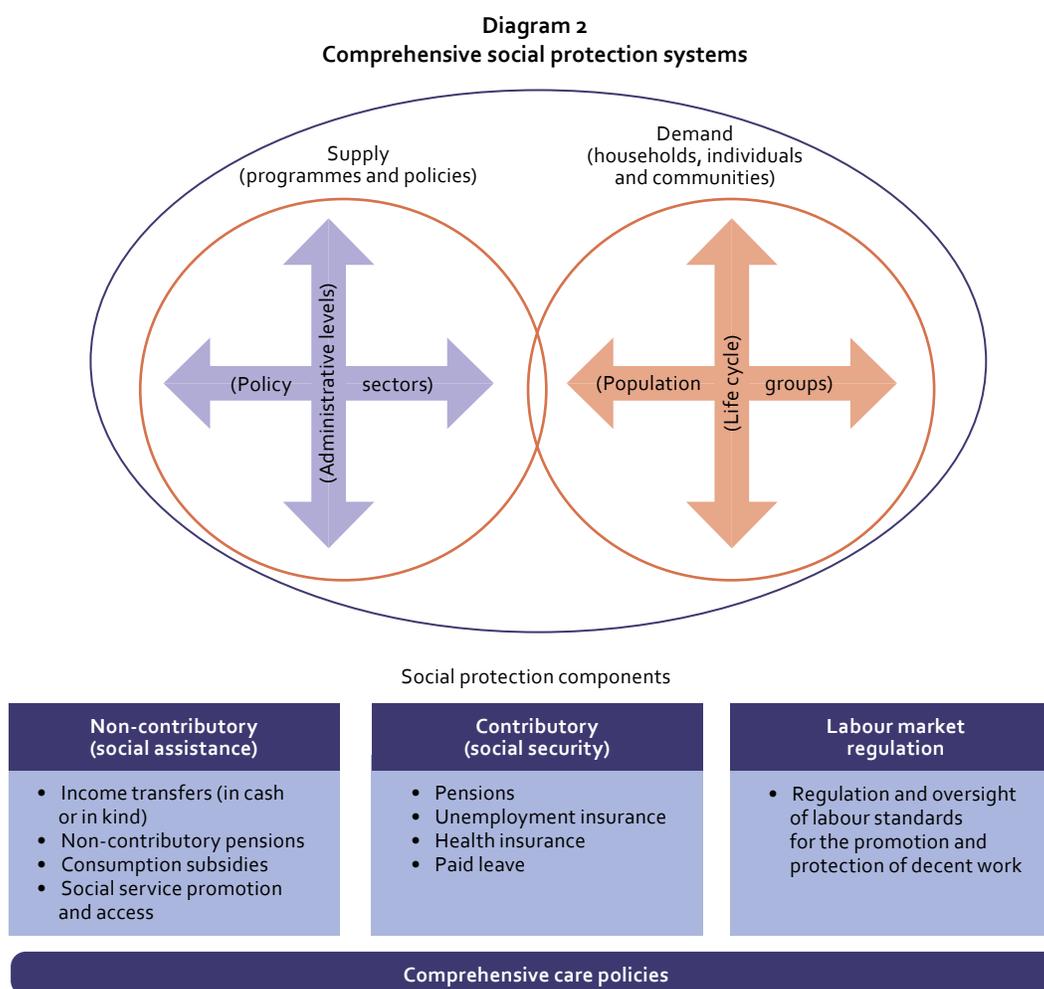
- Blofield, M., C. Giambrota and F. Filgueira (2020), "Policy expansion in compressed time: assessing the speed, breadth and sufficiency of post-COVID-19 social protection measures in 10 Latin American countries", *Social Policy series*, No. 235 (LC/TS.2020/112), Santiago, Economic Commission for Latin America and the Caribbean (ECLAC).
- ECLAC (Economic Commission for Latin America and the Caribbean) (2021a), "The recovery paradox in Latin America and the Caribbean. Growth amid persisting structural problems: inequality, poverty and low investment and productivity", *COVID-19 Special Report*, No. 11, Santiago, July.
- \_\_\_\_\_ (2021c), "The economic autonomy of women in a sustainable recovery with equality", *COVID-19 Special Report*, No. 9, Santiago, February.
- \_\_\_\_\_ (2021b), *Social Panorama of Latin America, 2020* (LC/PUB.2021/2-P/Rev.1), Santiago.
- \_\_\_\_\_ (2020b), "Measuring the impact of COVID-19 with a view to reactivation", *COVID-19 Special Report*, No. 2, Santiago, April.
- \_\_\_\_\_ (2020c), "The social challenge in times of COVID-19", *COVID-19 Special Report*, No. 3, Santiago, May.
- \_\_\_\_\_ (2020a), "Addressing the growing impact of COVID-19 with a view to reactivation with equality: New projections", *COVID-19 Special Report*, No. 5, Santiago, July.
- \_\_\_\_\_ (2020f), "The COVID-19 pandemic is exacerbating the care crisis in Latin America and the Caribbean", *COVID-19 Report*, Santiago, April.
- \_\_\_\_\_ (2020m), "Challenges for the protection of older persons and their rights during the COVID-19 pandemic", *COVID-19 Report*, Santiago, December.
- \_\_\_\_\_ (2020l), "The impact of COVID-19 on indigenous peoples in Latin America (Abya Yala): between invisibility and collective resistance", *Project Documents* (LC/TS.2020/171), Santiago.
- ECLAC/ILO (Economic Commission for Latin America and the Caribbean/International Labour Organization) (2021), "Decent work for platform workers in Latin America", *Employment Situation in Latin America and the Caribbean*, No. 24 (LC/TS.2021/71), Santiago.
- \_\_\_\_\_ (2020b) "Work in times of pandemic: the challenges of the coronavirus disease (COVID-19)", *Employment Situation in Latin America and the Caribbean*, No. 22 (LC/TS.2020/46), Santiago.
- \_\_\_\_\_ (2020a), "The COVID-19 pandemic could increase child labour in Latin America and the Caribbean", *Technical Note*, No. 1, June.
- ECLAC/UNFPA (Economic Commission for Latin America and the Caribbean/United Nations Population Fund) (2020), "Afrodescendientes y la matriz de la desigualdad social en América Latina: retos para la inclusión", *Project Documents* (LC/PUB.2020/14), Santiago.
- ECLAC/UNICEF (Economic Commission for Latin America and the Caribbean/ United Nations Children's Fund) (2020), "Social protection for families with children and adolescents in Latin America and the Caribbean: An imperative to address the impact of COVID-19", *COVID-19 Report*, Santiago, December.
- ECLAC/UNICEF/OSRSG-VAC (Economic Commission for Latin America and the Caribbean/United Nations Children's Fund/ Office of the Special Representative of the Secretary-General on Violence against Children) (2020), "Violence against children and adolescents in the time of COVID-19", *COVID-19 Report*, Santiago.
- FAO/ECLAC (Food and Agriculture Organization of the United Nations/Economic Commission for Latin America and the Caribbean) (2020), "Food systems and COVID-19 in Latin America and the Caribbean: The role of social protection measures", *Bulletin*, No. 7, Santiago.
- Filgueira, F. and others (2020), "América Latina ante la crisis del COVID-19: vulnerabilidad socioeconómica y respuesta social", *Social Policy series*, No. 238 (LC/TS.2020/149), Santiago, Economic Commission for Latin America and the Caribbean (ECLAC).
- Meresman, S. and H. Ullmann (2020), "COVID-19 y las personas con discapacidad en América Latina: mitigar el impacto y proteger derechos para asegurar la inclusión hoy y mañana", *Social Policy series*, No. 237 (LC/TS.2020/122), Santiago, Economic Commission for Latin America and the Caribbean (ECLAC).
- UN-Women/ECLAC (United Nations Entity for Gender Equality and the Empowerment of Women/Economic Commission for Latin America and the Caribbean) (2020), *Care in Latin America and the Caribbean during the COVID-19: Towards Comprehensive Systems to Strengthen Response and Recovery*, Santiago, August.
- UN-Women/ILO/ECLAC (United Nations Entity for Gender Equality and the Empowerment of Women/International Labour Organization/Economic Commission for Latin America and the Caribbean) (2020), *Trabajadoras remuneradas del hogar en América Latina y el Caribe frente a la crisis del COVID-19*, Santiago, June.

## C. Strengths and weaknesses of social protection policy responses for coping with the COVID-19 crisis

### 1. The concept of social protection and its challenges in disaster situations

Social protection policies are a fundamental tool for the full realization of the economic and social rights recognized in national and international legal instruments and in the pursuit of a number of the targets for the Sustainable Development Goals. Social protection focuses on three elements: basic welfare guarantees; safeguards against life-cycle or contextual risks; and the reparation or moderation of harm arising from social risks and problems with a view to the creation of more just and inclusive societies. The risks that these policies seek to moderate or redress are experienced by most people in the course of their lives, although social protection policies also address the structural problems of poverty and inequality (Cecchini and others, 2015).

In conjunction with sectoral and social promotion policies, social protection systems are intended to ensure a basic level of social and economic well-being that will enable all members of society to achieve and maintain optimal living standards, facilitate their access to social services and promote decent and productive work (Cecchini and others, 2015; ECLAC, 2020j).



Source: S. Cecchini and R. Martínez, *Inclusive social protection in Latin America: a comprehensive, rights-based approach*, ECLAC Books, No. 111 (LC/G.2488-P), Santiago, Economic Commission for Latin America and the Caribbean (ECLAC), 2021.

In order to make progress towards universal social protection systems, these systems' entitlements, components and approaches need to become increasingly integrated. The comprehensiveness of social protection entails both coordinating its components' offer across the different central and subnational administrative levels and at the programmatic level, on the one hand, and, on the other, meeting the needs of individuals, families and communities using an approach that takes into consideration the diverse groups within the population and their differing needs at all the different stages of the life cycle (see diagram 2). Four different components of social protection systems must be linked and coordinated: contributory and non-contributory social protection, labour market regulation and comprehensive care policies (Cecchini and others, 2015; Cecchini and Martínez, 2011).

Strengthening universal, comprehensive and sustainable social protection systems is the first pillar of the Regional Agenda for Inclusive Social Development, which was adopted at the Third Meeting of the Regional Conference on Social Development in Latin America and the Caribbean (see box 1).

#### Box 1

##### Social protection in the Regional Agenda for Inclusive Social Development

The Regional Agenda for Inclusive Social Development was adopted at the third session of the Regional Conference on Social Development in Latin America and the Caribbean. This technical and political instrument is aimed at supporting and advancing the social dimension of sustainable development and the fulfilment of the 2030 Agenda for Sustainable Development in the countries of the region while also addressing the advances, opportunities and critical obstacles associated with the inclusive social development process.

The Regional Agenda sets out four complementary axes, each of which consists of a set of specific lines of action. The first axis deals with universal and comprehensive social protection systems that contribute to putting an end to poverty and to significantly reducing inequalities. The second is centred around the promotion of social and labour inclusion policies aimed at supporting these dual aspects of inclusion so that no one is left behind. The focus of the third axis is a more robust institutional framework capable of implementing high-quality social policies. Finally, the fourth axis is based on regional cooperation and integration as a means of progressing towards inclusive social development and achieving sustainable development.

In this context, social protection is understood to be a set of interventions designed to guarantee access to an adequate income, health services, education, water, sanitation and housing and to policies for labour inclusion and decent work that will enable all people to achieve a sufficient level of well-being.

The Regional Agenda calls for the development of universal, comprehensive and sustainable social protection systems. In order to achieve comprehensiveness of these systems, it proposes the linkage of contributory and non-contributory schemes, the regulation of labour markets and care policies.

The following diagram provides an overview of the main lines of action aimed at the creation of universal, comprehensive and sustainable social protection systems in keeping with the first axis of the Regional Agenda for Inclusive Social Development.

#### Diagram

##### Lines of action under the social protection axis of the Regional Agenda for Inclusive Social Development

1.1	→	Strengthen comprehensive and universal social protection systems
1.2	→	Establish inter-institutional work mechanisms
1.3	→	Advance in consolidating the guarantee of a basic level of income
1.4	→	Move towards ever-greater interlinkages between the components of social protection systems
1.5	→	Promote linkages between sectoral policies and social protection
1.6	→	Incorporate care into social protection systems
1.7	→	Define a set of instruments appropriate to social protection needs
1.8	→	Incorporate the principle of active search for eligible participants and integrated social information systems
1.9	→	Promote strategies for the formalization of informal workers and the expansion of their access to social security
1.10	→	Adopt a child-sensitive perspective and work to consolidate comprehensive early childhood care systems
1.11	→	Prevent and eradicate child labour
1.12	→	Increase awareness of the needs of rural populations
1.13	→	Incorporate emerging challenges for the region into social protection systems
1.14	→	Guarantee access to social protection for migrants
1.15	→	Increase the response capacity of public institutions

Source: Economic Commission for Latin America and the Caribbean (ECLAC), *Regional Agenda for Inclusive Social Development* (LC/CDS.3/5), Santiago, 2020.

As natural disasters become more and more frequent, the idea of adaptive social protection has been gaining momentum (Davies and others, 2008). This approach focuses on increasing the efficiency of social programmes in addressing and reducing current and future risks by promoting the incorporation of mechanisms for adapting to climate change into social protection measures as a means of reducing society's vulnerability to the effects of climate change over the long run. This approach calls for strengthening social protection programmes, information systems, financing and institutional arrangements in order to build households' resilience (Bowen and others, 2020). Cecchini, Holz and Robles (2021) emphasize the importance of social protection tools that address the underlying causes of vulnerability and that can be embedded in the institutional structure for disaster risk management in order to reinforce resilience, mitigation and prevention capacity. Social information systems have a fundamental role to play in this approach in the areas of prevention (identifying household risk and vulnerabilities before a disaster strikes), self-selection (persons in need registering with local offices or for social programmes remotely), on-the-spot registration (collecting information after a disaster occurs) and adjustment (use of existing information systems) (Cecchini, Holz and Robles, 2021). Although the pandemic has made it necessary to adapt and design a specific set of measures in response to its unprecedented impact on the labour market and household consumption, as disasters occur more and more frequently in the region, it will be important to use this experience to inform the development of social protection systems that are capable of responding to emergencies and disasters of various kinds.

## 2. Social protection in Latin America before the COVID-19 pandemic

The starting point for Latin American social protection systems' efforts to deal with the impacts of the crisis was a multi-faceted one. On the one hand, Latin America's social protection systems were in a relatively strong position when the crisis hit because they had been expanding in recent years. From 2002 until around 2012-2014, the region experienced a period of steady economic growth.<sup>9</sup> During the years of the commodity boom, the countries of the region were able to make great strides in terms of increased levels of income, and this led to unprecedented economic gains in the region. However, in 2016 this growth trend began to reverse direction, and by 2019, per capita GDP in Latin America had slipped back to US\$ 8,960 (ECLAC, n/d a).

Between 2002 and 2014, the income measurements of both poverty and extreme poverty declined significantly, although towards the end of that period the pace of decline had been slowing.<sup>10</sup> ECLAC calculations of the pre-pandemic poverty rate in 2019 indicated that poverty and extreme poverty had risen to 30.5% and 11.3%, respectively, in Latin America (ECLAC, 2021b). During the growth years, the region also witnessed a sharp decrease in income inequality.<sup>11</sup> However, in the last few years, the downward trend had been less steep than it had been earlier on (ECLAC, 2018a and 2019b).

The employment rate rose slowly between 2000 and 2008, whereupon it dipped before regaining some of the lost ground in 2017-2019 (ECLAC, n/d a). These growth years also allowed the region to bring its unemployment rates down to record lows, with its jobless rate of 11.2% as of 2002 declining to 6.3% by 2014 (ECLAC, 2021b). However, more recently, unemployment had risen slightly. Finally, employment in low-productivity non-agricultural sectors was on a downward trend that then began to reverse direction in 2018 and 2019 (ECLAC/ILO, 2020b). In sum, in the years prior to the pandemic, it was already quite clear that the social situation in the countries of the region was taking a turn for the worse.

Along with these added elements, the pre-pandemic situation in Latin America was shaped by the patterns of inequality that are part of its historical legacy. On the one hand, the Latin American countries' production structures had not changed in any significant way in recent decades. As a result, employment in the region is still skewed towards low-productivity, low-skill sectors in which working conditions are poor, jobs are more unstable and workers are less protected. This gives rise to a highly segmented labour

<sup>9</sup> According to ECLAC estimates, per capita GDP was US\$ 7,219 in 2000 and had risen to US\$ 9,235 by 2015. (ECLAC, n/d).

<sup>10</sup> In 2016, the aggregate figures for the region indicated a slight increase, with 186 million people (29.9% of the population) being classified as poor, while 59 million people (9.9%) were classified as living in extreme poverty. In 2017 and 2018, the poverty rate held virtually steady at 29.8% of the population, while the extreme poverty rate rose first to 10.2% and then to 10.4% of the population (ECLAC, 2021a).

<sup>11</sup> Between 2002 and 2016, the Gini index (average for 18 countries) went from 0.54 to 0.47.

market, which, in turn, is an important part of the reason for the income inequalities that still exist in the region (ECLAC, 2012a). On the other hand, despite the marked increase in women's labour force participation rate (which has climbed from 35.5% in 1980 to 53.5% in 2019) (ECLAC, 2021b and ECLAC, n/d b), the inequality of the parameters underlying the sexual division of labour have not changed significantly, and the burden of unpaid work continues to be predominantly shouldered by women (ECLAC, 2012b and 2010b). This has led to a "care crisis" (ECLAC, 2010a; Rico, 2011), which reflects the difficulties that women have in trying to reconcile productive, paid work with motherhood and caregiving duties. This is a particularly difficult state of affairs for less educated, lower-income women, who have fewer resources and options for shifting caregiving tasks to others. This, in turn, often bars them from entering the labour market and finding stable, well-paid employment that provides them with social protection (ILO/UNDP, 2009; ECLAC, 2012b). Inequalities associated with different stages in the life cycle are also a factor. For example, poverty and extreme poverty rates are higher among children and adolescents than they are for other age groups (Rossel, 2013; ECLAC, 2018a) in the region; in addition, a disproportionate number of young people are unemployed and have difficulty in finding a job. Other structural axes of inequality (ECLAC, 2016) include ethnic and racial identities, migrant status and geographic factors.

In parallel with the social situation in the region before the outbreak of the pandemic, the architecture of the region's social protection systems reflected some substantial achievements but also exhibited weaknesses and shortfalls.

Public social spending has increased significantly since 2000; whereas in that year, central government social spending averaged 8.5% of GDP in a group of 19 Latin American and Caribbean countries, by 2016 that figure had risen to 11.3% (ECLAC, 2021b), although, for the first time in a number of years, that upward trend reversed slightly in 2018.

Furthermore, with a few exceptions, Latin American countries have not succeeded in setting up robust contributory social security systems. In 2019, only 47.2% of employed persons were affiliated with or contributing to a pension system, whereas 60.5% were affiliated with or contributing to health-care systems (ECLAC, 2021b). Consequently, a dual system still prevails in many of the region's countries, with a limited sector of workers having access to social security coverage and being protected against basic risks, while a majority of workers are employed in the informal sector and have no access to contributory entitlements (Filgueira, 2007; Tokman, 2006). Social security enrolment levels, although higher than two decades ago, are still low, and coverage is highly stratified, as the rate of social security coverage tends to be higher among public-sector workers, salaried workers, higher-income workers and professionals and is much lower among workers in the lowest-income quintiles, the self-employed and workers in small and medium-sized enterprises (ECLAC, 2012b). Thus, the region still has a great deal of ground to make up in the development of contributory risk protection mechanisms. Unemployment insurance is just one example. Prior to the pandemic, unemployment insurance existed in only eight countries in Latin America and the Caribbean, with the highest levels of coverage being found in Uruguay and Chile and a peak coverage rate of 20% of unemployed persons being recorded in 2008 in the latter of those countries (Velásquez Pinto, 2010).<sup>22</sup>

In recent decades, many countries in the region have focused on developing policies to guarantee access to basic health services. Measures have been introduced to reduce out-of-pocket expenses for families, and basic health-care schemes have been established to guarantee access to health services for people who do not have contributory health insurance (Cecchini and others, 2015). Thanks to these efforts, the countries of the region were in a substantially better position in terms of health-care coverage prior to the onset of the pandemic than they had been two decades ago. Nonetheless, health-care systems in the region are still highly segregated and unequal in terms of quality.

Over the last two decades, the region has managed to build a non-contributory pillar into the system, which had previously been almost entirely lacking. The introduction and expansion of conditional cash transfer programmes has made it possible to transfer income to vulnerable families with children while at the same time helping to protect some of the basic rights of children and adolescents, primarily by helping to ensure that they attend school and get regular health check-ups. Much the same kind of progress has been made in the expansion of non-contributory old-age pensions. For the first time, huge

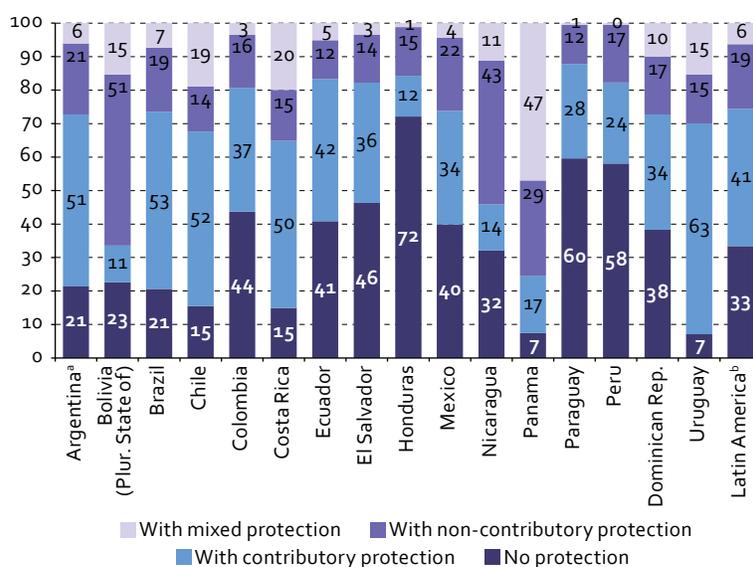
<sup>22</sup> Argentina, Bahamas, Barbados, Bolivarian Republic of Venezuela, Brazil, Chile, Ecuador and Uruguay.

sectors of the older adult population that previously had no pension are now covered by social policies. At an estimated 0.35% of GDP as of 2018, the fiscal effort required to develop conditional transfer programmes is relatively small (Abramo, Cecchini and Morales, 2019), and there is extensive evidence of the success of these programmes in reducing poverty and extreme poverty, as well as in improving families' well-being in other ways (Bastagli and others, 2016).

Prior to the onset of the pandemic, Latin American countries' social protection systems included stronger labour institutions and more closely regulated labour markets than they had two decades ago (Cecchini and others, 2015), yet significant weaknesses remained. For example, the contributory and non-contributory pillars operate very differently from each other and, for the most part, have few linkages. As a result, social protection systems are relatively segmented, providing a great deal of sustained protection for persons covered by a contributory plan but offering limited and more irregular protection under non-contributory schemes. In addition, large segments of the population are not covered by either of the two pillars. Most of the people who lack coverage are employed in the region's vast informal sectors. Many of these workers are not covered by the social security system but are not eligible for non-contributory anti-poverty programmes either (ECLAC, 2012a and 2012b; Filgueira and others, 2020). Many of the people in this group are in the middle- and lower-middle-income strata (ECLAC, 2021a), which constitute a key sector in the pandemic landscape.

The non-contributory pillar still suffers from serious shortcomings. The coverage of these programmes and the amount of the transfers they provide vary greatly across countries (Cecchini and Atuesta, 2017). In addition, many of them lack a solid institutional framework and are relatively more volatile than the contributory pillar. Despite the progress made in recent decades in developing this component of the social protection system, there were still sizeable gaps in coverage prior to the pandemic, especially in the case of households with children or adolescents, who have been seriously affected by the pandemic (ECLAC/UNICEF, 2020) (see figure 3).

**Figure 3**  
Latin America (16 countries): distribution of households with children or adolescents and with a head of household or their spouse of working age, by access to social protection, around 2018  
(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of Economic Commission for Latin America and the Caribbean/United Nations Children's Fund (ECLAC/UNICEF), "Social protection for families with children and adolescents in Latin America and the Caribbean: An imperative to address the impact of COVID-19", *COVID-19 Report*, Santiago, December 2020.

<sup>a</sup> The survey results indicate whether a household received monetary assistance from the government but do not identify specific programmes.

<sup>b</sup> Weighted average. The data for Nicaragua are from 2014; the data for Panama refer to 2016 and the data for Argentina and Chile correspond to 2017.

Lastly, it is important to remember that the region's social protection systems differ substantially from one another in terms of the sufficiency of the entitlements they offer and the extent of their stratification, which means that they also differ a great deal with regard to their shortcomings.

**Further reading on the strengths and weaknesses of social protection systems  
prior to the COVID-19 crisis:**

- Abramo, L., S. Cecchini and B. Morales (2019), *Social programmes, poverty eradication and labour inclusion: lessons from Latin America and the Caribbean*, ECLAC Books, No. 155 (LC/PUB.2019/5-P), Santiago, Economic Commission for Latin America and the Caribbean (ECLAC).
- Blofield, M., C. Giambruno and F. Filgueira (2020), "Policy expansion in compressed time: assessing the speed, breadth and sufficiency of post-COVID-19 social protection measures in 10 Latin American countries", *Social Policy series*, No. 235 (LC/TS.2020/112), Santiago, Economic Commission for Latin America and the Caribbean (ECLAC).
- Casalí, P., O. Cetrángolo and A. Pino (2020), *Nota técnica regional. Panorama Laboral en tiempos de la COVID-19. Protección social en América Latina y el Caribe en tiempos de pandemia*, International Labour Organization (ILO), October.
- Cecchini, S and others (2015), *Towards universal social protection: Latin American pathways and policy tools*, ECLAC Books, No. 136 (LC/G.2644-P), Santiago, Economic Commission for Latin America and the Caribbean (ECLAC).
- Cecchini, S. and R. Martínez (2011), *Inclusive social protection in Latin America: a comprehensive, rights-based approach*, ECLAC Books, No. 111 (LC/G.2488-P), Santiago, Economic Commission for Latin America and the Caribbean (ECLAC).
- ECLAC (Economic Commission for Latin America and the Caribbean) (2021), *Social Panorama of Latin America, 2020* (LC/PUB.2021/2-P/Rev.1), Santiago.
- \_\_\_\_\_ (2020j), *Regional Agenda for Inclusive Social Development* (LC/CDS.3/5), Santiago.
- \_\_\_\_\_ (2016), *The Social Inequality Matrix in Latin America* (LC/G.2690(MDS.1/2), Santiago.
- \_\_\_\_\_ (2012b), *Social Panorama of Latin America, 2011* (LC/G.2514-P), Santiago.
- Filgueira, F. and others (2020), "América Latina ante la crisis del COVID-19: vulnerabilidad socioeconómica y respuesta social", *Social Policy series*, No. 238 (LC/TS.2020/149), Santiago, Economic Commission for Latin America and the Caribbean (ECLAC).
- UNDP (United Nations Development Programme) (2021a), *Regional Human Development Report 2021. Trapped: High Inequality and Low Growth in Latin America and the Caribbean*.

## II. Social protection policies and recovery strategies: lessons from comparative experiences

### A. Overview of social protection measures at the international and regional levels

Since the start of the pandemic, governments around the world have deployed numerous social protection measures to soften the social impacts of the COVID-19 crisis. According to an ILO report, between 1 February and 13 October 2020, 208 countries and territories announced at least 1,496 different social protection measures (ILO, 2020h).<sup>13</sup> A closer look at the measures introduced in different regions reveals a quite varied picture in terms of both the number and types of measures adopted.

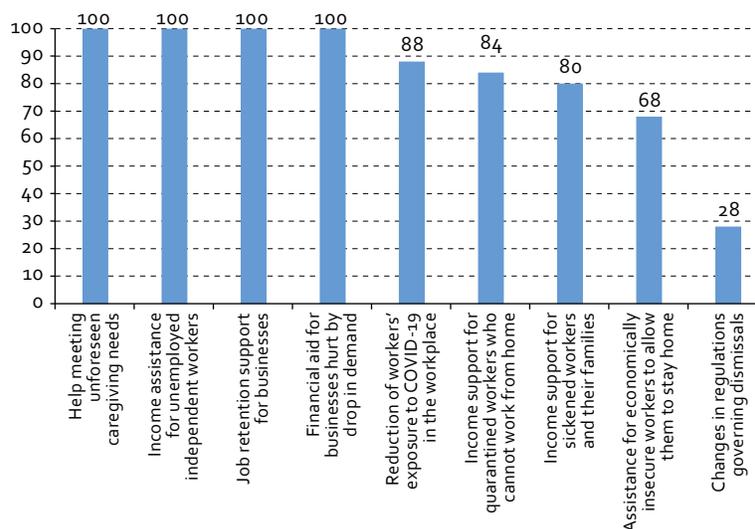
According to a study by Gentilini and others (2020), the European and Central Asian countries are the ones that unveiled the largest number of specific social protection mechanisms in 2020. Most of these measures rely on contributory funding or take the form of instruments that have a direct impact on labour markets. Of the total number of protection measures adopted in that region, 32% are social security measures and 20% focus on the labour market. The other 48% are social assistance measures. In North America and Africa, the extent of social security measures is similar to those introduced by European and Central Asian countries, but the proportion of social assistance measures is considerably greater (57% and 55% of all measures, respectively). Latin America and the Caribbean are one of the regions where social assistance measures represented the largest percentage (70%) of the total package of measures and where social security measures represented a much smaller proportion of the total (Gentilini and others, 2020).

Europe, in particular, has a long history of consolidated welfare States, and because its informal sectors are so small, governments have focused on deploying labour protection measures for formal workers through their social security systems, in combination with more targeted general social policy measures (OECD, 2020; United Nations, 2020d). Thus, for example, when the pandemic began, the 25 European countries that are members of the Organisation for Economic Co-operation and Development (OECD)

<sup>13</sup> Other studies cite quite similar numbers. See, for example, Gentilini and others (2020).

took steps to assist households to meet unforeseen caregiving needs, protect jobs and the incomes of the self-employed and provide financial support to businesses: 88% of these countries introduced measures designed to reduce workers' exposure to COVID-19, 84% provided compensation for quarantined workers' loss of income, and 80% provided income replacement support to workers sickened by the virus and their families. Finally, 68% furnished financial assistance so that the workers most at risk of exposure to the virus could stay at home, but only 28% modified the laws and regulations governing dismissals (see figure 4). In most cases, the measures have been built on pre-existing provisions, which demonstrates some flexibility at the margin for combating the impacts of COVID-19.

**Figure 4**  
European OECD countries (25 countries):<sup>a</sup> social protection measures taken in response to the pandemic  
(Percentage of countries that have adopted additional social protection measures)



Source: Prepared by the authors, on the basis of Organisation for Economic Co-operation and Development (OECD), "Supporting people and companies to deal with the COVID-19 virus: options for an immediate employment and social-policy response", March 2020 [online] <http://www.oecd.org/coronavirus/policy-responses/supporting-people-and-companies-to-deal-with-the-covid-19-virus-options-for-an-immediate-employment-and-social-policy-response-d33dffe6/>.

<sup>a</sup> Austria, Belgium, Czechia, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Norway, Netherlands, Poland, Portugal, Slovakia, Slovenia, Spain, Sweden, Switzerland, United Kingdom.

The European Union made arrangements to give its member States more leeway in financing national emergency measures and implementing recovery packages (for a total of about €1.82 trillion for 2021–2027) (European Union, 2020).

In countries where households and the market play a greater role in the social protection system, such as those in North America, Asia and Oceania, frequent use has also been made of employment retention policies to deal with some of the impacts of the crisis, but cash transfers—both through the expansion of existing means-tested programmes and new targeted transfers—have played an important role. In some countries, new universal transfers have even been used (see table 2) (OECD, 2020c).<sup>14</sup>

Even though Latin America's welfare States are only partial and in some cases are far from being consolidated, the governments' response to the emergency has been relatively rapid (Blofield, Giamb Bruno and Filgueira, 2020). Official national data indicate that 32 countries in Latin America and the Caribbean had adopted 297 non-contributory emergency social protection measures as of 22 January 2021. These measures include cash transfers, in-kind transfers and transfers to provide access to basic services for the most

<sup>14</sup> A more detailed discussion of some specific policies is provided in the next section.

vulnerable population groups. Data compiled by ECLAC from the COVID-19 Observatory in Latin America and the Caribbean (ECLAC, n/d c) demonstrate how swiftly the region's governments mobilized in response to the emergency: just over half of the total number of such measures announced between 1 March 2020 and 21 January 2021 were introduced between 1 March and 1 April 2020; by 28 April, 66% of the total number of measures had been announced, and by mid-August, 85% had been (ECLAC, 2020c) (see figure 5).

**Table 2**  
Selected countries in North America, Asia and Oceania (6 countries): use of social protection measures in response to the COVID-19 crisis<sup>a</sup>

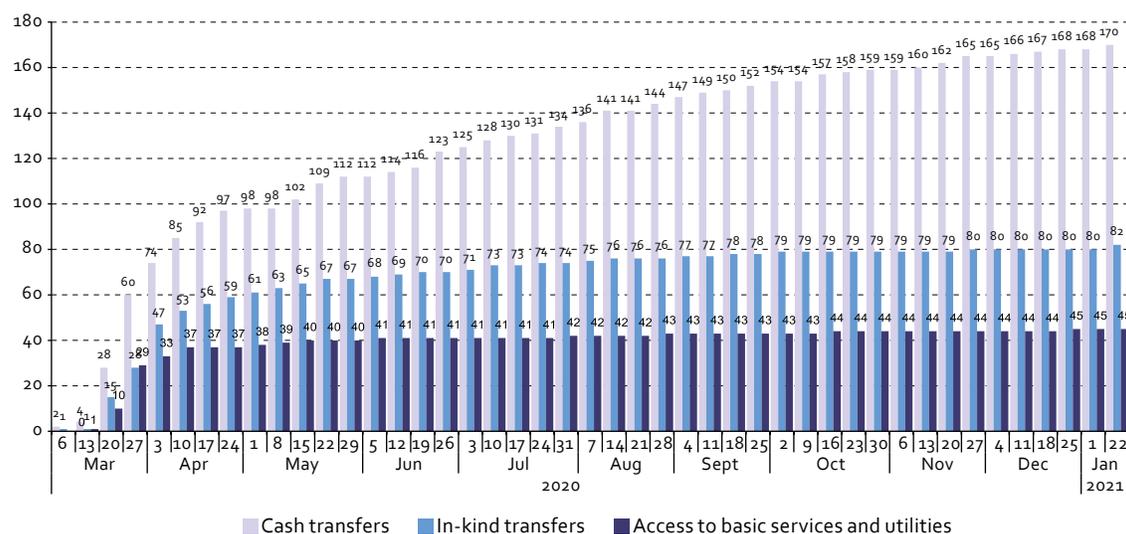
	New or pre-existing job retention policies	Unemployment insurance extensions	Extensions of means-tested transfer programmes	New targeted transfers	New universal transfers	Other indirect support measures <sup>b</sup>
Australia	Yes	Yes	Yes	No	No	Yes
Canada	Yes	No	No	Yes	No	Yes
Japan	Yes	No	No	No	Yes	Yes
Republic of Korea	Yes	No	No	Yes	Yes	Yes
New Zealand	Yes	No	No	Yes	No	Yes
United States	Yes	Yes	No	Yes	Yes	Yes

Source: Prepared by the authors, on the basis of Organisation for Economic Co-operation and Development (OECD), *Supporting Livelihoods during the COVID-19 Crisis: Closing the Gaps in Safety Nets*, 2020.

<sup>a</sup> The social protection measures listed in this table date from the beginning of the COVID-19 pandemic (March 2020).

<sup>b</sup> Including deferrals of tax payments, social security contributions and housing payments.

**Figure 5**  
Latin America and the Caribbean (32 countries):<sup>a</sup> emergency social protection measures for the population in situations of poverty and vulnerability announced between 1 March 2020 and 22 January 2021, by week  
(Number of measures)

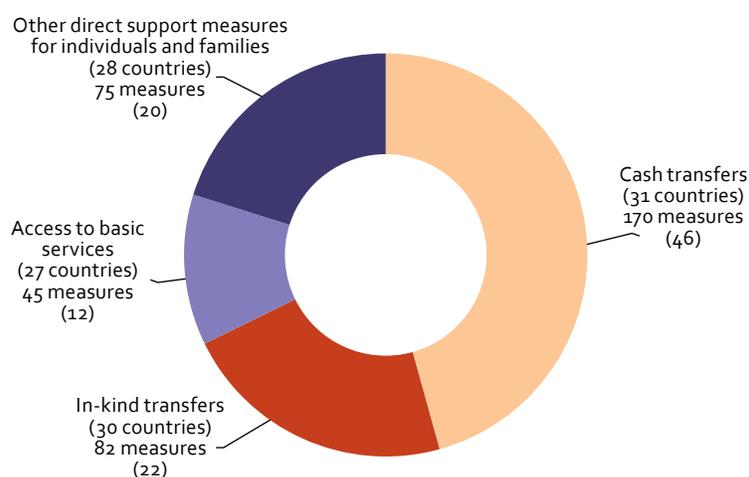


Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official information from the countries, COVID-19 Observatory in Latin America and the Caribbean [online] <https://www.cepal.org/en/topics/covid-19> and "Social Development and COVID-19 in Latin America and the Caribbean", Observatory on Social Development in Latin America and the Caribbean [online] <https://dds.cepal.org/observatorio/socialcovid19/en/listamedidas.php>.

<sup>a</sup> Antigua and Barbuda, Argentina, Bahamas, Barbados, Belize, Bolivarian Republic of Venezuela, Brazil, Chile, Colombia, Costa Rica, Cuba, Dominican Republic, Ecuador, El Salvador, Grenada, Guatemala, Guyana, Haiti, Honduras, Jamaica, Mexico, Nicaragua, Panama, Paraguay, Peru, Plurinational State of Bolivia, Saint Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Suriname, Trinidad and Tobago, and Uruguay.

The focus of social protection responses in the countries of the region has been different from that of Europe and more similar to the approach taken by other developing regions. A more detailed analysis of non-contributory emergency social protection measures shows that 46% (170 measures in 31 countries) were cash transfers, 22% (82 measures in 30 countries) were in-kind transfers, 12% (45 measures in 27 countries) were measures that provided access to basic services, and 20% (75 in 28 countries) took the form of other types of direct support to individuals and families (see figure 6). Of these direct support measures, 60% (24 countries) provided some sort of relief from payment obligations. Some authorized the deferral of mortgage payments and payments on other types of loans, while others dealt with loan refinancing, payment exemptions or the suspension of interest accruals on arrears and fines and of payments on housing rentals and leases (ECLAC, 2021b). In addition, 16 measures in 13 countries have provided tax relief, mainly in the form of exemptions from late tax fines, the postponement of charges, freezes on foreclosures and the deferral of tax payments during lockdowns (ECLAC, 2021b). Finally, 19% of these measures focus on price levels (e.g. price controls on staple foods) and, to a lesser extent, on the prohibition of rent increases (ECLAC, 2021b).

**Figure 6**  
**Latin America and the Caribbean (32 countries):<sup>a</sup> non-contributory social protection measures adopted in response to the pandemic, by type of measure, between 1 March 2020 and 22 January 2021<sup>b</sup>**  
*(Number of measures and percentage distribution)*



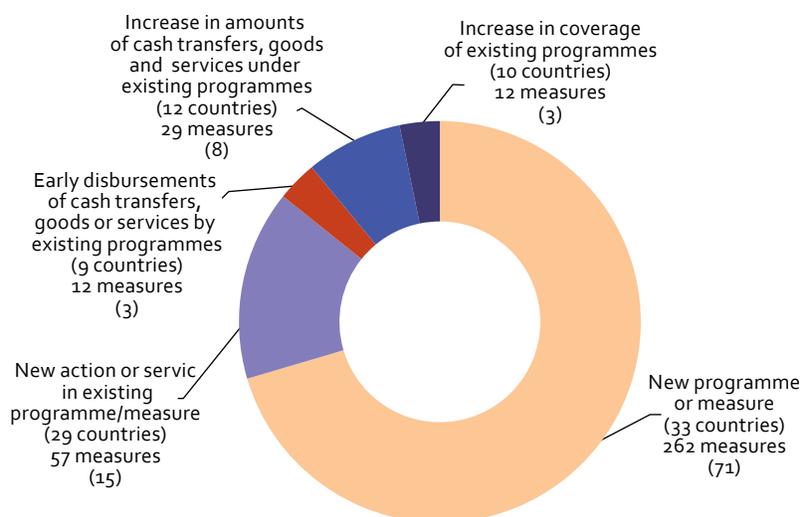
Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official information from the countries, COVID-19 Observatory in Latin America and the Caribbean [online] <https://www.cepal.org/en/topics/covid-19> and "Social Development and COVID-19 in Latin America and the Caribbean", Observatory on Social Development in Latin America and the Caribbean [online] <https://dds.cepal.org/observatorio/socialcovid19/en/listamedidas.php>.

<sup>a</sup> Antigua and Barbuda, Argentina, Bahamas, Barbados, Belize, Bolivarian Republic of Venezuela, Brazil, Chile, Colombia, Costa Rica, Cuba, Dominican Republic, Ecuador, El Salvador, Grenada, Guatemala, Guyana, Haiti, Honduras, Jamaica, Mexico, Nicaragua, Panama, Paraguay, Peru, Plurinational State of Bolivia, Saint Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Suriname, Trinidad and Tobago, and Uruguay.

<sup>b</sup> Includes pricing, tax relief and payment relief measures.

Unlike the situation in more advanced regions, the limited development of welfare States in Latin America and the Caribbean forced governments to be creative and to design new programmes since, in many cases, no suitable social protection instruments for dealing with the pandemic were in place beforehand. According to data compiled by ECLAC from the COVID-19 Observatory in Latin America and the Caribbean, a majority of the non-contributory measures announced in the region (262 measures, or 71% of the total) entailed the creation of a new programme or the establishment of a new provision. In addition, 57 of these measures (29 countries) gave rise to a new action or to the delivery of a new service under an existing programme, and 53 measures (19 countries) increased the amounts or disbursed them earlier, or expanded the coverage of pre-existing programmes (see figure 7).

**Figure 7**  
**Latin America and the Caribbean (32 countries):<sup>a</sup> non-contributory social protection measures adopted in response to the pandemic, by type of measure, between 1 March 2020 to 22 January 2021<sup>b</sup>**  
*(Number of measures and percentage distribution)*



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official information from the countries, COVID-19 Observatory in Latin America and the Caribbean [online] <https://www.cepal.org/en/topics/covid-19> and "Social Development and COVID-19 in Latin America and the Caribbean", Observatory on Social Development in Latin America and the Caribbean [online] <https://dds.cepal.org/observatorio/socialcovid19/en/listamedidas.php>.

<sup>a</sup> Antigua and Barbuda, Argentina, Bahamas, Barbados, Belize, Bolivarian Republic of Venezuela, Brazil, Chile, Colombia, Costa Rica, Cuba, Dominican Republic, Ecuador, El Salvador, Grenada, Guatemala, Guyana, Haiti, Honduras, Jamaica, Mexico, Nicaragua, Panama, Paraguay, Peru, Plurinational State of Bolivia, Saint Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Suriname, Trinidad and Tobago, and Uruguay.

<sup>b</sup> Includes innovations in cash transfer measures, in-kind transfers, access to basic services, and other forms of support (pricing, tax relief and payment relief measures).

## B. Contributory and non-contributory social protection tools for dealing with the social impacts of the COVID-19 pandemic

### 1. Contributory social protection measures: social security

#### (a) Health insurance and creation and expansion of paid sick leave schemes

Health coverage and insurance and paid sick leave entitlements are a central component of the social protection measures that governments can bring to bear during the COVID-19 crisis and as they work to bring about a recovery with equality. The absence of such measures hampers efforts to contain the virus and forces people to go to work rather than to go into quarantine when they should. This helps to spread the virus, thereby endangering people's health and well-being (ILO, 2020g).

Countries with well-established welfare States have robust systems in this area, and they were therefore able to respond more quickly and equitably to the challenges posed by the current crisis. In most cases, the main measures taken in response to the crisis have had to do with the relaxation of eligibility requirements for these entitlements and for treatment for COVID-19, diagnostic tests and other related services (OECD, 2020b). Thus, for example, governments have sought to increase the scope and level of contributory social protection entitlements. Some countries, such as Australia, Canada, Ireland and Sweden, have done away with the waiting period for accessing COVID-19-related health coverage.<sup>15</sup>

<sup>15</sup> Sweden has temporarily suspended the standard deduction in health insurance policies, and workers in that country therefore begin to receive entitlements on the first day that they are absent from work due to illness (OECD, 2020b).

Others, such as France, have extended sick leave entitlements to persons responsible for taking care of children or to people in self-isolation during the pandemic. In other cases, existing entitlements have been increased (OECD, 2020b). A number of countries have expanded the scope of health-care services by, for example, extending coverage to the uninsured on a temporary basis and eliminating co-payments (OECD, 2020b) (see box 2).

**Box 2**  
**Selected European countries: measures associated with sick leave introduced in response to the COVID-19 crisis**

*Ireland:* Additional resources were included in the stimulus packages instituted in response to the COVID-19 crisis to extend coverage and modify sick leave entitlements so that all persons would have paid sick leave, including all the workers who had not had that entitlement before. Also, as a COVID-19 containment measure, sick leave pay was increased from €203 to €305 per week. In addition, the means-testing requirement for the receipt of the supplementary sick leave subsidy was suspended.

*United Kingdom:* Sick leave entitlements were extended to all workers, including those who were quarantining and working from home.

*Italy:* Italy introduced temporary sick leave entitlements for independent workers.

*France:* In France, the government expanded sick leave entitlements to include workers who were self-isolating or caring for their children.

*Various countries:* In a number of countries (Canada, Denmark, Ireland, Sweden), the waiting period for entitlements and for sick leave payments was shortened.

Source: Prepared by the authors, on the basis of International Labour Organization (ILO), *Sickness Benefits during Sick Leave and Quarantine: Country Responses and Policy Considerations in the Context of COVID 19*, 2020, and United Nations, *Policy Brief: COVID-19 and Universal Health Coverage*, 2020.

Given the unconsolidated nature of Latin America's health systems prior to the pandemic, governments have sought to employ a variety of different types of measures to improve access to basic health care since the outbreak. Many of the countries have some form of sick leave benefit, but these systems' coverage and scope prior to the pandemic were limited. The percentage of people with contributory health insurance coverage, i.e. the percentage of employed persons who pay into or belong to a health-care system, edged up by only 4 percentage points (from 56.6% to 60.5%) between 2010 and 2019. This means that at least 40% of persons employed in the labour market had no health insurance (ECLAC, 2021b; Cecchini and others, 2015; OECD/World Bank, 2020). While 67.7% of salaried workers had health coverage before the pandemic, only 48.6% of non-salaried workers did, and the extent of coverage differed substantially between the bottom and top income deciles (ECLAC, 2021b). This situation hampers efforts to expand the coverage of health services and makes it necessary to strengthen the link between health-care and social protection systems by expanding monetary health entitlements during the pandemic, especially for informal and self-employed workers.

Some countries in the region have established special medical leave provisions for persons who need to go into quarantine so that COVID-19 patients do not have deductions made from their wages (Casalí, Cetrángolo and Pino, 2020; ECLAC, 2020e). For example, Mexico kept full wages for non-essential workers, and Peru guaranteed the wages of people who have been unable to telework (Casalí, Cetrángolo and Pino, 2020) and maintained EsSalud entitlements for persons who have been temporarily laid off. In Uruguay, the government has extended national health insurance coverage to workers who lost their jobs and to those whose unemployment insurance entitlements came to an end between 1 August and 31 October 2020 (Rossel and Gutiérrez, 2021).

## (b) Income or employment protection for formal workers

Income and employment protection for formal workers has proven to be a key tool in coping with the current crisis. Unemployment insurance not only serves to protect workers' incomes but is also a useful tool for helping businesses to avoid cutting jobs by providing entitlements for reduced workdays, partial unemployment entitlements or wage subsidies.

In developed regions, especially Europe, unemployment insurance coverage has been expanded, eligibility rules have been made more flexible and partial insurance arrangements for reduced working hours have been introduced (see box 3). Along the same lines, wage subsidies have been introduced for employers during the crisis to help them keep workers on their payroll; this type of financial support should also help them to make a faster recovery once the crisis is over (OECD, 2020a, 2020b; United Nations, 2020c). In Austria, for example, a new reduced-hour work schedule was negotiated that allows workers to remain on the payroll and provides them with income security.<sup>16</sup> Other countries, such as Denmark, Germany, Ireland, Norway and the United Kingdom, implemented similar models that are partly based on unemployment protection schemes.<sup>17</sup> In Italy, self-employed workers were able to apply for a one-off compensatory payment of €600 in March 2020 as part of the emergency package that was put in place. The response to COVID-19 in Spain has included the extension of temporary employment regulations to cover all workers who have been laid off or have had their work hours reduced along with a waiver of the minimum contribution period (OECD, 2020b). In addition, some governments have decided to suspend or adjust the job search requirements attached to unemployment insurance entitlements and the requirements of active employment programmes linked to such entitlements. Finally, a number of European countries have taken steps to ensure the swift and efficient delivery of unemployment entitlements by dispensing with waiting periods or other conditions and by using appropriate technologies and other communication tools to ensure the speed and security of payment transactions (ILO, 2020e).

### Box 3

#### Selected European countries: measures based on unemployment insurance

Some European countries have provided entitlements through their unemployment insurance systems to prevent workers from losing their jobs and/or to help companies avoid laying off workers if their business is hurt by a reduction of working hours, a reduction of business volume and/or temporary closures. Germany (*Kurzarbeit*), France (*activité partielle*), Ireland, the Netherlands (NOW), Spain (ERTE) and Switzerland, for example, have developed and expanded such programmes in close collaboration with management and labour associations.

*Germany:* Companies could apply for a shortened workday entitlement when the working hours of at least 10% of their staff was reduced by more than 10%, provided that they keep the workers on their payroll. The government provided a replacement pay rate of 60% for the hours not worked for workers who do not have children and a rate of 67% for those who do. Under this scheme, the replacement pay entitlement helped to offset the reduction in income caused by the shortening of the workday while the employer continued to pay the regular hourly wage for the hours that are actually worked. The *Kurzarbeit* job retention scheme was in place before the pandemic, and no termination of the programme was planned.

<sup>16</sup> In this case, according to information for March 2020, employees were only required to work an average of 10% of their normal working time over a three-month period and, if necessary, their workdays can be temporarily reduced to zero hours. Depending on an employee's previous income level, the scheme provides compensation of between 80% and 90% (including special payments) of a person's wage and can be used by any business, regardless of its size or its branch of activity (OECD, 2020b).

<sup>17</sup> In Germany, for example, the government launched an emergency financial assistance programme under which cash payments were made to support self-employed workers who have no employees and small business owners. Germany also authorized the deferral of tax payments and lifted penalties for late payments for persons directly affected by the COVID-19 crisis. In addition, liquidity support programmes and access to low-cost credit for businesses were expanded. In the same vein, Spain launched a special subsidy for domestic service workers who have been dismissed or have had their working hours reduced during the health crisis. This benefit amounted to 70% of a domestic employee's regulatory base wage and is proportional to the reduction in working hours (OECD, 2020b).

## Box 3 (concluded)

*France:* In France, companies could invoke the pandemic as an instance of force majeure, which permitted them to use the *Activité Partielle* program. Under this program, which was already in existence before the pandemic, companies could apply for a partial activity allowance retroactively for up to 30 days from the first reduction of working hours. Applications for authorization were deemed to have been granted if companies received no response within 2 days instead of the usual 15 days. The maximum duration of this measure was lengthened from 6 to 12 months. All employees with a contract (it does not have to be a permanent contract) were eligible for this allowance, which covered 70% of their gross salary. During the COVID-19 crisis, most employers did not have to bear any of the cost of the lost working hours, as the government reimbursed them for what they pay their employees for the hours not worked up to a limit of 4.5 times the minimum hourly wage.

*Italy:* Italy has vastly expanded its pre-existing *Cassa Integrazione Guadagni* (CIG) programme to include businesses of any size in all sectors of the economy. In order to apply for the allowance, all a company had to do was to declare that it has been adversely affected by the COVID-19 crisis; no detailed evidence was to be provided. Applications could be submitted within four months of the start of the reduction in business activity, and retroactive payments could be made covering periods starting from late February 2020 on. Some more recent recipients had difficulty in joining the plan and receiving immediate support, however. Employers normally bear a part of the cost of these entitlements, but that has been suspended during the pandemic. The size of worker entitlements under this scheme has not changed.

*Greece:* The *Syn-ergasia* (STW) was a new temporary programme that lasted from 15 June 2020 to 31 December 2020. Employers were eligible for the benefit if they had experienced a drop in revenues of at least 20% in the preceding months. Under this scheme, employers could reduce the working hours by 50% for one or more of their employees, who were then paid 60% of their net hourly wage by the government for their lost working hours. The employers' social security contributions were covered by the government for the first six weeks under this plan. Only full-time employees were eligible.

*United Kingdom:* Under the United Kingdom's Coronavirus Job Retention Scheme, workers who had been laid off could go back to work on a part-time basis starting on 1 July. From 1 August on, employers had to begin bearing an increasing proportion of the furlough costs until they reached the point where they were covering the full cost of this arrangement (employers' social security contributions for hours not worked, plus an additional 10% of normal earnings in September and again in October), while workers continued to receive at least 80% of their wage. The government then introduced a bonus payment under the Job Support Scheme of £1,000 in February 2021 as a stimulus payment to promote the return of workers who had been furloughed under the Coronavirus Job Retention plan. This programme was to remain in effect until 30 September 2021.

Source: Prepared by the authors, on the basis of International Labour Organization (ILO), *Unemployment Protection in the COVID-19 Crisis. Country Responses and Policy Considerations*, 2020, International Labour Organization (ILO), *Temporary Wage Subsidies*, 2020, Organisation for Economic Co-operation and Development (OECD), *Job Retention Schemes during the COVID-19 Lockdown and Beyond*, 2020, and Organisation for Economic Co-operation and Development (OECD), *Employment Outlook 2021: Navigating the COVID-19 Crisis and Recovery*, 2021.

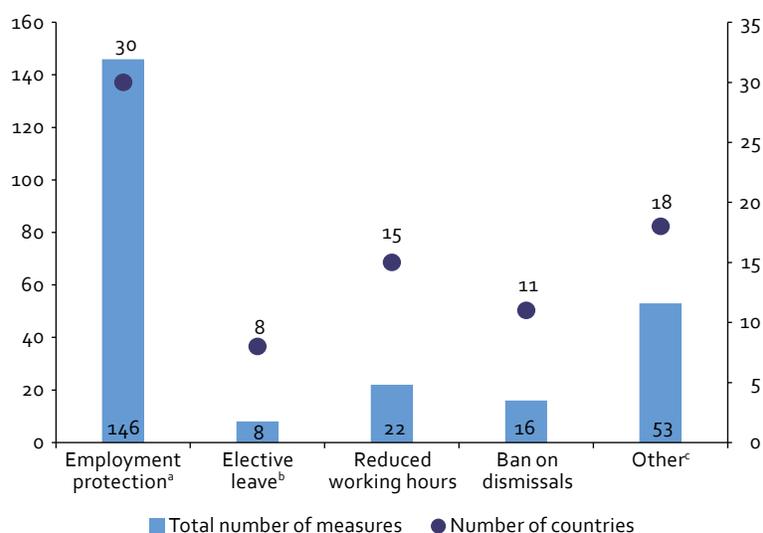
Latin American and Caribbean countries have also adopted contributory and non-contributory (via cash transfers) measures to protect formal workers' incomes (see figure 8). This has been done through the use of two key mechanisms: a reduction of barriers to access to unemployment insurance during the pandemic, and the introduction of new or extended employment retention entitlements in the event of a loss of income due to partial unemployment or temporary layoffs (see box 4).

Unemployment insurance coverage is much more limited than in developed regions such as Europe, however. According to ILO, around 2017/2018, only 37.3% of workers were covered by unemployment protection schemes.<sup>18</sup> In response to the emergency, however, some countries have increased unemployment insurance coverage or entitlements or adapted their unemployment insurance schemes to make them more responsive or flexible. In Chile, a law has been passed that gives workers access to unemployment insurance entitlements to cover part of their lost income under certain circumstances, such as the temporary closure of a company, the suspension of employment contracts and a reduction in the workday, while employers remain under an obligation to pay their social security contributions. A

<sup>18</sup> Includes mandatory and voluntary schemes (ILO, n/d).

supplementary regulation was approved on 1 October 2020 to make domestic service workers eligible for unemployment insurance; this also makes them eligible for the special entitlements established under the new law. Barbados has established a temporary benefit for workers who were not eligible for unemployment entitlements even though they were paying into the National Social Security Service. In the Bahamas, this benefit was extended to include workers in the tourism sector. Anguilla has introduced a temporary income maintenance benefit for unemployed workers that covers 100% of the wages of insured workers and 80% of uninsured workers' wages (ECLAC, 2021b). Other measures rolled out in the region include increases in the amount of these entitlements and extensions of the time period during which unemployment entitlements can be received (ECLAC, 2021c; ILO, 2020k).

**Figure 8**  
**Latin America and the Caribbean (31 countries): employment protection measures**  
**introduced during the pandemic**  
*(Number of measures and countries)*



Source: Prepared by the authors, on the basis of official information from the countries from Economic Commission for Latin America and the Caribbean (ECLAC), COVID-19 Observatory in Latin America and the Caribbean [online] <https://www.cepal.org/en/topics/covid-19> [accessed on 16 August 2021].

<sup>a</sup> Includes wage subsidies, the possibility of teleworking, special extensions of postnatal leave, direct transfers to formal workers and modified unemployment insurance entitlements.

<sup>b</sup> Includes paid sick leave, work suspensions for persons who cannot telework or the authorization of vacation time advances.

<sup>c</sup> Includes income transfers for informal or self-employed workers, wage freezes for civil servants, wage subsidies for vulnerable small businesses, the creation of temporary jobs and renewals of wage subsidies.

**Box 4**  
**Selected Latin American countries: income and employment protection measures**  
**for formal workers in response to the COVID-19 crisis**

*Argentina:* In Argentina, employers experiencing a significant reduction in turnover or companies in which a significant number of workers become infected with COVID-19 are eligible to receive a wage bill subsidy from the National Social Security Administration (ANSES) in exchange for guaranteeing that they will not lay off workers during a specified period.

*Bermuda:* Bermuda introduced unemployment insurance for full-time workers who were dismissed because of the pandemic or who were placed in a mandatory medical quarantine and had no income and did not receive other forms of financial assistance. Persons receiving this entitlement became eligible to apply for financial assistance if they were still unemployed after receiving the unemployment insurance allowance for 18 weeks.

Box 4 (concluded)

*Chile:* In Chile, the Employment Protection Act is designed to protect workers' source of employment and allow them to receive unemployment insurance entitlements and supplementary allowances under the following circumstances: (i) their employment contract is suspended under a government order (quarantine or lockdown); (ii) they and their employer have reached a work furlough agreement; (iii) they agree to an employment furlough under the terms of the Parenting Protection Act; or (iv) a temporary workday reduction agreement has been reached. This law temporarily modifies the requirements of the unemployment insurance scheme and increases the size of the payment and the length of time for which a person can draw unemployment entitlements. It also introduces several refinements in pre-existing employment protection entitlements. The measure applying to temporary reductions in working hours is to remain in effect until December 2021.<sup>a</sup>

*Mexico City:* Mexico City expanded the coverage of the unemployment insurance system that was in place before the pandemic to include categories of formal workers who had not previously been eligible for that allowance or for non-contributory transfer programmes.

*Colombia:* Colombia made it easier for persons to have their names entered on the unemployment rolls of Pension and Unemployment Fund Management Companies (Decree 488/2020). Under the new rules, employees can apply for unemployment insurance entitlements if their employers have reduced their wages.

*Uruguay:* Uruguay has introduced a partial unemployment insurance scheme for workers whose employment situations have been negatively affected by the COVID-19 pandemic. This new measure has increased the flexibility of the existing unemployment insurance programme (established by Act No. 15.180), allowing workers to draw entitlements for a given number of days or half-days instead of an entire month. The scope of the flexible unemployment insurance scheme has also been expanded to include other sectors of activity (education, culture and sports). The partial unemployment allowance covers lost wages for up to a maximum of 19 days per month for persons whose monthly hours have been reduced by the equivalent of at least six full days. It also covers workers whose daily working hours have been reduced by at least 50% and workers who are employed part time or who work on a commission basis and who have experienced a reduction of 50% or more in their average earnings for the immediately preceding six-month period. The partial unemployment insurance programme was originally designed as a temporary measure, but it has been extended by ministerial resolution several times since the start of the pandemic.

Source: Prepared by the authors, on the basis of Economic Commission for Latin America and the Caribbean (ECLAC), *Social Panorama of Latin America, 2020* (LC/PUB.2021/2-P/Rev.1), Santiago, 2021, International Labour Organization (ILO), *COVID-19 and the English- and Dutch-speaking Caribbean Labour Market. A Rapid Assessment of Impact and Policy Responses at the End of Q3, 2020*, Port of Spain, 2020, and Economic Commission for Latin America and the Caribbean (ECLAC), COVID-19 Observatory in Latin America and the Caribbean [online] <https://www.cepal.org/en/topics/covid-19>.

<sup>a</sup> See [online] <https://www.chileatiende.gob.cl/fichas/77784-ley-de-proteccion-al-empleo>.

## 2. Non-contributory social protection: social assistance measures and minimum welfare guarantees

### (a) Cash transfers for vulnerable sectors

As mentioned earlier, cash transfers to people in situations of vulnerability are a central component of the social protection measures instituted in response to the COVID-19 crisis at the international level and in Latin America, in particular (ECLAC, 2020a, 2021b and 2021c; Gentilini and others, 2020). In the regions where cash transfers have made up the largest share of crisis relief packages, efforts have focused on developing new income protection programmes for informal workers and their families and on expanding and increasing cash transfers for the most vulnerable households in the event of a loss of income.

In some developed countries with welfare regimes in the Anglo-Saxon tradition, such as the United States and Japan, emphasis has been placed on household income transfers. In the United States, for example, the Families First Coronavirus Response Act and subsequent legislation authorized a transfer of US\$ 1,200 for each adult and US\$ 500 for each child in families with a gross annual income of less than US\$ 75,000 (single-parent families), US\$ 112,500 (two-parent families with one spouse contributing) and US\$ 1,500,000 (two-parent families with both spouses contributing). The benefit then declines at a rate

of US\$ 5 for every US\$ 100 in income above those thresholds (Gentilini and others, 2020).<sup>19</sup> In Japan, a transfer of US\$ 930 for each citizen has been paid to heads of household. The estimated cost of this transfer is approximately 2% of GDP. A family allowance has also been established for each child in addition to the regular family allowance (Gentilini and others, 2020).

Cash transfers have been one of the top-priority and most frequently used measures for governments in Latin America and the Caribbean. Generally speaking, the transfer payments issued in response to the crisis have been designed for different population groups and authorized for varying periods of time. As of 22 January 2021, informal workers were the main target population for 13 (8%) of the 170 measures designed to ease the economic problems of the most vulnerable families in the region. Informal workers and other vulnerable workers have been two of the main target populations for these measures (ECLAC, 2021b and 2020c). This group (which often includes workers engaged in atypical forms of employment, along with own-account and other types of informal workers) constitutes a particularly vulnerable population because its members are often not covered by any contributory system but are also generally not eligible for non-contributory protection schemes either. Information systems and registries have been overhauled and updated in order to incorporate informal workers who had previously often been off the radar screen.

In 2020-2021, 20 countries<sup>20</sup> have implemented 34 cash transfer programmes specifically targeting informal and other vulnerable workers in order to meet the needs created by the further destruction of informal employment and the consequent reduction in these workers' incomes (ECLAC/ILO, 2020b). In Peru, three different transfers have been introduced for this group of workers: two relief payments referred to as "universal" allowances and a special bonus payment for the self-employed; the third of these transfers was a cash benefit over a five-month period specifically targeted at informal and self-employed workers with fluctuating daily incomes. Haiti has provided cash transfers to as many as 124,000 households of informal workers who are usually not eligible for cash transfer programmes. The Bolivarian Republic of Venezuela distributed one-time "Discipline and Solidarity" bonuses to workers in the informal economy, and Paraguay instituted its *Pytyvõ* Subsidy and *Pytyvõ* Subsidy 2.0 programmes for informal workers who are self-employed or who work for a micro-, small or medium-sized enterprise. Priority has been given to eligible workers living in border cities.

Most of these transfers have been one-time payments, as in the case of the transfer made under Guatemala's Support for People's Commerce Programme, which provided US\$ 130 per household to its target population of informal workers. However, a number of the programmes that only lasted for three months covered a large part of the population. For example, the *Proteger* ("protect") scheme in Costa Rica provided US\$ 214 per person not only to informal workers but also to formal employees and unemployed persons.

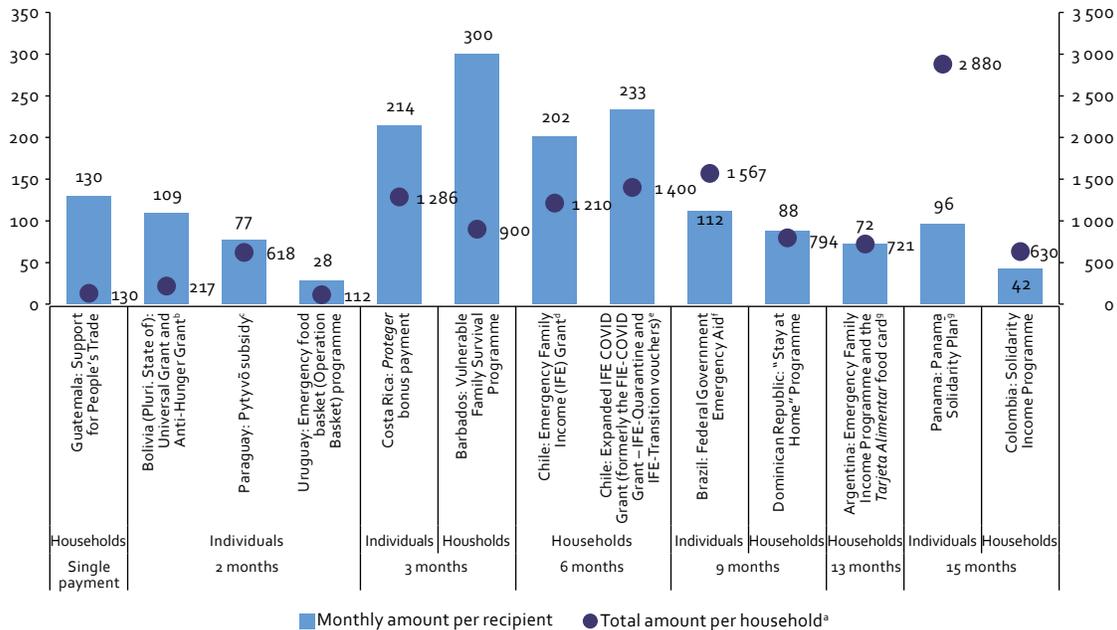
As of 8 March 2021, there were a total of seven programmes that were still making transfer payments to informal workers and other vulnerable people. There are also a number of schemes in the region that have made repeated transfers and/or have been expanded during the pandemic. For instance, Chile's Emergency Family Income (IFE) Programme has continued to operate in 2021. It started with one instalment and later gave way to the IFE Programme 2.0, which made five payments totalling US\$ 1,210 per household (see figure 10). In addition, there was the Expanded IFE COVID Voucher, which included the IFE-Quarantine and IFE-Transition vouchers, and, all told, provided another US\$ 1,210 per household during the six months during which that programme was in operation (see figure 9). More recently, Chile introduced a universal emergency IFE allowance (see box 5).

<sup>19</sup> See [online] <https://www.vox.com/future-perfect/2020/3/23/21190955/stimulus-checks-from-government-approved>.

<sup>20</sup> While these 20 countries include the Bolivarian Republic of Venezuela and Haiti, figures for those two countries are not included in figure 9 because the necessary data are not available. Other countries that have made transfer payments to informal workers include El Salvador (a US\$ 300 grant/subsidy), Jamaica (the COVID-19 Compassionate Grant paid out under the CARE Programme), Argentina, Ecuador (a family protection grant), Peru (a bonus for self-employed workers and two family bonuses), the Plurinational State of Bolivia, Saint Vincent and the Grenadines (the Displacement Supplementary Income stimulus package and Interim Assistance Benefits for workers in the informal sector) and Saint Lucia (the Self-Employed Subsistence Allowance).

**Figure 9**  
**Latin America and the Caribbean (12 countries): emergency cash transfers to informal workers, by type of recipient (individual or household) and duration, up to 8 March 2021**

(United States dollars)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official information from the countries, COVID-19 Observatory in Latin America and the Caribbean [online] <https://www.cepal.org/en/topics/covid-19> and "Social Development and COVID-19 in Latin America and the Caribbean", Observatory on Social Development in Latin America and the Caribbean [online] <https://dds.cepal.org/observatorio/socialcovid19/en/listamedidas.php>.

<sup>a</sup> The figure includes selected programmes for informal workers announced between 1 March 2020 and 8 March 2021. In the case of schemes in which payments were made to individuals, the receipt of two payments per household is assumed. The calculation of the total amount per family takes into account the duration of the programme and the number of recipients per household. For the conversion of local currency sums into United States dollars, the average monthly exchange rate for January 2020 was used.

<sup>b</sup> Single-payment programmes. The universal bonus was 500 bolivianos (US\$ 72), and the anti-hunger bonus was 1,000 bolivianos (US\$ 145).

<sup>c</sup> Includes the two-month Pytyvõ and Pytyvõ 2.0 programmes, which paid out US\$ 81 and US\$ 74 per person per month, respectively.

<sup>d</sup> Since the total amount per household varied according to its composition and source of income (formal or informal workers), the average amount of the single payment made by IFE 1.0 (US\$ 193) and the average amount of the five payments made by IFE 2.0 (about US\$ 157) are used.

<sup>e</sup> Includes the COVID (IFE-Preparation and Opening) voucher. Since the total amount per household varied according to its composition, the average amount of each of the payments has been used. The average amount of the first three payments was approximately US\$ 160, while the average of the last payments was approximately US\$ 307.

<sup>f</sup> After April 2020, each payment was for 600 reais (US\$ 112). In September 2020, this programme was extended for four more instalments (up to December 2020, for a total of nine months) of half the original amount, i.e. 300 reais (US\$ 56) per person.

<sup>g</sup> This includes the 3 monthly emergency family income payments of US\$ 138 each and 10 monthly food card instalments of US\$ 65 each.

### Box 5

#### Selected Latin American countries: new emergency entitlements and transfers for informal workers

**Argentina:** Between March and May 2020, Argentina provided Emergency Family Income (IFE) payments to informal workers, domestic service workers and taxpayers in the lowest income brackets. The IFE benefit is roughly the equivalent of US\$ 150 per month per recipient, which is about 60% of the Adjustable Minimum Living Wage. The country has subsequently rolled out a series of measures, including the *Potenciar Trabajo* ("boost work") Programme, which provides each recipient with 50% of a minimum wage, and a 50% increase in the sum loaded onto the *Tarjeta Alimentar* food card, which is provided to families with children and adolescents up to the age of 14 for the purchase of staple foods.

**Bolivarian Republic of Venezuela:** The Discipline and Solidarity Bonus was a one-off payment made to informal workers.

## Box 5 (concluded)

*Brazil:* An emergency aid allowance (*Auxílio Emergencial*) has been paid to independent workers who have no formal employment contract or regular income during the health crisis. This measure was extended in April 2021 for a period covering seven more payments after having been in effect during nine months in 2020. The payment has been cut to less than half of what it was in 2020 (250 reais per month instead of 600 reais per household) but is more (375 reais per month) for single-parent households in which a woman is the sole breadwinner (ECLAC, 2021a).

*Chile:* The Emergency Family Income (IFE) Programme was initially designed to cover the most vulnerable 60% of the population. As it was expanded, the transfer was converted into payments of varying amounts depending on the extent of a household's vulnerability and the size of the nuclear family and on whether the source of income is the formal or informal employment. After a succession of increases and the programme's inclusion in the 2021 Budget Act so that it can be activated in the event of further lockdowns, over the course of the period from June to August 2021 it was converted into a universal scheme designed to cover at least 90% of all households listed on the Household Social Registry (the other 10% of households on the Registry have per capita incomes of over 800,000 pesos per month).<sup>a</sup> The aim is to ensure that no one remains below the poverty line.

*Colombia:* The country's Solidarity Income Programme is targeted at informal workers not covered by other programmes (specifically the Families in Action, Youth in Action and Colombia Elderly programmes). The Solidarity Income Programme was originally intended to last for just three months (from March to May) but was later extended up to August 2021.

*Costa Rica:* The *Proteger* ("protect") bonus payment, which was originally supposed to be in place for three months, was intended to mitigate the loss of income experienced by wage earners, own-account workers and informal workers. Under this scheme, the bonus payment was equivalent to a monthly transfer of US\$ 220 for people whose workday had been reduced by more than 50% and one of US\$ 110 for people whose working hours had been reduced by 50% or less.

*Ecuador:* A special COVID-19 Contingency Benefit was introduced for workers sickened by COVID-19 and for affected workers employed in the informal economy and their families.

*Paraguay:* The *Pytyvõ* subsidy consisted of two cash transfers to persons in the informal employment who were impacted by the pandemic, while the *Pytyvõ 2.0* subsidy was given to informal workers, with priority being given to those living in border areas, for three months.

*Peru:* Made a "Stay at Home" payment of around US\$ 110 to waste pickers during the lockdown in that country. It also made two one-off cash transfers (the Universal Family Bonus and the Second Universal Bonus) to the most vulnerable (informal and independent) workers.

*Plurinational State of Bolivia:* The Family Allowance was a one-off transfer to low-income households with children enrolled in primary educational establishments who were not being served by school meal programmes while schools were closed. The Universal Bonus Payment was a one-off transfer to members of the population not receiving other types of crisis relief payments. The total of the two transfers was equivalent to around US\$ 73 per household.

Source: Prepared by the authors, on the basis of Economic Commission for Latin America and the Caribbean (ECLAC), COVID-19 Observatory in Latin America and the Caribbean [online] <https://www.cepal.org/en/topics/covid-19>, "Social Development and COVID-19 in Latin America and the Caribbean", Observatory on Social Development in Latin America and the Caribbean [online] <https://dds.cepal.org/observatorio/socialcovid19/en/listamedidas.php>, "The recovery paradox in Latin America and the Caribbean. Growth amid persisting structural problems: inequality, poverty and low investment and productivity", *COVID-19 Special Report*, No. 11, Santiago, July 2021, and *Social Panorama of Latin America, 2020* (LC/PUB.2021/2-P/Rev.1), Santiago, 2021.

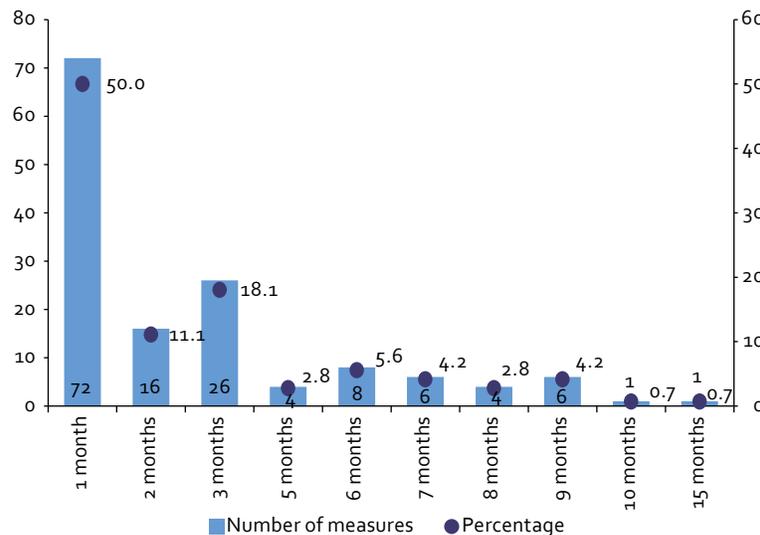
<sup>a</sup> See [online] <https://www.ingresodeemergencia.cl/faq>.

The pandemic has served to highlight the important role that informal workers play in the countries' economies. This is reflected in the scale of the measures taken to provide economic support for the vast majority of workers and other sectors of society. These measures have sought to enable informal workers to cope with the fallout from the pandemic, especially given the job and economic insecurity associated with their ineligibility for the targeted entitlements of non-contributory social protection or social security systems (ECLAC, 2021b). While this innovation and the assistance provided to this population group, which has traditionally been excluded from access to social protection, have certainly been valuable, these measures have been limited in both duration and in terms of the amount of relief provided (see figure 9). More permanent and comprehensive social protection strategies for assisting this population will therefore need to be devised during the recovery (ECLAC/ILO, 2021).

Many Caribbean countries had taken steps to extend access to unemployment entitlements and insurance to self-employed persons or other people who have not traditionally had this type of coverage. According to information from ILO (2020k), in seven countries —Anguilla, Antigua and Barbuda, Belize, Dominica, Montserrat, Saint Lucia and the Bahamas— people did not have to have unemployment insurance or to have paid into the social security system in order to receive the temporary unemployment entitlements that were provided. The experience of the Caribbean shows how the use of administrative records (such as, in this case, social security records) to identify and provide entitlements to vulnerable persons in emergency situations could be a jumping-off point for institutionalizing these temporary unemployment entitlements, converting them into longer-term unemployment insurance coverage and combining them with labour inclusion programmes (ILO, 2020k). This kind of approach could also provide a way for these countries to broaden their tax base.

Another innovation, in addition to the extension of these measures to include informal workers, has been a shift towards unconditional cash transfers in various countries that are broadening eligibility for these types of entitlements. These emergency types of income support for persons who are not eligible for pre-existing insurance schemes are needed in order to avert a deterioration in these workers' living conditions (ILO, 2020e). In some cases, these emergency entitlements take the form of a one-off transfer; in others, they have been extended for as much as a year in order to enable these groups to maintain a basic level of consumption (ECLAC, 2021b). This represents an important and possibly transformative innovation in the region's social protection systems, which have traditionally had a dual structure based on contributory and non-contributory pillars (Velásquez Pinto, 2021). The new programmes vary in terms of duration, generosity and target populations (ECLAC, 2021b) (see box 5).

**Figure 10**  
Latin America and the Caribbean (32 countries):<sup>a</sup> cash transfer programmes,  
by duration (in months), from 1 March 2020 to 22 January 2021<sup>b</sup>  
(Number of measures and percentage distribution)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official information from the countries, COVID-19 Observatory in Latin America and the Caribbean [online] <https://www.cepal.org/en/topics/covid-19> and "Social Development and COVID-19 in Latin America and the Caribbean", Observatory on Social Development in Latin America and the Caribbean [online] <https://dds.cepal.org/observatorio/socialcovid19/en/listamedidas.php>.

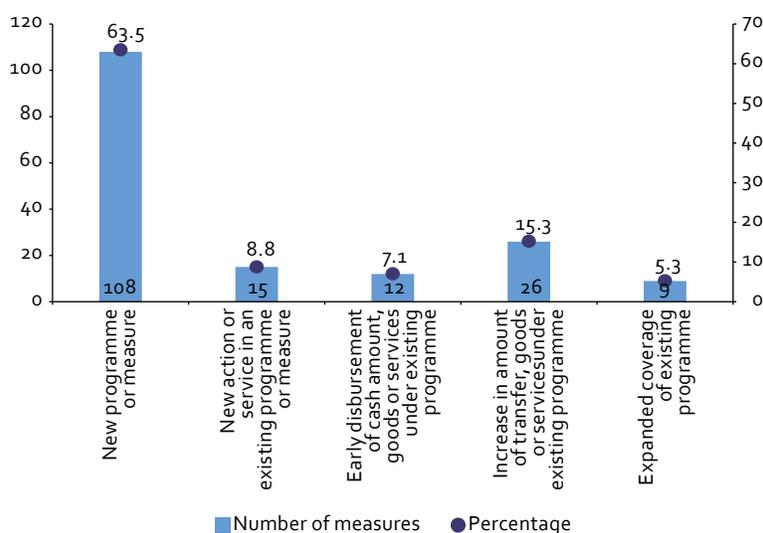
<sup>a</sup> Antigua and Barbuda, Argentina, Bahamas, Barbados, Belize, Bolivarian Republic of Venezuela, Brazil, Chile, Colombia, Costa Rica, Cuba, Dominican Republic, Ecuador, El Salvador, Grenada, Guatemala, Guyana, Haiti, Honduras, Jamaica, Mexico, Nicaragua, Panama, Paraguay, Peru, Plurinational State of Bolivia, Saint Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Suriname, Trinidad and Tobago, and Uruguay.

<sup>b</sup> No official information is available on the duration of 26 of these measures.

The available information on cash transfer programmes for vulnerable population groups in Latin America and the Caribbean that were announced up to 22 January 2021 indicates that 114 measures (79.3% of the total) had a duration of three months or less, and 72 of them had a duration of just one month) (see figure 10). Interesting exceptions include Colombia's Solidarity Income Programme for informal workers, which has been in operation for 15 months, and the Bahamas' Government-Funded Unemployment Assistance for COVID-19 initiative, which was launched in April 2020 and ran for 10 months, until January 2021.

In all, 63.1% of the cash transfer initiatives have been new programmes and emergency mechanisms created in response to the pandemic, while 15 of the pre-existing programmes or mechanisms added new measures or services and 47 of them increased or advanced the cash amounts, goods or services they provide, as well as expanding their coverage (see figure 11). Perhaps some of the most important changes made in the usual operating parameters for transfer programmes have been the increase in transfer amounts and the expansion of the coverage of pre-existing programmes (Rubio and others, 2020b).

**Figure 11**  
Latin America and the Caribbean (32 countries):<sup>a</sup> cash transfer programmes,  
by type of innovation, from 1 March 2020 to 22 January 2021  
(Number of measures and percentage distribution)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official information from the countries, COVID-19 Observatory in Latin America and the Caribbean [online] <https://www.cepal.org/en/topics/covid-19> and "Social Development and COVID-19 in Latin America and the Caribbean", Observatory on Social Development in Latin America and the Caribbean [online] <https://dds.cepal.org/observatorio/socialcovid19/en/listamedidas.php>.

<sup>a</sup> Antigua and Barbuda, Argentina, Bahamas, Barbados, Belize, Bolivarian Republic of Venezuela, Brazil, Chile, Colombia, Costa Rica, Cuba, Dominican Republic, Ecuador, El Salvador, Grenada, Guatemala, Guyana, Haiti, Honduras, Jamaica, Mexico, Nicaragua, Panama, Paraguay, Peru, Plurinational State of Bolivia, Saint Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Suriname, Trinidad and Tobago, and Uruguay.

#### (b) Non-contributory pensions and other entitlements for older adults

COVID-19 has had profoundly negative effects on the well-being of the older adult population. It is therefore especially important to take into account the special circumstances of this population group, especially those of its members who are the most vulnerable.

In the developed world, several countries instituted special pension payments or tax deductions for older adults. In Canada, for example, an online payment of Can\$ 300 was introduced for old-age security pension recipients and an additional Can\$ 200 was made available to those who were also eligible for the

guaranteed income supplement.<sup>21</sup> In Slovenia, recipients of smaller pensions received a solidarity bonus. In Lithuania, a special €200 voucher was introduced for older adults, persons with disabilities, orphans and others. In Hungary, measures were approved to introduce an additional benefit equivalent to a month's pension (a "thirteenth month") to pension recipients (Natali, 2020).

Although in a much more diluted form, Latin America has been setting up non-contributory pension systems over the last two decades that provide cash transfers to vulnerable older adults. These systems are much less robust than in some other regions, however. Between 2010 and 2019, the coverage of contributory or non-contributory pension programmes for persons aged 65 and over rose from 65.1% to 74.6% in 15 Latin American countries. Most of this increase is accounted for by the expansion of non-contributory pension coverage (ECLAC, 2021b).

As part of their crisis relief packages, several countries in the region increased the pension amounts paid by their non-contributory pension systems, made advance payments of old-age entitlements for a certain period of time and established new payment mechanisms to reduce the need for people to travel to receive their pensions and to ensure continuity of access (ILO, 2020f). For example, Colombia raised the amounts paid by its Colombia Mayor ("Elder Colombia") programme, providing 15 additional transfers to programme participants between April 2020 and June 2021. In Brazil, Colombia, Costa Rica, Peru, Paraguay, Mexico and Saint Vincent and the Grenadines, early payments were made on non-contributory and, in some cases, contributory pensions for the older adult population (Casalí, Cetrángolo and Pino, 2020; ECLAC, n/d c). In Brazil, an advance transfer was provided for persons with disabilities and older adults receiving the continuing pension benefit (BPC) while waiving the requirement to have an in-person medical check-up. Programme applicants on the waiting list received R\$ 600 in advance, and the income threshold for eligibility was made more flexible.<sup>22</sup> In Costa Rica, the payment of pensions under both the non-contributory system and the disability, old age and death insurance (IVM) plan was brought forward between March and July 2020. Mexico paid four months' worth of pension entitlements in advance under its old-age pension programme. In Paraguay, the payment of the pension for older adults living in poverty was brought forward, and Peru made advance payments under its Pension 65 Programme for older persons living in poverty or extreme poverty. This was also done in Saint Vincent and the Grenadines, where an advance payment was announced for persons receiving either contributory or non-contributory pensions.

Recent studies show that pre-existing pension programmes, such as the Dignity Income Programme of the Plurinational State of Bolivia, have been effective in slowing the deterioration of living conditions caused by the COVID-19 crisis (Bottan, Hoffmann and Vera-Cossio, 2020).

Extra payments have also been made to persons with small pensions in both the contributory and non-contributory systems (ECLAC, 2021b). For example, as part of the Food Programme of the National Institute of Social Services for Retirees and Pensioners (PAMI), Argentina's National Social Security Administration (ANSES) made a one-off bonus payment to retirees between May and July 2020 in lieu of the usual box of food. A special bonus payment was made to persons receiving non-contributory pensions in April 2020, and in April and May 2021 a special subsidy for retirees was announced.

### (c) In-kind transfers

In-kind transfers have been another type of social protection measure employed during the COVID-19 crisis. Most of these kinds of transfers have taken the form of food supplies to supplement cash transfers, particularly in cases where food programmes involving in-person food deliveries had to be suspended.

According to a survey conducted by Gentilini and others (2020), as of December 2020, 177 mechanisms for in-kind transfers of food and vouchers had been introduced in 110 countries. In addition, 30 school meal schemes had been adopted in 27 countries (Gentilini and others, 2020).

<sup>21</sup> See [online] <https://www.canada.ca/en/employment-social-development/news/2020/07/canadian-seniors-to-receive-one-time-tax-free-payment-this-week.html>.

<sup>22</sup> This measure is to be in force until 31 December 2021.

In-kind transfers have played a particularly important role in Latin America and the Caribbean. According to ECLAC data from the COVID-19 Observatory in Latin America and the Caribbean, as of January 2021 there had been 82 initiatives to provide in-kind transfers of food, medicines, hygiene products and contraceptives to combat the effects of the pandemic. Studies covering the period up to November 2020 indicate that these transfers accounted for 28% of the non-contributory measures rolled out in the region (ECLAC, 2021c).

The distribution of food directly to households or through institutional mechanisms such as schools or canteens has been a central part of the governments' response (ECLAC, 2020c; Rubio and others, 2020b). A number of countries have taken steps to ensure the continuity of school meal programmes despite temporary school closures, most often by delivering meal kits to be prepared at home (ECLAC/ UNESCO, 2020); 21 of the 33 countries in the region have kept up these programmes in various forms (ECLAC, 2021b). Examples include the My School Lunch with My Family Programme in Paraguay, the direct delivery in El Salvador of what are known as "family school meal packages" in municipalities in that country which, in addition to the impacts of the pandemic, must also get through a torrential rainy season, and the Qali Warma Programme, which has been expanded on an exceptional basis to permit municipalities in Peru to purchase and deliver food to vulnerable people or population groups (Rubio and others, 2020b). Blended approaches have also been used for cash transfers in Trinidad and Tobago, where food cards are being distributed to vulnerable households with children.

In addition, in some countries, food programmes for families with children and older adults have been expanded to include the distribution of food baskets and the use of other delivery methods. Some of the most recent adaptations of these programmes in terms of their vertical and horizontal expansion include an increase in the allowance and the replacement of food baskets with cash vouchers have been introduced by the PAMI Programme in Argentina, while, in Uruguay, the second batch of food vouchers was distributed via a digital application (the first batch was delivered to 210,000 people). In Paraguay, the coverage of the Abrazo Programme's distribution of food baskets was expanded, reaching about 3,300 households by June 2021, and Chile launched its Food for Chile Plan, which delivers food baskets to the most vulnerable groups in the population and to middle-class families residing in areas placed under lockdowns (Rubio and others, 2020b).

Finally, support has been provided to the soup kitchens that have been set up in some of the countries of the region to provide food to the most vulnerable people. In Paraguay, food supplies have been provided to local municipality soup kitchens and, in Chile, the "Elige Vivir Sano" ("Choose a healthy lifestyle") programme has delivered food to 130 soup kitchens as well as providing educational information and dietary recommendations.

#### **(d) Policies to guarantee access to basic services**

Guaranteed access to basic services has been an important part of many countries' response to the pandemic. Various countries have been devising new and innovative types of social protection measures to ensure and facilitate access to basic utilities (water, electrical power, telephone service and Internet connectivity) by deferring charges, providing extra use allowances and refraining from cutting off services for non-payment (ECLAC, 2020c) (see box 6). As indicated by ECLAC data from the COVID-19 Observatory in Latin America and the Caribbean, as of January 2021, 45 measures of this type had been put forward, with a majority of them focused on the reconnection of water and electricity services.<sup>23</sup>

<sup>23</sup> Antigua and Barbuda, Argentina, Bahamas, Barbados, Belize, Brazil, Colombia, Costa Rica, Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, Jamaica, Panama, Peru, Plurinational State of Bolivia, Saint Vincent and the Grenadines, and Uruguay. See also Rubio and Escaroz (2020b).

**Box 6****Selected Latin American countries: measures for providing access to basic services**

Some of the main measures introduced in order to ensure that people have access to basic services (including the Internet and telephone service) have been:

*Argentina:* Argentina unveiled inclusive Internet and telephone service plans offering a basic minimum data packet and connection minutes for poor or vulnerable people at the start of 2021. Companies have been prohibited from cutting off service to retirees, electricity-dependent patients, recipients of the Universal Child Allowance (AUH) or the Universal Social Protection Allowance for Expectant Mothers (AUE) and a number of other groups. In addition, service cut-offs for lack of payment have been suspended and rate freezes have been instituted.

*Bolivarian Republic of Venezuela:* The eviction of small business owners and families from rental properties was banned until December 2020.

*Brazil:* Low-income families were exempted from paying their electricity bills for three months (until June 2020).

*Colombia:* The government has banned the suspension of telecommunications services for the duration of the state of emergency for all users who have unpaid bills for these services. The balance of the debt can be deferred for a month, after which, if the user still cannot pay, the service providers must guarantee them a basic minimum of text messaging and Internet website access capacity. In addition, Internet service charges have been frozen and the tax on Internet access has been lifted.

*Ecuador:* Basic service and utility cut-offs for non-payment are banned and yearlong rate freezes for these services are in effect (until November 2021).

*Panama:* Panama established the Solidarity Education Plan under which students in the country's public schools are provided with free Internet access.

*Plurinational State of Bolivia:* The government banned cut-offs of water, electricity, natural gas and Internet service for the duration of the lockdown (until October 2020). It also prohibited companies from charging penalties for non-payment and paid the electricity bills of families whose bill did not exceed 120 bolivianos and paid 50% of water and natural gas bills for a period of three months (from 25 March to 25 June 2020).

Source: Prepared by the authors, on the basis of official information from the countries, Economic Commission for Latin America and the Caribbean (ECLAC), COVID-19 Observatory in Latin America and the Caribbean [online] <https://www.cepal.org/en/topics/covid-19> and "Social Development and COVID-19 in Latin America and the Caribbean", Observatory on Social Development in Latin America and the Caribbean [online] <https://dds.cepal.org/observatorio/socialcovid19/en/listamedidas.php>, and M. Rubio and others, *Protección social y respuesta al COVID-19 en América Latina y el Caribe. III Edición: seguridad social y mercado laboral*, Panamá/Brasília, United Nations Children's Fund (UNICEF) /International Policy Centre for Inclusive Growth (IPC-IG), 2020.

**(e) Labour market regulatory and activation measures**

Following the approach used by several authors (Cecchini and Martínez, 2011; Barrientos and Hulme, 2008; Hulme and Shepherd, 2003), this paper classifies regulatory and labour market activation measures as a type of social protection measure.<sup>24</sup> In the context of the pandemic, governments need to invest in these kinds of measures and integrate them with the other main types of social protection measures in order to forge a strategic linkage for powering a recovery. Labour and productive inclusion programmes (also known as active labour-market policies) include actions aimed at upgrading the labour supply, either through technical and professional training or by assisting vulnerable and/or adults living in situations of poverty to complete their primary and secondary educations, and at boosting the demand for labour, either by supporting independent forms of employment through the provision of microcredits and the promotion of self-employment and entrepreneurship or by means of direct and indirect job creation initiatives. In addition to these two groups of measures, there are also labour intermediation services that link labour supply and demand (Abramo, Cecchini and Morales, 2019).

These programmes can help the region go a long way towards achieving four major goals: job creation, securing change processes, equity and poverty reduction. On the one hand, labour and productive inclusion programmes have a direct impact on job creation when they deploy direct job creation measures and have an indirect impact when they help people become more employable by

<sup>24</sup> This viewpoint has, however, been subject to some discussion.

providing them with training and when they make use of job placement strategies. On the other hand, they can create mechanisms the backstop change processes by helping to identify any negative effects of structural transformations and shortfalls in the demand for employment and by providing temporary support to various sectors of the labour force through, for example, direct employment programmes. In addition, they help to achieve greater equity because they promote the integration of members of excluded sectors into the labour market and improve the conditions under which they enter the workforce (Abramo, Cecchini and Morales, 2019). Finally, they also help to reduce poverty by boosting employment, income levels and skills acquisition (ILO, 2003).

Labour and productive inclusion programmes are a particularly important tool for lessening downturns such as the present one and the ones that may occur in the future as natural disasters become more frequent. These programmes constitute a key social protection tool for dealing with the impacts of crises in terms of social and labour inclusion and their intersecting ramifications and for linking up the actions taken to address those situations. On the one hand, the countries have adopted a series of pioneering measures during lockdowns that have opened up opportunities for helping workers to build their skills and for linking up the income protection afforded by emergency cash transfers with ways to help people enter the labour market during the subsequent recovery. On the other hand, when lockdowns are not in effect, the provision of jobs either directly through public employment programmes or indirectly by supporting job creation with subsidies and the provision of support for disadvantaged or at-risk workers are bridge-building tools for bringing in or reintegrating groups that have special difficulties in finding employment (Abramo, Cecchini and Morales, 2019). In the context of the current crisis, three key groups of measures can be identified:

*Job placement services:* public employment services are of key importance in supporting people's job searches during the current crisis. These services help people who are not in the workforce to find employment and facilitate the placement of unemployed workers by matching up their employment profiles with vacancies advertised in labour exchanges. They also play an important role in referring workers to training opportunities, furnishing specialized services to employers and providing information on the labour market. Finally, placement services also play a key role in the development of measures for ensuring that unemployed and other economically inactive population groups have access to basic social services (ILO, 2020b; UNICEF, 2020a). Several countries have restructured the way that their job placement services operate since the COVID-19 crisis began by setting up systems for counselling job seekers virtually and shifting some staff over to the management of unemployment entitlements. Uruguay, for example, has encouraged employers to post help-wanted advertisements on a virtual employment portal which is accessible to job seekers and which also posts training opportunities and hosts online job fairs (ILO, 2020b). Job placement procedures have also been simplified and the office hours for service windows have been extended (ILO, 2020b).

*Vocational and job training:* vocational and job training policies are tools of pivotal importance for building back with greater equality in the aftermath of the current crisis. They can also play a particularly strategic role in improving the living conditions of the unemployed, persons with disabilities, women, members of the rural population and other at-risk population groups. A number of developed countries have undertaken vocational and job training initiatives. For example, in Australia, an additional fund has been established for unemployed job seekers aged 45 and over to help them obtain job training, with a special focus on digital literacy. In the Russian Federation, special subsidies are being provided for people at risk of losing their jobs so that they can upgrade their skills in different areas. The Danish government is using an "upskilling instead of dismissal" strategy to assist workers during the pandemic (ILO, 2020b).

*Temporary employment and direct employment programmes:* along with cash transfers, some countries are offering temporary employment or direct employment programmes. This has been a particularly popular approach in low- and middle-income countries which already have a long history of running programmes of this sort (ILO, 2020a).

In Latin America and the Caribbean, some important lessons have been learned from past crises, and a certain amount of installed capacity for carrying out these kinds of programmes is already in place (Abramo, Cecchini and Morales, 2019). Although they were clearly not designed to backstop a public health strategy that has involved paralysing a large part of the economy and locking down the population, these programmes have proved useful in dealing with a temporary drop in labour demand and effective in countering short-term income losses because they make it possible to target persons in situations of poverty or vulnerability more accurately. It is important to bear in mind, however, that emergency employment programmes are not in themselves a solution for persons having difficulty entering the workforce, since they do not necessarily result in improved employability. It is therefore important to have robust productive exit and employment entry mechanisms linked up with other key labour policies and guaranteed access to social protection under decent working conditions (Velásquez Pinto, 2021) (see box 7).

### Box 7

#### Lessons for the recovery learned from the implementation of labour and productive inclusion policies

As of December 2017, information was available on 72 ongoing labour and productive inclusion programmes in 21 countries of the region in the Non-contributory Social Protection Programmes Database for Latin America and the Caribbean. At least 30 of those 72 programmes provide intermediation services while the other 42 employ between two and five types of actions, including technical and job training, support for independent workers and measures focusing on the specific needs of groups facing a range of different workforce entry barriers, such as young people, persons with disabilities, women and mothers who are heads of household and rural populations. In designing measures to support the recovery, it will be important to draw on these experiences and the lessons to be learned from them and to explicitly tie those measures in with social protection instruments.

Some of the lessons that can be learned from the implementation of labour and productive inclusion programmes in the region are:

- Skill-based training programmes should be linked up with certification processes and should be designed in tandem with levelling and skill-building courses within the framework of an integrated training system in order to have a greater impact. Coordination with the private sector and the adjustment of course hours and the duration of the course to make them feasible for potential trainees are vital.
- Programmes for supporting independent forms of employment and microenterprises tend to be effective only if the participants are interested in starting a business of their own and tend to be more successful if the participants are well educated and motivated.
- Microentrepreneurship programmes work better when they are reinforcing existing installed capacity rather than promoting new alternative sources of income. In addition, as an alternative to microfinance, cash transfers may be more effective in supporting microenterprise start-ups by poor and vulnerable persons because they diminish risk aversion.
- For indirect job creation programmes, subsidies for the hiring of young people and women may be an option for facilitating entry into the workforce and for helping people to transition into formal employment.
- Job placement services should adapt to the needs of poor or vulnerable working-age adults and should support a wide range of forms of productive labour inclusion. Accordingly, they should also, for example, assist job seekers in gaining access to other opportunities such as training courses and arrangements for promoting microentrepreneurship.
- It is important to mainstream a perspective that is sensitive to difference into such programmes. The ethnicity/racial dimension of this perspective should be explicitly included, since indigenous peoples and persons of African descent are overrepresented among the poor population and among the population groups subject to social and labour exclusion.
- The centrality of caregiving policies is a key consideration in promoting the full labour inclusion of men and women workers with family responsibilities and particularly of women impacted by the unequal distribution of paid and unpaid work in the region.
- Finally, the characteristics and needs of the target population must be considered and analysed when designing, implementing, monitoring and evaluating labour and productive inclusion programmes.

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of L. Abramo, S. Cecchini and B. Morales (2019), *Social programmes, poverty eradication and labour inclusion: lessons from Latin America and the Caribbean*, ECLAC Books, No. 155 (LC/PUB.2019/5-P), Santiago, Economic Commission for Latin America and the Caribbean (ECLAC).

**(f) Care-related measures**

Care-related policies are an important component of social protection systems (ECLAC, 2013), as they can be used to establish services, regulations, training in caregiving and mass communication activities that help to reduce inequalities. The current crisis should not lead to spending cuts that slow progress towards gender equality or women's empowerment. It is especially important to prevent women's time from being used as an adjustment variable in countries' efforts to address the crisis and changed economic conditions.

The possible consequences of this crisis for migrant women, female domestic service employees, women health workers, caregivers and informal workers, and women who perform unpaid work in the home need to be taken into account (UN-Women/ECLAC, 2020).

According to the COVID-19 Action Tracker, which has provided a gender-sensitive analysis of 2,500 actions taken up to January 2021 in 206 countries in response to the crisis, countries have generally ignored women's needs and those of disadvantaged people —needs which have been heightened by this crisis. Only 177 of these measures (10% of the total) in 85 countries are explicitly aimed at strengthening women's economic security, and less than one third of the countries (60 in total) have adopted measures to support persons who provide unpaid care work or to reinforce caregiving services for children, older adults or persons with disabilities.<sup>25</sup>

A number of developed countries have taken steps to provide additional support to families. Countries such as Austria, Belgium, Germany and the United Kingdom have adopted special measures to keep schools open for the children of health workers, postal workers, transport workers and other essential workers. In Italy, in order to support working parents affected by the closure of schools and other childcare facilities, the government introduced a special provision under which all private-sector, public-sector and, presumably, self-employed workers with children up to 12 years of age can take an additional 15 days of leave paid at 50% of their usual salary. It also introduced a voucher to help families with children under 12 to pay for childcare services as an alternative to parental leave. A number of other countries have increased entitlements such as family allowances or cash transfers for families with children. Along these lines, for example, Germany has made it easier for families who have lost their source of income to receive the child allowance, as they now have to provide an income statement for only one month instead of six.

In Latin America, some countries have also adopted caregiving-related measures, such as campaigns to promote co-responsibility for caregiving in the home, leaves of absence, home care and cash transfers, exemptions from the restrictions on movement for caregivers, greater protection for paid domestic service workers and arrangements for in-person care services for older persons to be provided in the home or virtually (UN-Women and ECLAC, 2020). In Argentina, for example, 14 days' paid leave has been granted to pregnant women and to men and women who are responsible for the care of dependent persons. In Chile, the Protected Upbringing Act modifies the eligibility requirements for unemployment insurance and increases payments made under Act No. 19.728. It also increases the sums provided for in the work suspension agreement established in the Employment Protection Act (No. 21.227) and provides for the extension of postnatal parental leave. In addition, it sets out entitlements for fathers, mothers or persons responsible for the care of children born from 2013 onward who have been affected by the closure of daycare facilities or educational establishments. Act No. 21.269 makes domestic service workers eligible for unemployment insurance. In Peru, Legislative Decree No. 1499 guarantees the rights of domestic service workers, and Costa Rica's National Childcare and Child Development Network has succeeded in keeping childcare centres open (ECLAC, 2020f; UN-Women/ECLAC, 2020).

<sup>25</sup> At a more general level, by the end of September, 20% of the countries surveyed (42) had not adopted any gender-sensitive measures in response to the pandemic. Where such measures have been taken, the most noteworthy ones have been aimed at combating gender-based violence, but other key areas have also been addressed. See [online] <https://data.undp.org/gendertacker/> (data as of September 2020).

### Further reading on types of social protection measures taken to address the COVID-19 crisis

#### Developed regions

- European Union (2020), *Apuntando al futuro de la Unión Europea. Las medidas frente a la COVID-19. Reunión extraordinaria del Consejo Europeo (17-21 July 2020)*.
- ILO (International Labour Organization) (2020f), *Social Protection Responses to the COVID-19 Crisis: Country Responses and Policy Considerations*.
- \_\_\_\_\_ (2020e), *Unemployment Protection in the COVID-19 Crisis. Country Responses and Policy Considerations*.
- \_\_\_\_\_ (2020j), *Temporary Wage Subsidies*.
- OECD (Organisation for Economic Co-operation and Development) (2020a), *Job Retention Schemes during the COVID-19 Lockdown and Beyond*.
- \_\_\_\_\_ (2020b), "Supporting people and companies to deal with the COVID-19 virus: options for an immediate employment and social-policy response", March [online] <http://www.oecd.org/coronavirus/policy-responses/supporting-people-and-companies-to-deal-with-the-covid-19-virus-options-for-an-immediate-employment-and-social-policy-response-d33dffe6/>.
- \_\_\_\_\_ (2020c), *Supporting Livelihoods during the COVID-19 Crisis: Closing the Gaps in Safety Nets*.
- United Nations (2020d), *COVID-19 and Social Protection in Europe and Central Asia: A Moment of Opportunity to Expand and Strengthen Social Protection Mechanisms to Safeguard Health, Well-being and Livelihoods, Leaving No One Behind*.
- \_\_\_\_\_ (2020b), *Policy Brief: COVID-19 and Universal Health Coverage*.
- \_\_\_\_\_ (2020c), *Policy Brief: The Impact of COVID-19 on Older Persons*.
- UN-Women (United Nations Entity for Gender Equality and the Empowerment of Women) (2020a), *From Insight to Action: Gender Equality in the Wake of COVID-19*.

#### Latin America and the Caribbean

- Blofield, M. and F. Filgueira (2020), *COVID-19 and Latin America: Social Impact, Policies and a Fiscal Case for an Emergency Social Protection Floor*, Center for the Implementation of Public Policies Promoting Equality and Growth (CIPPEC).
- Blofield, M., C. Giambruno and F. Filgueira (2020), "Policy expansion in compressed time: assessing the speed, breadth and sufficiency of post-COVID-19 social protection measures in 10 Latin American countries", *Social Policy series*, No. 235 (LC/TS.2020/112), Santiago, Economic Commission for Latin America and the Caribbean (ECLAC).
- Casalí, P., O. Cetrángolo and A. Pino (2020), *Nota técnica regional. Panorama Laboral en tiempos de la COVID-19. Protección social en América Latina y el Caribe en tiempos de pandemia*, International Labour Organization (ILO), October.
- ECLAC (Economic Commission for Latin America and the Caribbean) (n/d) COVID-19 Observatory in Latin America and the Caribbean [online] <https://www.cepal.org/en/topics/covid-19>.
- \_\_\_\_\_ (n/d) "Social Development and COVID-19 in Latin America and the Caribbean", Observatory on Social Development in Latin America and the Caribbean [online] <https://dds.cepal.org/observatorio/socialcovid19/en/listamedidas.php>.
- \_\_\_\_\_ (2021a), "The recovery paradox in Latin America and the Caribbean. Growth amid persisting structural problems: inequality, poverty and low investment and productivity", *COVID-19 Special Report*, No. 11, Santiago, July.
- \_\_\_\_\_ (2021c), "The economic autonomy of women in a sustainable recovery with equality", *COVID-19 Special Report*, No. 9, Santiago, February.
- \_\_\_\_\_ (2021b), *Social Panorama of Latin America, 2020* (LC/PUB.2021/2-P/Rev.1), Santiago.
- \_\_\_\_\_ (2020b), "Measuring the impact of COVID-19 with a view to reactivation", *COVID-19 Special Report*, No. 2, Santiago, April.
- \_\_\_\_\_ (2020c), "The social challenge in times of COVID-19", *COVID-19 Special Report*, No. 3, Santiago, May.
- \_\_\_\_\_ (2020a), "Addressing the growing impact of COVID-19 with a view to reactivation with equality: New projections", *COVID-19 Special Report*, No. 5, Santiago, July.
- \_\_\_\_\_ (2020f), "The COVID-19 pandemic is exacerbating the care crisis in Latin America and the Caribbean", *COVID-19 Report*, Santiago, April.
- ECLAC/UNICEF (Economic Commission for Latin America and the Caribbean/ United Nations Children's Fund) (2020), "Social protection for families with children and adolescents in Latin America and the Caribbean: An imperative to address the impact of COVID-19", *COVID-19 Report*, Santiago, December.
- Filgueira, F. and others (2020), "América Latina ante la crisis del COVID-19: vulnerabilidad socioeconómica y respuesta social", *Social Policy series*, No. 238 (LC/TS.2020/149), Santiago, Economic Commission for Latin America and the Caribbean (ECLAC).
- Rubio, M. and others (2020a), *Protección social y respuesta al COVID-19 en América Latina y el Caribe. III Edición: seguridad social y mercado laboral*, Panamá/Brasília, United Nations Children's Fund (UNICEF)/International Policy Centre for Inclusive Growth (IPC-IG).
- Velásquez Pinto, M. (2021), "La protección social de los trabajadores informales ante los impactos del COVID-19", *Project Documents* (LC/TS.2021/37), Santiago, Economic Commission for Latin America and the Caribbean (ECLAC).

### **III. Social protection management tools in the context of the COVID-19 crisis**

In addition to the introduction of new policies and major adjustments in existing policies, the COVID-19 crisis appears to have spurred the development and advancement of improved social protection management tools.

One group of measures has been focused on devising strategies for the identification of vulnerable populations. Particularly in a region like Latin America, where the informal sector is so large and pre-pandemic social protection coverage was relatively limited, identifying the target groups for new policies during the pandemic has become a priority objective.

In the pursuit of this objective, countries have made progress in the following areas:

#### **A. Improvement and expansion of social registries and rolls of recipients**

In recent months, several countries have invested in improving social registries and the rolls of the recipients of their main non-contributory cash transfer policies (see box 8). Some of these measures have been focused on optimizing the information already in public agencies' records and developing protocols for cross-referencing information in databases of different institutions (Berner and Van Hemelryck, 2020).

The baseline coverage of social registries in the region varies widely. Following Berner and Van Hemelryck (2020), an analysis of 15 countries in Latin America shows that there are some countries whose registries cover over 70% of the population (Argentina, Chile, Colombia, Costa Rica, Peru and Uruguay). In others, social registries have coverage rates of between 30% and 69% of the population (e.g. Brazil, the Dominican Republic and Ecuador). Finally, there are others whose social registries cover less than 30% of the general population. This makes it difficult to quickly identify potential beneficiaries of social protection policies during crises or disasters. Examples include Mexico, El Salvador, Haiti and the Plurinational State of Bolivia.

**Box 8****Selected Latin American countries: measures relating to social registries and rolls of recipients**

*Argentina:* to facilitate the identification of Emergency Family Income (IFE) Programme enrollees, Argentina launched a massive campaign to urge people to register by telephone. The aim here was to expand the coverage of the registry maintained by the National Social Security Administration (ANSES) of all persons with formal employment and those who receive State subsidies.

*Colombia:* Colombia was in the midst of updating to the new version of its Potential Social Programme Enrollee Identification System (SISBEN 4.0) when the pandemic broke out. The government worked with a number of banking institutions to devise a strategy for locating over 600,000 people who had not applied for payments in order to put them on the list of Solidarity Income Programme enrollees.

*Peru:* The webpage of the National Household Registry was upgraded so that people can go online to check, update and add to the information on their household stored in the Registry. The Registry was also opened for new families to sign up. In addition, the National Registry of COVID-19 Measures was created and then extended on 27 May 2021 to help identify recipients for various programmes developed to mitigate the effects of the crisis. An online window—the Integrated Virtual Window for Insured Persons (VIVA)—for EsSalud, the country’s contributory social health insurance system, has been opened, along with a registry for the households of vulnerable independent workers. The registry has been created using the existing records of various public agencies, including, in particular, the inclusive social job creation programme “Trabaja Perú” (“Peru Works”).

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of H. Berner and T. Van Hemelryck, “Social information systems and registries of recipients of non-contributory social protection in Latin America in response to COVID-19”, *Project Documents* (LC/TS.2021/56), Santiago, Economic Commission for Latin America and the Caribbean (ECLAC), 2021, M. Rubio and others, *Protección social y respuesta al COVID-19 en América Latina y el Caribe. III Edición: seguridad social y mercado laboral*, Panama/Brasília, United Nations Children’s Fund (UNICEF)/International Policy Centre for Inclusive Growth (IPC-IG), 2020, and M. Velásquez Pinto, “La protección social de los trabajadores informales ante los impactos del COVID-19”, *Project Documents* (LC/TS.2021/37), Santiago, Economic Commission for Latin America and the Caribbean (ECLAC), 2021.

## **B. Devising new targeting criteria and tools**

In some cases, new indicators and targeting instruments have been developed to improve upon existing ones. Traditionally, these kinds of indicators and tools have mainly focused on the population living in poverty or extreme poverty and have therefore left out non-poor but vulnerable population groups (Velásquez Pinto, 2021; Rubio and others, 2020b). These innovations have prompted the development of transparent instruments tailored to the socioeconomic characteristics of these types of households which are judged to be legitimate in the eyes of the population.

## **C. Simplification, streamlining and introduction of digital technologies for the delivery of entitlements**

The COVID-19 crisis has influenced the way that governments manage their social protection policies and, in particular, the way that they provide and deliver entitlements. The lockdowns established in most countries and the resulting need to respond quickly to the social demands that they generated have led some governments to look for technologies that can help them to do so (Gelb and Mukherjee, 2020; ILO, 2020c and 2020d). The use of technologies to simplify the procedures for applying for and receiving entitlements and to build the knowledge needed for policy design and implementation has been especially apparent in the development of social protection policies in response to the pandemic.

Digital technologies have made it possible to gather much more data than before. They also help public agencies cross-check and validate the information that they have on recipients or potential recipients (Velásquez Pinto, 2021).

In addition, they streamline the application process for potential users or enrollees of assistance programmes, as well as the payment of entitlements. All of this diminishes the chances of spreading the virus, reduces processing costs and cuts down on the time it takes to pay out or deliver entitlements (Velásquez Pinto, 2021). Some countries, such as Brazil, use mobile applications (such as mobile messaging) to identify informal workers or to streamline the distribution of entitlements and the transmission of the associated records (ILO, 2020e).

**Further reading on social protection management tools in the context of the COVID-19 crisis**

- Berner, H. and T. Van Hemelryck (2021), "Social information systems and registries of recipients of non-contributory social protection in Latin America in response to COVID-19", *Project Documents* (LC/TS.2021/56), Santiago, Economic Commission for Latin America and the Caribbean (ECLAC).
- Gelb, A. and A. Mukherjee (2020), "Digital technology in social assistance transfers for COVID-19 relief: lessons from selected cases", *Policy Paper*, No. 181, Center for Global Development.
- ILO (International Labour Organization) (2020c), *Extending Social Protection to Informal Workers in the COVID-19 Crisis. Country Responses and Policy Considerations*.
- \_\_\_\_\_(2020m), *Social Protection for Migrant Workers: A Necessary Response to the Covid-19 Crisis*.
- Rubio, M. and others (2020), *Protección social y respuesta al COVID-19 en América Latina y el Caribe*, United Nations Children's Fund (UNICEF) /International Policy Centre for Inclusive Growth (IPC-IG).
- Velásquez Pinto, M. (2021), "La protección social de los trabajadores informales ante los impactos del COVID-19", *Project Documents* (LC/TS.2021/37), Santiago, Economic Commission for Latin America and the Caribbean (ECLAC).



## IV. Lessons learned, policy recommendations and a road map for enhancing the role of social protection in coping with future crises in Latin America and the Caribbean

### A. Lessons learned

Nearly a year and a half into the pandemic, there is some good news regarding Latin American and Caribbean countries' response to the crisis.

First of all, **the countries of the region succeeded in mounting a rapid response**. It is particularly encouraging to observe how many crisis response measures were announced in the second half of March and the first half of April 2020, soon after the first cases of COVID-19 were detected in the region. The response mounted by the governments of the region in so short a time indicates that the countries' social protection systems are fairly agile and can thus be fine-tuned to deal with crises swiftly (Blofield, Giamb Bruno and Filgueira, 2020). The consolidation of an institutional framework and a readily available stock of social protection tools and technical design capacities were of fundamental importance in making this possible. It is imperative to continue to strengthen these assets rather than trying to replace them with new structures, which could weaken the countries' ability to respond to future crises.

Second, a review of the measures adopted in the region reveals a **robust capacity for innovating and developing new programmes and policies in line with newly arising demands rather than having the reinforcement of existing programmes being the only option**. This indicates that the region's governments are keen to guarantee minimum living conditions for sectors that have historically been bypassed by contributory and non-contributory social protection systems. Thanks to the governments' efforts during those months, social protection programmes were expanded to reach millions of vulnerable people, such as the families of informal workers not previously covered by social assistance or social security systems. As a result of the progressive, non-contributory measures that were deployed, some countries have managed to narrow the gap in social protection coverage for informal workers (ECLAC, 2020c; Blofield, Giamb Bruno and Filgueira, 2020). These **vulnerable population groups**, which, given the

structure of income distribution in the region, have always existed but which were previously bypassed, now constitute new target groups for non-contributory social protection policies. Households in the middle-income and, in particular, lower-middle-income strata and informal employment need to be included among the target groups for high-priority social protection efforts to help drive the recovery and, as a matter of urgency, to forge **universal, comprehensive and sustainable social protection systems within the framework of fully consolidated welfare States in the region.**

Third, as part of the region's **contributory protection systems, the expansion and introduction of income protection schemes that also serve workers in informal sectors and the self-employed**, who have historically been overlooked, has been of key importance. Another type of measure that has been of great significance is the **relaxation of unemployment insurance eligibility criteria.**

Fourth, another important area of effort has been the checking and updating of socioeconomic household data as a basis for building or upgrading social information systems, social registries and the lists of enrollees in anti-poverty and social protection programmes and policies (Berner and Van Hemelryck, 2021; Blofield, Giambruno and Filgueira, 2020). The swift roll-out of these measures has provided many governments with more complete and up-to-date records, which is a crucial input for further progress in developing new measures and more comprehensive social protection systems in the medium term. The establishment of new protection measures and the efforts being made to simplify and streamline their implementation can be expected to help to further the development of government capacities in the countries of the region within that same time frame (Blofield, Giambruno and Filgueira, 2020). The **development and improvement of digital platforms** for use in building on existing systems can contribute to this end.

Finally, the situation created by the pandemic has opened up an opportunity for the region to move towards more universal, comprehensive and sustainable systems of protection that include more permanent forms of income protection and guarantees of minimum conditions of well-being (ECLAC, 2020c). A number of proposals of this sort have been put forward at the regional and country levels, and the debate concerning options for moving in this direction has been rekindled (Blofield, Giambruno and Filgueira, 2020; ECLAC, 2020c).

Above and beyond these achievements, however, significant weak points are still in evidence:

- First, although Latin American governments have responded by expanding their social protection measures very quickly, **the speed, scope and sufficiency of the measures they have announced have varied sharply** (Blofield, Giambruno and Filgueira, 2020). Some countries are still lagging behind in this respect, which is a cause of concern, since the window of opportunity for mitigating the immediate effects of the crisis and thus warding off the consequences it could have in the medium term will be closing as the months go by.
- Second, the region's governments should not lose sight of the fact that their **contributory and non-contributory social protection systems provide very unequal degrees of support.** Even with the increase in income transfers, households covered by the non-contributory pillar are far from reaching the levels of sufficiency provided by contributory system entitlements, especially given the limited duration of the new measures. This constitutes a qualitative difference between the region's response and that of countries in other regions, such as Europe, that have more consolidated contributory systems, and it is a fundamental issue to be addressed by recovery strategies.
- Third, although many measures have targeted the vulnerable sectors of the population, most of the measures have **not been aimed at reducing the structural gaps in the region's social protection systems. This is yet another factor that is reinforcing the differential impacts of the crisis on certain groups.** More specifically, the governments' response has not included enough measures that are specifically tailored for the most at-risk categories discussed in chapter 2 of this study (women, children and adolescents, the rural population, persons with disabilities, migrants, and indigenous and Afro-descendent populations).

Viewed at a more general level, the new measures have not been sensitive to the territory, life-cycle, ethnic/racial or gender inequalities that, as noted above, throw into sharp relief the differentiated impacts of the crisis triggered by the COVID-19 pandemic.

- Fourth, **the deployment of these measures has run into a number of difficulties**. In several countries, the delivery of entitlements was significantly delayed by shortfalls in technical and State capacity (Blofield, Giamb Bruno and Filgueira, 2020). Documenting, systematizing and learning from these challenges and shortcomings are very important inputs for the development of a preparedness strategy for coping with other critical events in the future.
- Fifth, although the pandemic offers an opportunity to move towards the universal coverage of social protection measures, the roll-out of measures to date does not provide strong evidence that the region is gaining ground in that direction. As recent studies have shown, advances in the area of social protection have mainly been brought about through ministerial resolutions and decrees and only to a lesser extent through legislation (Blofield, Giamb Bruno and Filgueira, 2020).<sup>26</sup> While it is to be expected that emergency actions seek to circumvent the obstacles involved in reaching political consensus, this also makes progress more likely to be reversed. This facet of the region's social protection systems weakens them, and it is therefore important to sound a note of caution on this score and **to work to strengthen the institutional structure for social protection and the corresponding regulatory frameworks**.

## B. Policy recommendations

### 1. Sick leave and unemployment insurance

During the pandemic, Latin American countries have an opportunity to expand and strengthen their health insurance schemes by surmounting the barrier posed by contributory requirements. The goal should be to achieve universal health coverage while reducing inequality in access, quality and entitlement sufficiency to a minimum and cutting out-of-pocket expenses, which are still too high. Unemployment insurance schemes have been used as a key mechanism for swiftly providing income security to the millions of workers who have lost their jobs during the pandemic. Countries in the region that already have unemployment insurance and have introduced temporary measures to make that insurance more accessible and easier to use should continue to work to expand coverage further and ensure the adequacy of unemployment entitlements after the pandemic has come to an end. Countries that do not yet have unemployment insurance need to phase in these entitlements. The experiences of countries in the region that have already taken steps to make these mechanisms more flexible and expand their coverage can be drawn upon to support progress in this direction.

### 2. Measures for formal employment

The experiences of this past year have demonstrated the importance of developing policies to help companies retain their workers in the face of shocks such as those generated by the pandemic. The establishment of more flexible unemployment insurance schemes can help to prevent job losses, as can targeted subsidies for employers. International experiences provide examples of ways of doing this, including the subsidization of social security contributions and special credits or subsidies for businesses.

### 3. Cash transfers

As numerous recent studies and research have shown, guaranteed incomes for the vulnerable population are one of the central challenges that the countries of Latin America and the Caribbean need to confront (Blofield, Giamb Bruno and Filgueira, 2020; Blofield and Filgueira, 2020; ECLAC, 2020a and 2020c).

<sup>26</sup> For a discussion of the political backdrop for the expansion of social protection measures in Latin American countries, see Blofield, Giamb Bruno and Filgueira, 2020.

Given the severity of the crisis, the amount and duration of unemployment entitlements have to be adjusted in order to ensure an essential degree of income security, to prevent workers from slipping below the poverty line until they can return to work and to support a rapid recovery (ILO, 2020e).

Along with other proposals for protecting workers' incomes, ECLAC has proposed the establishment of a basic emergency income and an "action against hunger" voucher to help people to get through this crisis and to help countries navigate a recovery process that will engender great equality (see box 9).

### Box 9

#### Emergency basic income programmes and anti-hunger grants

To shield the population from the severe social and economic impacts of the crisis, ECLAC has proposed that the governments of the region provide emergency cash transfers to meet people's basic needs and support consumption levels. These transfers should take the form of a basic income equivalent to the poverty line (US\$ 143 at 2010 prices) for all members of the population living in poverty. This proposal originally envisioned a programme that would last for a period of six months but, in view of the severity and duration of the pandemic in the region, ECLAC now suggests that the countries consider extending the duration of their programmes.

#### Anti-hunger grant

The United Nations Food and Agriculture Organization (FAO) and ECLAC have proposed that governments provide an anti-hunger grant to supplement the emergency basic income for all members of the population living in extreme poverty. Each grant would be the equivalent of 70% of the extreme poverty line (US\$ 67 in 2010). Given the changes in these projections discussed in this report, the total cost of the anti-hunger grants has been recalculated at US\$ 27.1 billion, or 0.52% of the region's GDP.

Depending on the situation in each country or locality, this grant could take the form of cash transfers, food boxes, grocery coupons or school meal programmes. Although the responsibility for implementing this kind of initiative rests with the countries' governments, it is important for municipalities, businesses, civil society organizations, private persons and international organizations to all do their part.

ECLAC has also proposed the introduction of differentiated payroll co-financing schemes for a period of six months based on company size: 30% for large businesses, 50% for medium-sized companies, 60% for small businesses and 80% for microenterprises. Such a programme would cost approximately 2.7% of GDP. It is also proposing a cash grant for independent formal workers. A subsidy of this sort of up to US\$ 500, depending on the purchasing power ratio in each country, could reach over 15 million workers at a cost of approximately 0.8% of GDP.

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of Food and Agriculture Organization of the United Nations/Economic Commission for Latin America and the Caribbean (FAO/ECLAC), *COVID-19 Report*, Santiago, June 2020, and Economic Commission for Latin America and the Caribbean (ECLAC), "Measuring the impact of COVID-19 with a view to reactivation", *COVID-19 Special Report*, No. 2, Santiago, April 2020, "The social challenge in times of COVID-19", *COVID-19 Special Report*, No. 3, Santiago, May 2020, "Sectors and businesses facing COVID-19: Emergency and reactivation", *COVID-19 Special Report*, No. 4, Santiago, July 2020, "Addressing the growing impact of COVID-19 with a view to reactivation with equality: New projections", *COVID-19 Special Report*, No. 5, Santiago, July 2020, and "The economic autonomy of women in a sustainable recovery with equality", *COVID-19 Special Report*, No. 9, Santiago, February 2021.

The pandemic has enlivened the discussion, in line with the postulates of the Regional Agenda for Inclusive Social Development, around universal mechanisms for guaranteeing a basic level of income (ECLAC, 2020j) that could be activated in the event of an emergency to ensure that assistance is provided to all those who are in need of it. Careful consideration must be given to the many different forms of vulnerability affecting a large part of the region's population (ECLAC, 2020a and 2021c). This cannot be accomplished with a one-size-fits-all approach, so thought needs to be given to the various types of instruments that could be phased in and ultimately consolidated. Some of the relevant considerations are the following:

- Given the increasing frequency of natural disasters in the region, it is essential to design emergency transfer mechanisms before another disaster strikes and to plan out implementation options that can be rapidly put into place as part of a social protection response. As has become clear during the present crisis, an institutional framework for such mechanisms then needs to be consolidated.

- A universal basic income has been proposed for consideration by the countries as part of a new orientation of their development model (ECLAC, 2020c; United Nations, 2020d) and as an additional pillar for the welfare regime and the social protection system (ECLAC, 2020i). A universal, unconditional cash allowance delivered periodically or regularly to everyone (ECLAC, 2018b) could provide income security and stability, especially at times when economic uncertainty is running high. This provision should not be seen as a replacement for the role of the State in ensuring the availability of quality social services.
- In view of the disproportionate number of children and adolescents who are living in poverty, a universal or quasi-universal transfer for children could be a step in that direction (ECLAC/UNICEF, 2020; ECLAC, 2021b; United Nations, 2020d). This would be an unconditional, universal cash transfer to be provided for a minimum of 10 years, i.e. at least half of the length of childhood, and would therefore differ from existing conditional cash transfer programmes for vulnerable families with children (ECLAC, 2021b; ODI/UNICEF, 2020). ECLAC (2021a) has estimated the total cost of an annual universal cash transfer equivalent to the poverty line for all children and adolescents between the ages of zero and 18 years in Latin America at 5.5% of GDP; if the transfer were equivalent to the extreme poverty line, then the cost would be 2.6% of GDP (ECLAC, 2021b). This allowance would reduce poverty and inequality and would represent a very significant investment in the reduction of child poverty and in the development of human capacities (ECLAC/UNICEF, 2020; Save the Children, 2020).
- A guaranteed income of this type could play an important role in the transition to a world of work that is undergoing a process of change owing to the technological developments, for example, through platform work, whose pace has been accelerated by the pandemic (ECLAC/ILO, 2021), and climate change.

#### **4. Adaptation and expansion of labour regulations to soften shocks and to build the necessary linkages for social and labour inclusion policies**

Labour regulation is a key part of any social protection system. If regulatory systems operate on a sustained basis as they should, they can help to pave the way for a proper appropriation of the entitlements of higher productivity by all workers, thus directly and indirectly reducing labour inequalities. When this is not the case, labour markets tend to function unequally, invariably putting the most vulnerable workers at a disadvantage.

As observed in previous sections, the traditionally dual structure of the region's social protection systems is, to some extent, a consequence of the incomplete development and weak enforcement of the countries' labour regulations (ECLAC, 2012a). As a result, there are still some hard-core areas of extremely weak protection and a failure to regulate or the lax regulation of certain areas, as in the case of rural and informal employment (Tokman, 2006). Domestic service employment is another under-protected sector of activity in which, even after years of policies aimed at formalization and improved regulation (Lexartza, Chaves and Carcedo, 2016), workers are still generally in a more precarious position than other workers (Blofield and Jokela, 2018).

The pandemic has not only posed challenges for the preservation of jobs and workers' incomes in relatively unregulated markets but has also opened up new areas of activity that now need to be regulated. Perhaps the most obvious example is the introduction of teleworking on a mass scale.

Although special laws or regulations for workers and employers have been instituted in Latin America, as ECLAC has noted (2021b), these standards have tended to benefit workers in high-productivity sectors more than others, and these are the workers who tend to enjoy greater social security coverage and to earn more than other workers as well.

It is imperative for the countries of the region to develop regulations to govern teleworking and other remote way of working and to establish safety and occupational welfare standards for remote workers.

As the countries work to develop these types of regulations, it is important for them to take into account the structural gender inequalities whereby women are called upon to shoulder a disproportionate share of the caregiving work and the task of reconciling reproductive and productive activities.

Given the magnitude of this crisis and those that may come after it as a result of the climate crisis and the increasing frequency of natural disasters, there is an urgent need for greater coordination between social inclusion policies, especially in the area of social protection, and labour inclusion policies. This factor also needs to be incorporated into the design of universal social protection systems in the region.

## 5. Care-related policies

In the medium and long terms, the Latin American countries need to make progress in introducing or expanding paid leave in support of the principle of co-responsibility as viewed from a gender perspective. Parental leave provisions need to be established where they do not exist, but existing systems also need to be made more flexible in order to support parents—and especially mothers—whose caregiving workloads have been increased by the closure of schools and health services.

The progressive reopening of schools and childcare services is also of pivotal importance, as is the introduction of more flexible approaches for meeting the needs of families during the current crisis (including longer hours when daycare centres are open and a diverse range of home-based caregiving models). This is an area that needs to be taken into account in the design of labour and productive inclusion programmes for numerous reasons but especially in order to recover the considerable amount of ground that has been lost in terms of women's participation in the labour force, which has suffered such a setback that the situation in the region now stands where it was at least 18 years ago (ECLAC, 2021a).

In addition, subsidies need to be made available to employers who provide paid family leave, along with cash transfers or vouchers for childcare or other child services, especially for health-care workers. Childcare facilities for the children of health-care workers must be kept open, and support needs to be provided for long-term caregivers for older family members who may be particularly vulnerable to COVID-19 (ILO, 2020f).

The retention of domestic service jobs must be a central objective. This entails expanding the scope of unemployment entitlements in this sector and establishing basic regulations—including regulations that will result in formalization—to support a proper role for domestic service workers in the recovery from the current crisis (UN-Women/ILO/ECLAC, 2020). There is an urgent need for the region to move beyond the traditional model of dual contributory social protection schemes for the benefit of these workers. The experience gained during the pandemic in some of the countries may be helpful in determining what steps to take in this area (UN-Women/ECLAC, 2020).

In short, there is an urgent need to resume the task of building comprehensive care systems based on an approach that upholds gender equality, human rights and the principle of co-responsibility (ECLAC, 2020j; UN-Women/ECLAC, 2020).

Table 3 provides an overview of the policy recommendations outlined in this section and other proposals for the development of universal, comprehensive and sustainable social protection systems that could be taken up in the course of the recovery.

**Table 3**  
**Main social protection measures adopted and recommendations for addressing the impacts of the COVID-19 pandemic, by type of measure**

Type of measure	Area	Measures implemented	Recommendations and challenges for the countries of Latin America and the Caribbean
Contributory social protection measures (social security)	Creation and expansion of health insurance schemes	Income entitlements for quarantined, sick or highly exposed workers and their families	Relaxation of health insurance eligibility requirements for workers who are highly exposed to the virus Achievement of universal coverage in the medium and long terms Measures to address the segmentation of coverage schemes by occupational category
	Income or employment protection for formal workers	Cash transfers for unemployed independent workers  Helping companies to avoid cutting jobs Provision of financial support for companies facing a slump in demand Reduction of worker exposure to COVID-19 in the workplace  Earned income insurance	Subsidies for self-employed workers, with priority being placed on sectors hurt the most by the pandemic Progress over the medium and long terms in bringing these workers into contributory social protection schemes by means of, for example, tax simplification mechanisms Subsidies for companies to help them to avoid cutting jobs Subsidization of social security contributions Soft loans and special subsidies for businesses Relaxation of health insurance eligibility requirements for workers who are highly exposed to the virus Regulation of teleworking Flexible arrangements for the expansion of unemployment insurance coverage
Non-contributory social protection (social assistance)	A guaranteed level of income and of basic goods and services	Cash transfers to vulnerable sectors	Relaxation of entry and exit rules and the maintenance of conditional and unconditional transfers to the most vulnerable sectors Introduction of new components and programmes for existing transfers Increased amounts and associated entitlements
		Non-contributory pensions and other entitlements for older adults	Increased coverage and amounts of existing entitlements Relaxation of eligibility criteria for non-contributory pensions
		In-kind transfers	Expansion of in-kind transfers and measures to ensure the nutritional quality of food packages distributed under food assistance programmes Relaxation of eligibility requirements Coordination with local suppliers as a mechanism for reactivating local economies
		Policy guarantees for access to basic services	Subsidies for access to basic utilities, including Internet connectivity Progressive reopening of education, health-care, caregiving and food services Relaxation of health insurance eligibility requirements Universal health-care coverage

Type of measure	Area	Measures implemented	Recommendations and challenges for the countries of Latin America and the Caribbean
Labour market regulatory and activation measures	Promotion of labour inclusion with measures linked to social protection mechanisms and the mainstreaming of a gender, ethnic/racial, life-cycle and territorial perspective into the design of the corresponding policies; promotion of policies sensitive to difference, with special attention to the population groups that have been most seriously affected by their exclusion from their place of work owing to the pandemic	Job placement services	Relaxation of eligibility requirements Simplification of service delivery procedures Incorporation of digital technologies Linkage with unemployment insurance and cash entitlements for the protection of workers' labour income
		On-the-job training	Relaxation of eligibility requirements Simplification of service delivery procedures Incorporation of digital technologies Design of an integrated training system to meet the differentiated needs and enhance the differentiated potentials of diverse population groups in terms of access: Linkage with care policies Incorporation of an intercultural perspective in the design of measures Linkages with various types of workers' needs
Care-related measures	Support for unforeseen care needs Consolidation of comprehensive systems of care	Temporary employment programmes and employment subsidies	Development of programmes for linking sectors most seriously affected by the crisis to transfer programmes and access to social protection under decent working conditions
		Co-responsibility licensing policies on the basis of a gender perspective Childcare services and services for dependent persons Domestic work	Expansion of coverage Relaxation of eligibility requirements Prioritization of workers called upon to bear an increased caregiving burden Reopening and expansion of public services Access transfers or vouchers More flexible arrangements Social protection regulations and expanded entitlements (especially unemployment entitlements) for the sector

Source: Prepared by the authors on the basis of literature reviewed.

## C. Lessons learned, policy recommendations and a road map for enhancing the role of social protection in coping with future crises in Latin America and the Caribbean

### 1. Adapting strategies to differential starting points and routes

Given the heterogeneity of the region's social protection systems and of the responses deployed by different governments to the pandemic, it does not seem reasonable to expect all countries to progress at the same pace in consolidating medium-term responses and measures based on the opportunity provided by the current crisis.

Countries where social protection systems are less developed should work on establishing more inclusive eligibility criteria for existing entitlements based primarily on demand (Blofield, Giamb Bruno and Filgueira, 2020). However, in countries that already have achieved more social protection coverage, it is both timely and possible to improve the adequacy of entitlements.<sup>27</sup>

<sup>27</sup> For a proposal for raising entitlements to the equivalent of one extreme poverty line per household for the duration of the COVID-19 crisis, see Blofield, Giamb Bruno and Filgueira (2020).

In a context of increasingly frequent natural disasters linked to phenomena such as climate change, it is imperative for the countries to make headway in readying a package of entitlements and other elements for a rapid response to future disasters that will ensure that all households will have access to a specified level of income and consumption. Special attention should be devoted to disaster preparedness for the most vulnerable groups in the population based on a universalist approach that is sensitive to difference. The discussion around social protection systems with disaster mitigation, prevention and response capacity (Cecchini, Holz and Robles, 2021) should draw upon the experience gained during the current crisis.

## 2. Focusing on children and families

Available research findings indicate that investing in children, adolescents and their families has long-term effects on well-being. This investment makes it possible to keep social protection architectures in step with the changing structure of risks and opportunities in the region's societies. This is especially important now that the pandemic has caused that structure to change even more rapidly than before. These policies make it possible to pool and redistribute the burden of unpaid work. That burden has increased exponentially during this crisis, and most of that burden is currently shouldered by women. Investing in children and families will also help to mitigate the impact of the temporary closure of basic health, education and meal services and thus prevent it from impairing the development of new generations in the medium and long terms. Given the disproportionate impact of the current crisis on children and adolescents, the consolidation of child-sensitive social protection systems is an imperative (ECLAC/UNICEF, 2020).

## 3. Increasing social protection for informal employment

During the pandemic, informal workers have been faced with the dilemma of either working or having no income, so they are forced to work in order to meet their basic needs even if they are sick or at a high risk of infection (ILO, 2020c). These workers have been subjected to serious health risks when they have no alternative but to continue to work in public spaces (as street vendors, waste pickers or taxi and delivery drivers) or in other people's homes as domestic service workers. Because of their more vulnerable position, they are more likely to live in overcrowded dwellings and in some cases have limited access to water, which makes it almost impossible for them to practice social distancing, thereby increasing their risk of infection.

The pandemic has demonstrated the need to incorporate informal workers into contributory social protection systems, especially as a means of lessening the impact of unemployment. The lack of social protection for these workers has made them especially vulnerable during the COVID-19 crisis.

Progress needs to be made in the following areas:

- Taking steps to promote labour formalization by, for example, providing labour subsidies for vulnerable groups such as young workers and women, introducing tax simplification schemes and expanding access to social security coverage.
- Extending coverage to include informal workers who are not eligible for non-contributory social protection entitlements. In particular, the lessons learned and the consolidation of social information infrastructure that has accompanied the extension of unemployment insurance in the region can make a significant contribution to efforts to move in this direction (ILO, 2020k).
- Maintaining the ground that has been gained through the temporary expansion of the coverage of transfers and entitlements by incorporating the vulnerability-based criteria already in place for non-contributory programmes into eligibility requirements.

#### **4. A social compact, social dialogue and policy coordination**

The countries' responses to the current crisis are not unrelated to the extent that their welfare States were consolidated before the crisis and, in particular, to their previous efforts to develop concrete policies in some key areas.

Emergency social protection measures have to be closely coordinated so that resources are used effectively and reach the most vulnerable segments of the population. This, in turn, requires greater coherence between contributory and non-contributory policies and between both of these types of policies and active labour market policies, policies on caregiving and policies for guaranteeing access to health services.

Coordination between social protection and employment promotion measures is also a key issue for workers who have lost their source of income and do not have unemployment insurance, such as informal workers and those employed in the rural economy. Public employment programmes and, in particular, guaranteed employment schemes can also provide income security by ensuring a minimum number of working days and/or the equivalent in wages (ILO, 2020e). Steps should be taken, however, to ensure that these programmes provide decent working conditions and access to social protection entitlements (Velásquez Pinto, 2021).

An active social dialogue is a central element in ensuring the success and sustainability of social protection system adjustment strategies (ILO, 2020e). Where there are established mechanisms and stable structures underpinning social dialogue, governments' social protection responses are more likely to incorporate the perspectives of workers and employers. This will help to ensure that the differences of opinion between these two groups will inform the measures that are ultimately taken (ILO, 2020e).

More specifically, social dialogue contributes to the outcome of these efforts in three essential ways (ILO, 2020j). First, it helps to improve the quality of policy design and strategies by spurring consultation and information-sharing between governments and their social partners. Second, it makes it easier for stakeholders to take ownership of the measures that are introduced and to commit to them. And third, it helps to build the trust needed to overcome differences, reduce conflict and strengthen social cohesion, stability and resilience (ILO, 2020j).

Ultimately, a transformative recovery with equality should further the consolidation of the necessary social and fiscal compacts that "contribute to the revival of investment, employment, equality, the closure of gender gaps and climate action" (ECLAC, 2021a, p. 33).

#### **5. Lessons learned from past and present crises**

Lessons learned from past crises indicate that early signs of recovery are often accompanied by austerity and fiscal consolidation measures that can undermine the inroads that have been made. It is extremely important for countries to maintain the social protection measures and social investment streams that they have instituted during the pandemic once it ends in order to ensure that the population is protected from the adverse economic and social consequences that may come later, as well as from future crises (ILO, 2020f).

Above all, it is essential for them to continue to systematize and learn the lessons that can be gleaned from the countries' responses to this crisis so that they can put those lessons into practice in the adaptation of social protection systems to cope with the recurring natural disasters that will be triggered by the ongoing climate crisis.

## Bibliography

- Abramo, L., S. Cecchini and B. Morales (2019), *Social programmes, poverty eradication and labour inclusion: lessons from Latin America and the Caribbean*, ECLAC Books, No. 155 (LC/PUB.2019/5-P), Santiago, Economic Commission for Latin America and the Caribbean (ECLAC).
- Barrientos, A. and D. Hulme (eds.) (2008), *Social Protection for the Poor and the Poorest: Concepts, Policies and Politics*, Palgrave Macmillan.
- Bastagli, F. and others (2016), *Cash transfers: what does the evidence say? A rigorous review of programme impact and of the role of design and implementation features*, Overseas Development Institute (ODI).
- Berner, H. and T. Van Hemelryck (2021), "Social information systems and registries of recipients of non-contributory social protection in Latin America in response to COVID-19", *Project Documents* (LC/TS.2021/56), Santiago, Economic Commission for Latin America and the Caribbean (ECLAC).
- Blofield, M. and F. Filgueira (2020), *COVID19 and Latin America: Social Impact, Policies and a Fiscal Case for an Emergency Social Protection Floor*, Center for the Implementation of Public Policies Promoting Equality and Growth (CIPPEC).
- Blofield, M. and M. Jokela (2018), "Paid domestic work and the struggles of care workers in Latin America", *Current Sociology*, vol. 66, No. 4.
- Blofield, M., C. Giambruno and F. Filgueira (2020), "Policy expansion in compressed time: assessing the speed, breadth and sufficiency of post-COVID-19 social protection measures in 10 Latin American countries", *Social Policy series*, No. 235 (LC/TS.2020/112), Santiago, Economic Commission for Latin America and the Caribbean (ECLAC).
- Bottan, N., B. Hoffmann and D. Vera-Cossio (2020), "Stepping up during a crisis: the unintended effects of a non-contributory pension program during the COVID-19 pandemic", *Working Paper Series*, No. 1153, Inter-American Development Bank (IDB).
- Bowen, T. and others (2020), *Adaptive Social Protection: Building Resilience to Shocks*, Washington, D.C., World Bank.
- Casalí, P., O. Cetrángolo and A. Pino (2020), *Nota técnica regional. Panorama Laboral en tiempos de la COVID-19. Protección social en América Latina y el Caribe en tiempos de pandemia*, International Labour Organization (ILO), October.
- Cecchini, S. and B. Atuesta (2017), "Conditional cash transfer programmes in Latin America and the Caribbean: coverage and investment trends", *Social Policy Series*, No. 224 (LC/TS.2017/40), Santiago, Economic Commission for Latin America and the Caribbean (ECLAC).

- Cecchini, S. and others (2015), *Towards universal social protection: Latin American pathways and policy tools*, ECLAC Books, No. 136 (LC/G.2644-P), Santiago, Economic Commission for Latin America and the Caribbean (ECLAC).
- Cecchini, S., F. Filgueira and C. Robles (2014), "Social protection systems in Latin America and the Caribbean: a comparative view", *Social Policy series*, No. 202 (LC/L.3856), Santiago, Economic Commission for Latin America and the Caribbean (ECLAC).
- Cecchini, S. and R. Martínez (2011), *Inclusive social protection in Latin America: a comprehensive, rights-based approach*, ECLAC Books, No. 111 (LC/G.2488-P), Santiago, Economic Commission for Latin America and the Caribbean (ECLAC).
- Cecchini, S., R. Holz and C. Robles (2021), "Los sistemas de protección social ante desastres", *Gestión e institucionalidad de las políticas sociales para la igualdad en América Latina y el Caribe: caja de herramientas*, S. Cecchini, R. Holz and F. Soto de la Rosa (eds.), Santiago, Economic Commission for Latin America and the Caribbean (ECLAC), in press.
- Davies, M. and others (2008), *Climate Change Adaptation, Disaster Risk Reduction and Social Protection*, Brighton, Institute of Development Studies, University of Sussex.
- DESA (Department of Economic and Social Affairs) (2020), "The long-term impact of COVID-19 on poverty", *Policy Brief*, No. 86.
- ECLAC (Economic Commission for Latin America and the Caribbean) (n/d a), CEPALSTAT [online] <https://estadisticas.cepal.org/cepalstat/tabulador/ConsultaIntegrada.asp?IdAplicacion=6&idTema=131&idIndicador=2206&idioma=i>.
- \_\_\_\_\_(n/d b), "Latin America and the Caribbean: population estimates and projections" [online] <https://www.cepal.org/en/topics/demographic-projections/latin-america-and-caribbean-population-estimates-and-projections>.
- \_\_\_\_\_(n/d c), COVID-19 Observatory in Latin America and the Caribbean [online] <https://www.cepal.org/en/topics/covid-19>.
- \_\_\_\_\_(2021a), "The recovery paradox in Latin America and the Caribbean. Growth amid persisting structural problems: inequality, poverty and low investment and productivity", *COVID-19 Special Report*, No. 11, Santiago, July.
- \_\_\_\_\_(2021b), *Social Panorama of Latin America, 2020* (LC/PUB.2021/2-P/Rev.1), Santiago.
- \_\_\_\_\_(2021c), "The economic autonomy of women in a sustainable recovery with equality", *COVID-19 Special Report*, No. 9, Santiago, February.
- \_\_\_\_\_(2021d), *Desastres y desigualdad en una crisis prolongada: hacia sistemas de protección social universales, integrales, resilientes y sostenibles en América Latina y el Caribe*, position document of the Fourth Regional Conference on Social Development in Latin America and the Caribbean, in press.
- \_\_\_\_\_(2021e), *Building forward better: action to strengthen the 2030 Agenda for Sustainable Development* (LC/FDS.4/3/Rev.1), Santiago.
- \_\_\_\_\_(2020a), "Addressing the growing impact of COVID-19 with a view to reactivation with equality: New projections", *COVID-19 Special Report*, No. 5, Santiago, July.
- \_\_\_\_\_(2020b), "Measuring the impact of COVID-19 with a view to reactivation", *COVID-19 Special Report*, No. 2, Santiago, April.
- \_\_\_\_\_(2020c), "The social challenge in times of COVID-19", *COVID-19 Special Report*, No. 3, Santiago, May.
- \_\_\_\_\_(2020d), *Fiscal Panorama of Latin America and the Caribbean, 2020* (LC/PUB.2020/6-P), Santiago.
- \_\_\_\_\_(2020e), *Economic Survey of Latin America and the Caribbean 2020* (LC/PUB.2020/12-P), Santiago.
- \_\_\_\_\_(2020f), "The COVID-19 pandemic is exacerbating the care crisis in Latin America and the Caribbean", *COVID-19 Report*, Santiago, April.
- \_\_\_\_\_(2020g), "The impact of COVID-19: An opportunity to reaffirm the central role of migrants' human rights in sustainable development", *COVID-19 Report*, Santiago, November.
- \_\_\_\_\_(2020h), "Persons with disabilities and coronavirus disease (COVID-19) in Latin America and the Caribbean: status and guidelines", *COVID-19 Report*, Santiago, April.
- \_\_\_\_\_(2020i), *Building a New Future: Transformative Recovery with Equality and Sustainability* (LC/SES.38/3-P/Rev.1), Santiago.
- \_\_\_\_\_(2020j), *Regional Agenda for Inclusive Social Development* (LC/CDS.3/5), Santiago.
- \_\_\_\_\_(2020k), "Universalizing access to digital technologies to address the consequences of COVID-19", *COVID-19 Special Report*, No. 7, Santiago, August.

- \_\_\_\_\_ (2020l), "The impact of COVID-19 on indigenous peoples in Latin America (Abya Yala): between invisibility and collective resistance", *Project Documents* (LC/TS.2020/171), Santiago.
- \_\_\_\_\_ (2020m), "Challenges for the protection of older persons and their rights during the COVID-19 pandemic", *COVID-19 Report*, Santiago, December.
- \_\_\_\_\_ (2019a), *Critical obstacles to inclusive social development in Latin America and the Caribbean: background for a regional agenda* (LC/CDS.3/3), Santiago.
- \_\_\_\_\_ (2019b), *Social Panorama of Latin America, 2019* (LC/PUB.2019/22-P/Rev.1), Santiago.
- \_\_\_\_\_ (2018a), *Social Panorama of Latin America, 2017* (LC/PUB.2018/1-P), Santiago.
- \_\_\_\_\_ (2018b), *The Inefficiency of Inequality* (LC/SES.37/3-P), Santiago.
- \_\_\_\_\_ (2017), *Social Panorama of Latin America, 2016* (LC/PUB.2017/12-P), Santiago.
- \_\_\_\_\_ (2016), *The Social Inequality Matrix in Latin America* (LC/G.2690(MDS.1/2), Santiago.
- \_\_\_\_\_ (2014a), "Análisis de la protección ante el desempleo en América Latina", *Macroeconomics of Development series*, No. 154 (LC/L.3877), Santiago.
- \_\_\_\_\_ (2014b), *Regional Report on Measuring Disability. Overview of the disability measurement procedures in Latin America and the Caribbean. Task Force on Disability Measurement Statistical Conference of the Americas* (SCA) (LC/L.3860(CE.13/3), Santiago.
- \_\_\_\_\_ (2013), *Social Panorama of Latin America, 2012* (LC/G.2557-P), Santiago.
- \_\_\_\_\_ (2012a), *Eslabones de la desigualdad. Heterogeneidad estructural, empleo y protección social* (LC/G.2539-P), Santiago.
- \_\_\_\_\_ (2012b), *Social Panorama of Latin America, 2011* (LC/G.2514-P), Santiago.
- \_\_\_\_\_ (2010a), *Social Panorama of Latin America, 2009* (LC/G.2423-P), Santiago.
- \_\_\_\_\_ (2010b), *What kind of State? What kind of Equality?* (LC/G.2450/Rev.1), Santiago.
- \_\_\_\_\_ (2006), *La protección social de cara al futuro: acceso, financiamiento y solidaridad* (LC/G.2294 (SES.31/3), Montevideo.
- ECLAC/ILO (Economic Commission for Latin America and the Caribbean/International Labour Organization) (2021), "Decent work for platform workers in Latin America", *Employment Situation in Latin America and the Caribbean*, No. 24 (LC/TS.2021/71), Santiago.
- \_\_\_\_\_ (2020a), "The COVID-19 pandemic could increase child labour in Latin America and the Caribbean", *Technical Note*, No. 1, June.
- \_\_\_\_\_ (2020b), "Work in times of pandemic: the challenges of the coronavirus disease (COVID-19)", *Employment Situation in Latin America and the Caribbean*, No. 22 (LC/TS.2020/46), Santiago.
- ECLAC/UNESCO (Economic Commission for Latin America and the Caribbean/United Nations Educational, Scientific and Cultural Organization) (2020), "Education in the time of COVID-19", *COVID-19 Report*, Santiago.
- ECLAC/UNFPA (Economic Commission for Latin America and the Caribbean/United Nations Population Fund) (2020), "Afrodescendientes y la matriz de la desigualdad social en América Latina: retos para la inclusión", *Project Documents* (LC/PUB.2020/14), Santiago.
- ECLAC/UNICEF (Economic Commission for Latin America and the Caribbean/ United Nations Children's Fund) (2020), "Social protection for families with children and adolescents in Latin America and the Caribbean: An imperative to address the impact of COVID-19", *COVID-19 Report*, Santiago, December.
- ECLAC/UNICEF/OSRSG-VAC (Economic Commission for Latin America and the Caribbean/United Nations Children's Fund/ Office of the Special Representative of the Secretary-General on Violence against Children) (2020), "Violence against children and adolescents in the time of COVID-19", *COVID-19 Report*, Santiago.
- European Union (2020), *Apuntando al futuro de la Unión Europea. Las medidas frente a la COVID-19. Reunión extraordinaria del Consejo Europeo (17-21 July 2020)*.
- FAO/ECLAC (Food and Agriculture Organization of the United Nations/Economic Commission for Latin America and the Caribbean) (2020a), "Food systems and COVID-19 in Latin America and the Caribbean: The role of social protection measures", *Bulletin*, No. 7, Santiago.
- \_\_\_\_\_ (2020b), "Preventing the COVID-19 crisis from becoming a food crisis: Urgent measures against hunger in Latin America and the Caribbean", *COVID-19 Report*, Santiago, June.
- Filgueira, F. (2007), "Cohesión, riesgo y arquitectura de protección social en América Latina", *Social Policy series*, No. 135 (LC/L.2752-P), Santiago, Economic Commission for Latin America and the Caribbean (ECLAC).

- Filgueira, F. and others (2020), "América Latina ante la crisis del COVID-19: vulnerabilidad socioeconómica y respuesta social", *Social Policy series*, No. 238 (LC/TS.2020/149), Santiago, Economic Commission for Latin America and the Caribbean (ECLAC).
- Gelb, A. and A. Mukherjee (2020), "Digital technology in social assistance transfers for COVID-19 relief: lessons from selected cases", *Policy Paper*, No. 181, Center for Global Development.
- Gentilini, U. and others (2020), *Social Protection and Jobs Responses to COVID-19: A Real-Time Review of Country Measures*, Washington D.C., World Bank.
- Hincapié, D., F. López-Boo and M. Rubio-Codina (2020), "The high cost of COVID-19 for children: strategies for mitigating its impact in Latin America and the Caribbean", *Discussion Paper*, No. IDB-DP-00782, Inter-American Development Bank (IDB).
- Huenchuan, S. (2020), *COVID-19 y sus impactos en los derechos y la protección social de las personas mayores en la subregión* (LC/MEX/TS.2020/31), Mexico City, Economic Commission for Latin America and the Caribbean (ECLAC).
- Hulme, D. and A. Shepherd (2003), "Conceptualizing chronic poverty", *World Development*, vol. 31, No. 3.
- ILO (International Labour Organization) (n/d), "Unemployment benefits, legal coverage: Percentage of workers covered by unemployment protection schemes by region, latest available year" [online] <http://www.social-protection.org/gimi/gess/RessourceDownload.action?ressource.ressourceId=54640>.
- \_\_\_\_ (2020a), *COVID-19: Job Creation through Employment Intensive Public Works Programmes*.
- \_\_\_\_ (2020b), *Policy Brief. COVID-19: Public Employment Services and Labour Market Policy Responses*.
- \_\_\_\_ (2020c), *Extending Social Protection to Informal Workers in the COVID-19 Crisis. Country Responses and Policy Considerations*.
- \_\_\_\_ (2020d), *ILO Monitor: COVID-19 and the World of Work. Fifth Edition. Updated Estimates and Analysis*.
- \_\_\_\_ (2020e), *Unemployment Protection in the COVID-19 Crisis. Country Responses and Policy Considerations*.
- \_\_\_\_ (2020f), *Social Protection Responses to the COVID-19 Crisis: Country Responses and Policy Considerations*.
- \_\_\_\_ (2020g), *Sickness Benefits during Sick Leave and Quarantine: Country Responses and Policy Considerations in the Context of COVID 19*.
- \_\_\_\_ (2020h), *Social Protection Responses to the COVID-19 Crisis around the World*, October.
- \_\_\_\_ (2020i), *Temporary Wage Subsidies*.
- \_\_\_\_ (2020j), *The Role of Social Dialogue in Formulating Social Protection Responses to the COVID-19 Crisis*, October.
- \_\_\_\_ (2020k), *COVID-19 and the English- and Dutch-speaking Caribbean Labour Market. A Rapid Assessment of Impact and Policy Responses at the End of Q3, 2020*, Port of Spain.
- \_\_\_\_ (2020l), *Impact of Lockdown Measures on the Informal Economy. A Summary*, May.
- \_\_\_\_ (2020m), *Social Protection for Migrant Workers: A Necessary Response to the Covid-19 Crisis*.
- \_\_\_\_ (2018), *Women and Men in the Informal Economy: A Statistical Picture. Third edition*, Geneva.
- \_\_\_\_ (2003), *Active Labour Market Policies* (GB.288/ESP/2).
- ILO/UNDP (International Labour Organization/United Nations Development Programme) (2009), *Work and Family: Towards New Forms of Reconciliation with Social Co-responsibility*.
- Lexartza, L., M. Chaves and A. Carcedo (2016), *Policies to Formalize Paid Domestic Work in Latin America and the Caribbean*, International Labour Organization (ILO).
- López Boo, F., J. Behrman and C. Vázquez (2020), "Economic costs of preprimary program reductions due to COVID-19 pandemic", *Technical Note*, IDB-TN-2000, Inter-American Development Bank (IDB).
- Maldonado, C., J. Martínez and R. Martínez (2018), "Protección social y migración. Una mirada desde las vulnerabilidades a lo largo del ciclo de la migración de la vida de las personas", *Project Documents* (LC/TS.2018/62), Santiago, Economic Commission for Latin America and the Caribbean (ECLAC).
- Meresman, S. and H. Ullmann (2020), "COVID-19 y las personas con discapacidad en América Latina: mitigar el impacto y proteger derechos para asegurar la inclusión hoy y mañana", *Social Policy series*, No. 237 (LC/TS.2020/122), Santiago, Economic Commission for Latin America and the Caribbean (ECLAC).
- Molina, I. (2019), "Desagregación de datos en encuestas de hogares: metodologías de estimación en áreas pequeñas", *Statistical Studies series*, No. 97 (LC/TS.2018/82/Rev.1), Santiago, Economic Commission for Latin America and the Caribbean (ECLAC).
- Natali, D. (2020), "Pensions in the age of COVID-19: recent changes and future challenges", *ETUI Policy Brief*, No. 13, European Trade Union Institute (ETUI).

- ODI/UNICEF (Overseas Development Institute/United Nations Children's Fund) (2020), *Universal Child Benefits: Policy Issues and Option*, London/New York.
- OECD (Organisation for Economic Co-operation and Development) (2021), *Employment Outlook 2021: Navigating the COVID-19 Crisis and Recovery*.
- \_\_\_\_\_(2020a), *Job Retention Schemes during the COVID-19 Lockdown and Beyond*.
- \_\_\_\_\_(2020b), "Supporting people and companies to deal with the COVID-19 virus: options for an immediate employment and social-policy response", March [online] <http://www.oecd.org/coronavirus/policy-responses/supporting-people-and-companies-to-deal-with-the-covid-19-virus-options-for-an-immediate-employment-and-social-policy-response-d33dffe6/>.
- \_\_\_\_\_(2020c), *Supporting Livelihoods during the COVID-19 Crisis: Closing the Gaps in Safety Nets*.
- OECD/World Bank (Organisation for Economic Co-operation and Development/World Bank) (2020), *Health at a Glance: Latin America and the Caribbean 2020*.
- Rico, M. N. (2011), "Crisis del cuidado y políticas públicas: el momento es ahora", *Las familias latinoamericanas interrogadas. Hacia la articulación del diagnóstico, la legislación y las políticas* (LC/L.3296-P), M. N. Rico y C. Maldonado V. (coords.), Santiago, Economic Commission for Latin America and the Caribbean (ECLAC).
- Rossel, C. (2013), "Desbalance etario del bienestar: el lugar de la infancia en la protección social de América Latina", *Social Policy series*, No. 176 (LC/L.3574), Santiago, Economic Commission for Latin America and the Caribbean (ECLAC).
- Rossel, C. and M. Gutiérrez (2021), "Uruguay's social policy response to COVID-19: strong fundamentals, selective expansion", *COVID-19 Social Policy Response Series*, CRC 1342/No. 15.
- Rubio, M. and others (2020a), *Protección social y respuesta al COVID-19 en América Latina y el Caribe. III Edición: seguridad social y mercado laboral*, Panama/Brasília, United Nations Children's Fund (UNICEF)/International Policy Centre for Inclusive Growth (IPC-IG).
- \_\_\_\_\_(2020b), *Protección social y respuesta al COVID-19 en América Latina y el Caribe*, United Nations Children's Fund (UNICEF)/International Policy Centre for Inclusive Growth (IPC-IG).
- Save The Children (2020), *A Foundation to End Child Poverty: How Universal Child Benefits can Build a Fairer, more Inclusive and Resilient Future*.
- Sepúlveda, M. (2014), "De la retórica a la práctica: el enfoque de derechos en la protección social en América Latina", *Social Policy series*, No. 189 (LC/L.3788), Economic Commission for Latin America and the Caribbean (ECLAC).
- Sumner, A., C. Hoy and E. Ortiz-Juarez (2020), "Estimates of the impact of COVID-19 on global poverty", *WIDER Working Paper*, No. 2020/43, United Nations University (UNI-WIDER).
- Tokman, V. (2006), "Inserción laboral, mercados de trabajo y protección social", *Project Documents* (LC/W.82), Economic Commission for Latin America and the Caribbean (ECLAC).
- Torero, M. (2021), "Presentation" at the third Hemispheric Meeting of Ministers of Agriculture of the Americas, Lima, Food and Agriculture Organization of the United Nations (FAO), 15 April.
- UNDP (United Nations Development Programme) (n/d), "COVID-19 Global Gender Response Tracker" [online] <https://data.undp.org/gendertracker/>.
- \_\_\_\_\_(2021), *Regional Human Development Report 2021. Trapped: High Inequality and Low Growth in Latin America and the Caribbean*.
- UNICEF (United Nations Children's Fund) (2020a), *Policy Brief: The Impact of COVID-19 on Children*.
- \_\_\_\_\_(2020b), *Averting a Lost COVID Generation: A Six-point Plan to Respond, Recover and Reimagine a Post-pandemic World for Every Child*, Nueva York.
- UNICEF/UN-Women (United Nations Children's Fund/United Nations Entity for Gender Equality and the Empowerment of Women) (2020), "Encuesta sobre niñez, uso del tiempo y género" [online] <https://www.gub.uy/sistema-cuidados/sites/sistema-cuidados/files/documentos/noticias/Resultados%20Encuesta%20uso%20del%20tiempo-%20Mayo%202020%20-%20Unicef%20y%20ONU%20Mujeres.pdf>.
- United Nations (2020a), *Policy Brief: COVID-19 and Universal Health Coverage*.
- \_\_\_\_\_(2020b), *Policy Brief: The Impact of COVID-19 on Older Persons*.
- \_\_\_\_\_(2020c), *COVID-19 and Social Protection in Europe and Central Asia: A Moment of Opportunity to Expand and Strengthen Social Protection Mechanisms to Safeguard Health, Well-being and Livelihoods, Leaving No One Behind*.

- \_\_\_\_\_(2020d), *Policy Brief: The Impact of COVID-19 on Latin America and the Caribbean*.
- United Nations Sustainable Development Group for Latin America and the Caribbean (2020), "Jóvenes ante COVID-19 en América Latina y el Caribe. Presentación preliminar de resultados. Encuesta en línea 2020".
- UN-Women (United Nations Entity for Gender Equality and the Empowerment of Women) (2020a), *From Insight to Action: Gender Equality in the Wake of COVID-19*.
- \_\_\_\_\_(2020b), "Violence against women and girls: the shadow pandemic" [online] <https://www.unwomen.org/en/news/stories/2020/4/statement-ed-phumzile-violence-against-women-during-pandemic>.
- UN-Women/ECLAC (United Nations Entity for Gender Equality and the Empowerment of Women/Economic Commission for Latin America and the Caribbean) (2020), *Care in Latin America and the Caribbean during the COVID-19: Towards Comprehensive Systems to Strengthen Response and Recovery*, Santiago, August.
- UN-Women/ILO/ECLAC (United Nations Entity for Gender Equality and the Empowerment of Women/International Labour Organization/Economic Commission for Latin America and the Caribbean) (2020), *Trabajadoras remuneradas del hogar en América Latina y el Caribe frente a la crisis del COVID-19*, Santiago, June.
- Velásquez Pinto, M. (2021), "La protección social de los trabajadores informales ante los impactos del COVID-19", *Project Documents* (LC/TS.2021/37), Santiago, Economic Commission for Latin America and the Caribbean (ECLAC).
- \_\_\_\_\_(2010), "Seguros de desempleo y funcionamiento eficiente y equitativo de los mercados de trabajo", *Macroeconomics of Development series*, No. 99, Santiago, Economic Commission for Latin America and the Caribbean (ECLAC).
- WHO (World Health Organization) (2021), *Second Round of the National Pulse Survey on Continuity of Essential Health Services during the COVID-19 Pandemic*.
- World Bank (2020), *Poverty and Shared Prosperity 2020: Reversals of Fortune*, Washington, D.C.
- \_\_\_\_\_(2019), *Protección social en tiempos difíciles* [online] <https://documents1.worldbank.org/curated/en/307811467997872134/pdf/100298-WP-P153361-Box393228B-PUBLIC-SPANISH-WB-Proteccion-social-en-Tiempos-Dificiles.pdf>.



The coronavirus disease (COVID-19) pandemic has triggered an unprecedented worldwide social, economic and health crisis. This emergency has prompted the Latin American and Caribbean countries to deploy a series of social protection measures in an attempt to mitigate its impacts, especially for the most vulnerable population groups. In view of this situation and given the possibility of other crises in the future, the role of social protection systems has become one of fundamental importance, and strategies have to be devised for making those systems universal, comprehensive and sustainable on the basis of an approach that is sensitive to difference. This study looks at a number of the social protection measures implemented by the countries of the region in response to the pandemic and explores different social protection tools that could contribute to a recovery with equality and sustainability.

