

Integration of Venezuelan Refugees and Migrants in Brazil

*Summary of a World Bank Policy Research Working paper**

MAIN FINDINGS

- Though legal constraints are minimal and work permits are relatively easy to obtain, Venezuelan refugees and migrants in Brazil face challenges integrating into the education system, social protection programs and the formal labor market. They are 53 percent less likely to be in school, 64 percent less likely to be formally employed, and 30 percent less likely to access social assistance programs as compared to host community counterparts.
- Venezuelan students are more likely to be enrolled in grades lower than their Brazilian counterparts. They are also more likely to attend overcrowded schools than their host community counterparts. For working-age Venezuelans, they face professional downgrading and are more likely to be in short-term jobs characterized by lower wages and longer hours. Venezuelan formal workers are younger, more likely to have received formal education, and less likely to be female and white.
- The study suggests that improving school capacity, providing language training, facilitating the accreditation of Venezuelan education or degrees, and strengthening voluntary relocation to places with favourable employment opportunities may enhance integration. In addition, stronger labor market insertion policies, including job intermediation, training, raising awareness of the legal rights, and providing assistance with documentation may facilitate integration.

As millions of Venezuelans leave behind the worsening economic and social crisis at home, most Latin American countries have welcomed and granted legal status to Venezuelan refugees and migrants. For these Latin American host countries, harnessing the potential of Venezuelans to contribute to economic growth could reduce the strain on fiscal resources as they work with international organizations to address the urgent humanitarian needs and provide for the Venezuelans' protracted stay.

Greater economic and social inclusion will allow Venezuelans to engage in productive work, create new jobs as business owners, pay taxes and contribute to the social security system and economic growth. However, current knowledge of the living conditions of Venezuelans in Latin American countries is scant. While there are a few studies on the labor market conditions of Venezuelan refugees and migrants, to the best of our knowledge, existing studies do not examine their access to education and social protection programs.

This paper attempts to fill the research gap by investigating the extent of Venezuelans' integration in the education, formal labor market and social protection sectors of Brazil, and how different economic and social factors accelerate or hinder the process of integration. By integration, we refer to the OECD's definition that describes it as a two-way process of adaptation by refugees, migrants and host societies of the rights, obligations, and access to different kinds of services and the labor market. Measuring integration calls for a benchmark against which outcomes can be assessed, and this paper compares the outcomes of Venezuelans with host communities.

VENEZUELAN REFUGEE AND MIGRATION TRENDS IN BRAZIL

The United States and Spain have traditionally been the main hosts of Venezuelan nationals. But since 2014, 80 percent of Venezuelans are being hosted by Latin American countries. Colombia and Peru are hosting the largest numbers of Venezuelans, followed by Chile, Ecuador, the United States and Brazil.

In Brazil, the intense flow of Venezuelan refugees and migrants in 2017 led to a Brazilian federal decree in February

* The paper, [Integration of Venezuelan Refugees and Migrants in Brazil](#), work is part of the program "[Building the Evidence on Protracted Forced Displacement: A Multi-Stakeholder Partnership](#)" which is established by the UK Foreign, Commonwealth and Development Office (FCDO), World Bank and UNHCR.

2018 that recognized the influx as a humanitarian crisis. Between July 2017 and October 2020, over 260,000 Venezuelans are now hosted in Brazil. Estimates show that most entered and settled in the north in Roraima (50 percent) and Amazonas (19 percent).

Roraima is one of Brazil’s poorest states, contributing just 0.2 percent of GDP in 2019. It is also one of Brazil’s smallest states, with a population of about 630,000 in 2020. After the large-scale influx of Venezuelans, the proportion of the Venezuelan population in Roraima increased to make up around 12 percent of the state’s population. In response, the Federal Government of Brazil, UNHCR, the Catholic church and civil society partners in the country are supporting Roraima’s management of the humanitarian crisis. Emergency assistance is provided mainly through *Operação Acolhida* (Operation Welcome) and its three programs: border management and documentation; provision of humanitarian assistance including shelter; and interiorization which involves the voluntary relocation of Venezuelans. The interiorization program has relocated about 50 thousand Venezuelans from Roraima to other Brazilian cities, where there are more opportunities for social and economic integration.

DEMOGRAPHIC PROFILE OF VENEZUELAN REFUGEES AND MIGRANTS

According to available data managed by the Federal Police, the Venezuelan population in Brazil is relatively gender balanced, unlike other population movements around the world where more men than women migrate. The Venezuelan populations in other Latin American countries like Colombia and Peru have similarly balanced gender distribution, suggesting that this gender equality in population movements may be specific to the Venezuelan process.

Venezuelan refugees and migrants are young, and many are single parents. About 50 percent of the Venezuelan population are between the ages of 20 and 40 and 75 percent are younger than 50. The large proportion of young and children—about 20 percent of Venezuelans are below the age of 20—point to the fact that the Venezuelan population movements involves substantial family reunification. However, 7 out of 10 Venezuelans above the age of 25 years report their civil status as single, signifying that most of those families consist of single parents.

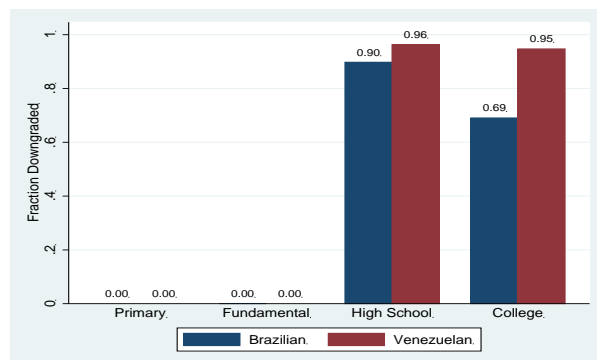
LABOR MARKET CONDITIONS

Compared with their Brazilian counterparts, Venezuelans are less likely to be employed in the formal labor market. The overall share of formal workers among working age population in Brazil is about 45 percent, but Venezuelans are 64 percent less likely to enter the formal sector.

According to annual administrative record of employees in the formal sector,¹ about 19,500 Venezuelans were employed as of December 2019. Controlling for individual characteristics and selection into wage earning formal employment, Venezuelan earnings does not differ significantly from their Brazilian counterparts, although they seem to face challenges in accessing formal sector jobs.

Venezuelan workers employed in the formal sector are younger, less likely to be female and white, and more likely to have completed high school than their Brazilian peers. They are also likely to work longer hours a week and more often in temporary positions compared to host community workers. Professional downgrading is prevalent among both Venezuelan and host community workers (Figure 1). Professional downgrading is where the worker is working in an occupation, whose required education level is below the highest education level attained by the worker. While 72 percent of Brazilians report working in an occupation where the education requirement is lower than their acquired highest education, 85 percent of Venezuelans report doing so. The incidence of being occupationally downgraded at work is higher for high school and college educated

Figure 1 Incidence of being occupationally downgraded is higher for high school and college educated Venezuelans



¹ *Relação Anual de Informações Sociais (RAIS)*

Venezuelans (96 percent and 91 percent, respectively) than for high school and college educated Brazilians (89 percent and 62 percent, respectively).

EDUCATION ENROLLMENT

Fewer Venezuelans are enrolled in school compared to their Brazilian peers. Overall, data analysis suggests that Venezuelans are 53 percent less likely to be in school as Brazilians. Being demoted to lower grades and shortages in the availability of Spanish-speaking teachers are major obstacles for Venezuelans to access education. In this regard, ongoing programs by the Brazilian government and international organizations to provide teachers and school faculty with Spanish language training, and offering Portuguese language courses to Venezuelan students, will alleviate the difficulties associated with language differences.

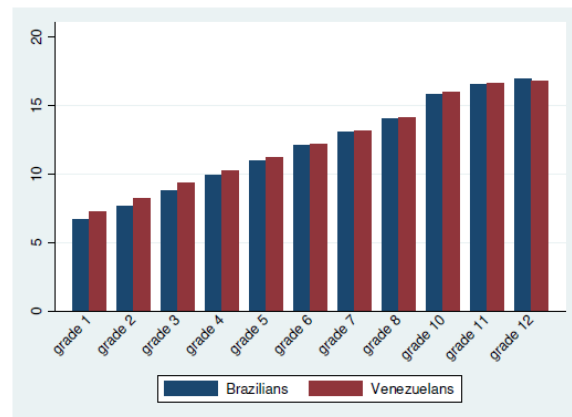
While not observed in the data, the low school enrollment among Venezuelans may reflect their lack of knowledge about Brazil's education system and constraints in obtaining equivalent certificates. Facilitation of credentials certification and providing information about enrollment and the documentation needed may promote Venezuelans' access to education.

According to the education census of 2020, just 37,700 or 45 percent of Venezuelan school-age children have been enrolled in school. Gross enrollment rate in the fundamental level (grade 1 to grade 9) is about 74 percent among Venezuelans, compared to universal enrollment among Brazilians. At the high school level, the enrollment rate is 40 percent for Venezuelans and over 80 percent for Brazilians.

The data suggests that the drop-out rate between the fundamental level and high school is higher among Venezuelans. In addition, the majority, about 22,000 or 60 percent, are attending schools in Roraima and Amazonas, which may lead to overcrowding in the schools in these states.

On average, Venezuelans tend to be older than Brazilians in lower grades, from grade 1 to grade 5, suggesting that Venezuelans are more likely to be mismatched to class (Figure 2). Difficulty in evaluating Venezuelan students' prior knowledge and language barrier may lead to Venezuelans being enrolled into the lowest grade possible. This practice may demotivate Venezuelan students from learning and increase the cost of education for the government. Some cities in Brazil are already responding to this mismanagement. For example, in Manaus, some teachers and school staff have received Spanish-language training, and in the city of Pacaraima, schools have developed Portuguese language classes focused on the needs of Venezuelan students.

Figure 2 Venezuelans in lower grades are likely to be older than their Brazilian classmates



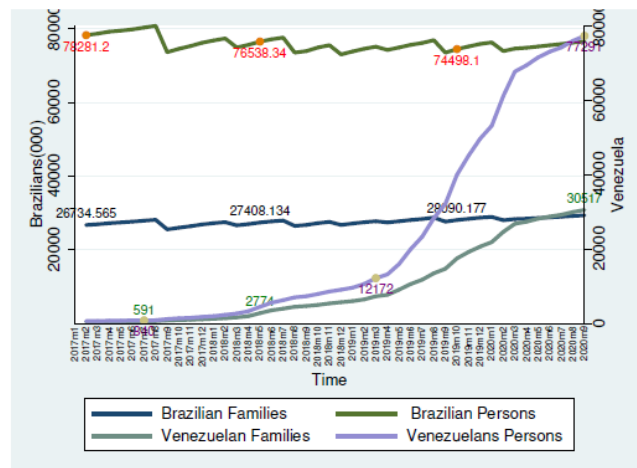
SOCIAL PROTECTION PROGRAMS

Venezuelans appear to be less likely to register in *Cadastro Único* than Brazilians, but for those who do register, they are equally likely or more likely to have access to *Bolsa Família* programs. Overall, statistics show that Venezuelans who register in *Cadastro Único* are poorer but more educated than their Brazilian counterparts. However, the lower registration rate may signal that many Venezuelan refugees and migrants may not be aware of their rights and guaranteed access, suggesting a need to continue providing information and assistance to overcome the language barrier.

On average, access and integration have continuously improved over the last 4 years (Figure 3), with Venezuelans being 30 percent less likely to be registered as Brazilians in July 2020, while they were 80 percent less likely to be registered in December 2018.

The average income of Venezuelans receiving *Bolsa Familia* assistance is lower than that of Brazilians. Yet, they are more educated than the Brazilian *Bolsa Familia* beneficiaries. About 42 percent of Venezuelan beneficiaries have high school education and 15 percent have college degrees. In comparison, 19 percent of Brazilian beneficiaries have high school degrees and 1 percent have college degrees. Venezuelan heads of households, who are receiving *Bolsa Familia* assistance are less likely to be employed and even when employed, are more likely to be self-employed and work for lower number of months than their Brazilian peers. Venezuelans receiving assistance are also more likely to have simultaneous access to water supply, garbage collection, adequate sanitation and electricity than the Brazilian counterparts, which is a result of most of them living in urban areas and in shelters.

Figure 3 Access and integration levels have improved

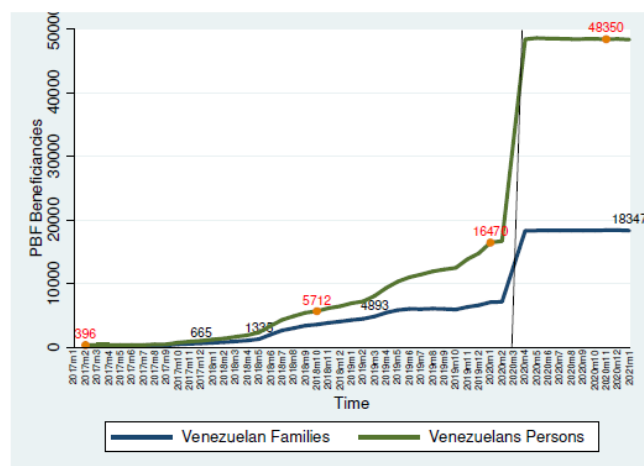


IMPACT OF COVID-19 PANDEMIC

Starting in mid-March 2020, there was a dramatic reduction in cross-border movements as all South American countries officially closed their borders to curb the spread of COVID-19. The pandemic's effect on the labor market has been heterogenous, affecting some jobs more than others. The risk of employment disruption is higher in the service sector where a high percentage of Venezuelans are hired. In addition, as most Venezuelans work in the informal sector, they have no access to job protection measures and unemployment insurance.

In response to the coronavirus pandemic, the federal government initiated two main policies to alleviate its livelihoods devastation. The eligibility criteria for households to benefit from *Bolsa Familia* was widened and those whose occupations were seriously affected by the crisis were granted a financial benefit of R\$ 600 (USD 117). Beneficiaries of the cash transfer included informal workers, the self-employed and the unemployed. The expanded eligibility for *Bolsa Familia* seems to have benefited the Venezuelan population as rough estimates suggest that Venezuelan beneficiaries increased from about 15,000 in February 2020 to about 48,000 in April 2020 (Figure 4).

Figure 4 Access to *Bolsa Familia* assistance



Brazil is the only Latin American country to provide social benefits during the pandemic without regard to legal status, though the delivery of the benefits is not without obstacles. The benefits are administered through local governments, which are overloaded with new registrations and overall higher level of demands. Such institutional capacity is most limited in Roraima, which is the main point of entry for Venezuelans. Further, with most Venezuelans having no access to a digital platform, the number of Venezuelans registering online for *Cadastro Único* has risen only gradually in 2020, despite the expanded eligibility. Experiences in the pandemic point to the importance of affordable and accessible internet, and digital literacy, which will not only benefit Venezuelans but also Brazilians.

Furthermore, the number of beneficiaries of *Operação Acolhida* decreased substantially from April 2020. There is a steep decline in the beneficiaries of relocation strategy from Roraima to the other states, from about 3,000 in

February to about 1,200 in April and onwards. This may have led to overcrowding in shelters and hospitals and to shortages of food in Roraima and further research needs to be conducted to quantify the actual effects.

CONCLUSION AND POLICY IMPLICATIONS

The inflow of Venezuelan refugees and migrants into Brazil is a humanitarian crisis that further presents development challenges. Greater economic and social inclusion of Venezuelans will not only build their productive human capital but will also create a multiplier effect of benefits for host communities.

This paper is a first step aiming to assess the extent of integration of Venezuelans refugees and migrants in Brazil and the main challenges they are facing. Overall, our results suggest that despite legal constraints are scant to integration, Venezuelans forcibly displaced still face various challenges to locally integrate in Brazil.

Overcrowded schools and mismatch of age and grade attainment are the main impediments for the children of Venezuelan refugees and migrants when it comes to integrating in schools. Occupational downgrading is the main barrier preventing forcibly displaced working-age Venezuelans from accessing the formal labor market. Language barriers may partially explain not only the downgrading in grades and occupations, but also lower enrollment rate in in *Cadastro Único*.

Two obvious barriers to integration of displaced Venezuelan in Brazil, that we could not control for in our estimation due to data limitations, are language barriers and xenophobia. Further research is needed to study the impacts of the policy already in place, like the relocation programs. Research is also needed to study how language barrier and xenophobia are affecting integration efforts and how best to combat them. With the disruptions of COVID-19, research is also needed to see how it impacted the Venezuelan refugees and migrants in Brazil and how should the livelihood and humanitarian aid be adapted to address its effects.

Our results suggest certain policy implications that may accelerate inclusion of Venezuelan refugees and migrants and their children in Brazil. These policy implications include:

- Facilitating the process of diploma and skills verification and validation will minimize unnecessary grade demotion in schools and reduce occupational downgrading in the formal labor market.
- Language training may help children enroll at the school grade commensurate with their age. It may also promote the employability of Venezuelan adults.
- The continued support of UNHCR and civil society partners in strengthening the federal government's efforts in voluntary relocation to areas within Brazil that have more job opportunities.
- Developing labor intermediation services focused on language training, Venezuelan community outreach, and use of specialized counselors who know employers for whom language is less a factor or are looking for particular skill sets.
- Increasing the capacity of schools by introducing morning and afternoon sessions could help alleviate overcrowding in schools and reduce class sizes.
- Having stronger labor market activation programs that include job intermediation and skills and language training to help in overcoming search barriers and matching friction.
- Continuing to provide assistance to Venezuelan refugees and migrants in accessing information about documents issuances, enrollment for education, health and social assistance services and benefits, and of their social rights and guaranteed access.