



A Winding Path to Integration

Venezuelan Migrants' Regularization and Labor Market Prospects

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LATIN AMERICA AND CARIBBEAN INITIATIVE

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Executive Summary

The scale of displacement from the Bolivarian Republic of Venezuela since 2015, with more than 6 million Venezuelan refugees and migrants moving to other countries in Latin America and the Caribbean, has challenged governments across the region to rethink how they manage movement across their borders and the integration of immigrants within them. With many Venezuelans expressing the intention to stay permanently in their new countries of residence, those countries have used various policy tools to grant newcomers access to basic services and to support their integration into local communities.

Most notable among these are the registration and regularization mechanisms used to register Venezuelans who have entered a country and provide them with regular status. Governments in Latin America and the Caribbean have opted to regularize large segments of this population for a combination of economic, social, and security-related reasons. When well-planned and properly executed, these tools have opened pathways that allow Venezuelans to access basic services and formal labor market opportunities and promoted their long-term integration and socioeconomic inclusion. Yet despite these efforts, many Venezuelans still lack a regular immigration status, shutting them out of services and integration opportunities and pushing them into the informal market and often vulnerable living conditions.

As recognition has grown that Venezuelan migration will not be a short-term phenomenon, governments in the region are increasingly acknowledging that effectively supporting newcomers and the communities in which they settle requires a long-term, whole-of-government, and multistakeholder approach that links migrant integration to broader development strategies.

Bringing this longer-term perspective into regularization policies and tackling barriers to integration will be important parts of this shift. To do so, countries will need to critically assess their institutions and policies for governing migration and integration, and ensure that stakeholders ranging from the private sector and civil society to different levels of government can coalesce around shared goals.

An important first step is understanding how registration and regularization mechanisms have affected Venezuelans' economic integration to date.

An important first step is understanding how registration and regularization mechanisms have affected Venezuelans' economic integration to date. Measuring their direct implications is challenging, given the wide range of factors that influence integration and uneven data across the region. This study compiles the evidence available on the links between providing regular status and the economic benefits for migrants and for receiving countries. Colombia—which has received the most Venezuelans and operated the region's largest and most-studied regularization mechanism—offers an important case study. The Colombian experience is then compared to findings from the other Latin American and Caribbean countries that make up the Quito Process, which has named Venezuelans' socioeconomic integration as a top priority. The report uses that evidence to identify observations that may be generalizable across most countries in the region and those that are unique to a specific country or subregion.

This study's comprehensive mapping suggests the following factors have been critical to how regularization mechanisms are shaping migrants' labor market opportunities:

- ▶ **The scale and ongoing nature of Venezuelan migration.** While many countries have introduced regularization measures, Venezuelan migration continues across the region and has often outpaced Quito Process Member States' capacity to grant regular status. Thus, even as notable numbers of Venezuelans have been able to regularize their status, many remain irregular.
- ▶ **Temporary versus permanent regular status.** The most generous regularization mechanisms in the region have granted Venezuelans a pathway to permanent residence, in addition to permission to work and access public services. Other temporary regularization mechanisms, by contrast, generally do not lead to longer-term residency permits and thus entail a greater degree of uncertainty for both Venezuelan workers and employers who may be wary of hiring someone who may not remain in the country or legally employable for long. Still, many Venezuelan irregular migrants have established strong labor market and social ties in their host countries and are working in steady, if informal, jobs.
- ▶ **Venezuelans' relatively high levels of human capital.** Venezuelans, especially those who arrived in earlier periods and have stayed in their host countries for longer, tend to have high levels of education. Their skills represent a significant human capital asset that could contribute to receiving-country economic and development goals, if Venezuelans can access jobs in their fields and career-building opportunities. To date, migrants' salaries are generally lower than those of the native population. After regularization, however, there is some evidence of an increased differentiation among Venezuelan workers, with a stronger correlation between human capital characteristics and income level.
- ▶ **The prevalence of labor informality.** Venezuelan migrants are more likely to be employed informally compared to most countries' nationals, even as many of these countries have high overall rates of labor informality. In this context, regularization might help migrants find work with better labor conditions, but it does not necessarily mean they will enter the formal sector.
- ▶ **The existence and enforcement of labor regulations.** In some cases, complex labor laws that make it more costly to formally hire workers may disincentivize employers and migrants (even if they have regular status) from moving toward a formal employment arrangement. The manner in which labor regulations and rules against hiring irregular migrants are (or are not) enforced also plays a role in whether regularization leads to formal work, and to migrants fulfilling related obligations such as paying taxes and contributing to social security systems.

With these considerations in mind, the study presents recommendations that could help Latin American and Caribbean countries follow through on their commitments to reduce Venezuelans' socioeconomic vulnerability and maximize this population's contributions to the economies of their host countries.

- ▶ **Strengthening registry mechanisms and better leveraging the data they collect.** There are numerous ways in which migrants can fall into irregular status, and policymakers should consider the administrative distinctions—the “demography” of irregular migration—when designing regularization mechanisms. It is equally fundamental to ensure that registry mechanisms produce timely and relevant data for operational, analytical, and policy purposes. Improving these data systems,

including through partnerships with external entities to support data analysis, is critical to enhancing government regularization and integration policies in the long term.

- ▶ **Reinforcing the links between regularization and employment.** Most current regularization programs offer status that is explicitly temporary, lasting for a year or two. However, creating permits with a longer duration (and that allow migrants to work, where that is not already the case) and a pathway to permanent residence could form the foundation for a longer-term strategy focused on how regularization can support both migrant integration and host-country development goals.
- ▶ **Increasing dialogue between government and the private sector.** Private-sector actors play an important role in migrants' labor market integration, but their involvement in integration policy conversations is often limited. Governments could seek to more fully engage them and tap their expertise for initiatives that aim to better match migrants' skills and employer needs, increase migrant participation in the formal sector, and raise awareness of rules around hiring migrants and of migrant workers' rights.
- ▶ **Supporting Venezuelan migrants' economic mobility.** While Venezuelans have relatively high levels of human capital, many have been unable to apply their skills in the countries where they have settled. Opportunities to develop or strengthen technical skills and streamlined systems to recognize credentials earned abroad could help more newcomers find work in their fields and potentially help close the native-migrant earnings gap.
- ▶ **Building on opportunities for regional exchanges of ideas and support.** The Quito Process has helped countries coordinate their responses to Venezuelan migration, and it could be further leveraged to exchange best practices and provide support as countries refine their regularization measures.

As Latin American and Caribbean countries move away from short-term emergency responses and look to long-term integration, there are real opportunities to link regularization mechanisms with efforts to meet labor demands. These policy tools can help countries design regularization programs that reflect evolving migration trends, connect these with tangible economic benefits for migrants and the communities in which they live, and support broader strategies to address complex development challenges in the region.

1 Introduction

As of August 2023, 7.7 million Venezuelans had left their home country, with 6.5 million moving to other countries within Latin America and the Caribbean. More than one-third of all displaced Venezuelans were thought to be in Colombia (2.9 million), followed by 1.5 million in Peru and roughly half a million each in Brazil, Ecuador, and Chile. The rest of the region hosts an estimated 700,000 Venezuelan migrants and refugees.¹

The scale of this displacement crisis, which began around 2015, has challenged Latin American and Caribbean countries to find better ways to manage increased movement across their borders. In this,

¹ Regional Inter-Agency Coordination Platform for Refugees and Migrants from Venezuelan (R4V), "Venezuelan Refugees and Migrants in the Region" (fact sheet, August 2023).

registration and regularization mechanisms² have become key policy tools. Most countries in the region have sought to regularize Venezuelans' status in one (or more) of the following ways: using existing regional mobility and residence agreements; adapting visa systems to allow displaced Venezuelans to apply more easily for existing residency visas; or creating ad hoc regularization programs, either specifically for Venezuelans or for a broader population of migrants with irregular status. Finally, a few countries (such as Brazil, Costa Rica, and Mexico) have used their asylum systems to grant Venezuelans temporary status, and some (such as Costa Rica³) have introduced forms of complementary protection.

Importantly, the Venezuelan migrant population—both across and within individual receiving countries—is far from monolithic. Displaced Venezuelans vary in terms of their economic background, level of education, professional training and skills, age, social networks, and date of entry. Each of these characteristics affects the extent of Venezuelans' labor market integration. Registration is a first, necessary step that can enable receiving-country authorities to understand the characteristics of newcomers within their territory and provide a sound statistical basis for regularization and integration policy planning.⁴ Some countries, such as Colombia⁵ and Ecuador,⁶ have used their registration exercise to collect such vital information. However, interviews with members of civil society and representatives of UN agencies suggest that although registration initiatives have been an essential milestone for regularization processes, countries could still make better use of the information gathered as they design integration policies, tailoring them to the different needs of registered migrants.⁷

Regularization mechanisms usually come with the promise of economic and labor market benefits for both the receiving society and the newcomers involved.

Regularization mechanisms usually come with the promise of economic and labor market benefits for both the receiving society and the newcomers involved. In general, regularized migrants are incorporated into the formal economy and, thus, increase contributions to tax and social security systems. Regularization can also potentially increase immigrant workers' productivity by allowing them to have their skills and qualifications recognized, to seek out positions that let them apply these skills and for which they will be paid fairly, and to access training and education—all things that can contribute to a country's medium- and long-term development goals. However, there is no guarantee that regularization on its own will produce these benefits. If the skills of regularized Venezuelans are not identified in the registration phase, do not match formal labor market needs, or if Venezuelan workers and/or receiving-country employers have insufficient incentives to engage with one another in the formal sector, large numbers of migrant

2 Registration mechanisms aim to collect and update information about migrants to inform policy design and to identify those migrants who may wish to access temporary protection measures. Regularization mechanisms, meanwhile, allow migrants to apply for a regular immigration status and, if they fulfill requirements set by the country's government, to receive permission to stay for a certain period of time and engage in specified activities, such as accessing education, receiving health care, and pursuing formal employment.

3 Government of Costa Rica, "Categoría Especial Temporal de Protección Complementaria," updated July 13, 2022.

4 Ginetta Gueli, *Regional Knowledge Management Strategy and Action Plan 2022–2027 of IOM in South America* (Buenos Aires: International Organization for Migration, 2022).

5 Migración Colombia, "RUMV," accessed November 7, 2022.

6 Government of Ecuador, Ministry of Government, "Registro Migratorio de Ciudadanos Venezolanos en Ecuador," accessed November 7, 2022.

7 Authors' interviews with representatives of civil-society organizations working across the region and UN agencies, August 2022.

workers may remain unemployed or in the informal sector, slowing their inclusion. This is a particularly relevant concern in the many Latin American and Caribbean countries with society-wide high rates of labor informality and unemployment.

Little research has been done to date on how providing regular status to Venezuelan migrants affects their economic prospects in Latin American and Caribbean countries. This report looks specifically at Venezuelans in countries that are Member States of the Quito Process (see Box 1) to gather evidence on the potential impacts of regularization mechanisms on migrants' access to socioeconomic opportunities. While some other studies have examined this issue in certain countries, this report brings together information and data from across all Quito Process countries where sufficient evidence exists on the effects of migrants' regular status on their economic outcomes.

BOX 1

What Is the Quito Process, and How Does It Support Migrants' Socioeconomic Integration?

The Quito Process is an intergovernmental initiative established in Latin America and the Caribbean in 2018 to coordinate responses to the Venezuelan migration crisis through nonbinding commitments and technical assistance. The Quito Declaration on Human Mobility of Venezuelan Citizens in the Region, signed September 2018, urges governments to reinforce reception policies for Venezuelans; coordinate efforts through international organizations; fight discrimination, intolerance, and xenophobia; strengthen regulation mechanisms to promote and respect the rights of migrants; amongst other things. As of mid-2023, the Member States of the Quito Process are: Argentina, Brazil, Chile, Colombia, Costa Rica, the Dominican Republic, Ecuador, Guyana, Mexico, Panama, Paraguay, Peru, and Uruguay.

The socioeconomic integration of Venezuelan migrants is one of the Member States' priorities, as evidenced by their joint declarations following the fourth technical meeting in Buenos Aires in 2019. This focus can also be seen in the 2021 Regional Socioeconomic Integration Strategy, which describes registration and regularization as a central axis of the socioeconomic integration of migrants.

Sources: Quito Process, "What We Do?," accessed October 11, 2022; Quito Process, "Declaración de Quito sobre Movilidad Humana de ciudadanos venezolanos en la Región," September 4, 2018; Quito Process, "Joint Statement by the Fourth International Technical Meeting on Human Mobility of Venezuelan Nationals" (statement, Buenos Aires, July 22, 2019); Quito Process, Regional Inter-Agency Coordination Platform for Refugees and Migrants from Venezuela (R4V), International Labor Organization (ILO), and United Nations Development Program (UNDP), *Migration from Venezuela: Opportunities for Latin America and the Caribbean. Regional Socio-Economic Integration Strategy* (Geneva: ILO and UNDP, 2021); Quito Process, "Socio-Economic Insertion," accessed June 26, 2023.

The report uses a mix of sources to explore this topic, including a review of existing data and research as well as unique insights gathered from policy and regional experts, migrants, integration-focused organizations, and private-sector stakeholders through 18 interviews and 3 focus groups conducted between July and December 2022. It analyses whether registration and regularization mechanisms have successfully increased Venezuelans' participation in the formal sector, reduced their rates of informality, and allowed them to become more integrated and productive in their receiving countries. The report also draws out observations that may be generalizable across Quito Process Member States and identifies those that are unique to a specific country or context.

This study should be seen as a preliminary step toward understanding the relationship between registering migrants, providing them a regular status, and their economic outcomes in societies that generally have high levels of informal work, which does not generally require legal documentation. Since there are significant information gaps in this research area, it is difficult to draw firm conclusions about the relationship; this report attempts to provide an overview of what the available evidence suggests. The final section of this report sketches a roadmap of recommendations for Quito Process countries as they continue to refine how they register Venezuelan migrants, design and implement mechanisms to grant them regular status, and foster their integration.

To inform these recommendations, Section 3 of this report examines the case of Colombia’s Special Stay Permit (PEP) and Temporary Statute of Protection for Venezuelan Migrants (TSPV)—the largest and most studied regularization effort in the region, and one that can be seen as a strategic decision by the Colombian government that supporting Venezuelans’ integration would serve the country’s medium- and long-term development goals.⁸ The TSPV was administrated at a relatively low cost and led to the approval of nearly 1,181,000 Temporary Protection Permits (PPT) within the first year.⁹ Section 4 of this report then explores evidence from regularization mechanisms launched by other Quito Process Member States, comparing and contrasting them to the Colombian experience. Together, this analysis offers a window into what has and has not worked in the region to date, and where opportunities for future policy improvements lie.

2 Regular and Irregular Migrants and Their Economic Integration

Assessing how registration and regularization mechanisms affect migrants’ labor market integration, and what the costs and benefits are, requires consideration of the labor dynamics in each country. Overall, Venezuelan migrants bring substantial economic benefits to receiving countries in their capacity as workers, especially when regularized. For example, their labor can bring down the cost of goods and services for consumers and make companies (and sometimes entire sectors) more competitive.¹⁰ Evidence in the region also suggests Venezuelan migration has expanded the general economic activity from which taxes and public contributions are drawn.¹¹

8 Authors’ interview with a representative of the Colombian Border Manager’s Office, August 2022.

9 Jordan Flores, “Casi el 16 % de los migrantes venezolanos en Colombia aún no recoge su Permiso de Protección Temporal,” *El Diario*, May 25, 2022.

10 Fedesarrollo and ACRIP, *Informe Mensual del Mercado Laboral* (Bogotá: Fedesarrollo and ACRIP, 2018).

11 World Bank, *Migración desde Venezuela a Colombia: Impactos y Estrategia de Respuesta en el Corto y Mediano Plazo* (Bogotá: World Bank, 2018); World Bank, *An Opportunity for All: Venezuelan Migrants and Refugees and Peru’s Development* (Lima: World Bank, 2019); World Bank, *Retos y oportunidades de la migración venezolana en Ecuador* (Quito: World Bank, 2020).

However, the economic benefits linked to regularization tend to be stronger in receiving countries where migration and labor regulations not only exist on paper but are also enforced in practice. In most Quito Process Member States, there is a high level of regulation surrounding formally hiring employees, but some countries do not rigorously enforce these employment laws. Where regulations are strict but poorly enforced, employers have few incentives to invest the extra time and money in formally hiring their employees, and native-born and immigrant workers alike may find it easier to secure work informally. Although informally hired workers tend to be paid less, the Venezuelan migrants and representatives of integration-focused organizations who participated in this study's focus groups¹² described how informal work is often seen as a win-win situation for employers and migrant employees. One participant explained that, since they are unlikely to be detected by authorities, "there are economic gains on both sides because paying for social security [as is required in formal employment] means less money in the pocket of everyone." In such cases, the benefits of regularization for migrants and of migrant workers for receiving-country economies are less straightforward and often harder to quantify.

The economic benefits linked to regularization tend to be stronger in receiving countries where migration and labor regulations not only exist on paper but are also enforced in practice.

Consequently, across Quito Process Member States, factors such as the size of a country's informal economy, how migrants fall into irregularity, and how the country is implementing regularization mechanisms are all relevant when analyzing the potential benefits of regularization. Balancing these three considerations is crucial for the sustainability of regularization processes as well as their success in promoting formal employment among migrants.

A. Formal and Informal Economies

Broadly, the "informal economy" refers to all economic activities that, in law or in practice, are not (sufficiently) regulated.¹³ The prevalence of informal employment varies across Latin American and Caribbean countries. As such, providing migrants with a regular status may do more in some national contexts than others in terms of helping them access formal employment and opportunities to earn a better income.

Analysis of survey-based studies and national data suggest that the informal economy accounts for, on average, an estimated 33.9 percent¹⁴ of GDP in Quito Process Member States. However, the share is far larger—between 42 and 52 percent of GDP—in Peru, Paraguay, and Panama (see Table 1).

12 Participant comments during Migration Policy Institute (MPI) online focus groups with Venezuelan migrants and integration-focused organizations in Colombia, Peru, and Ecuador, August 18 and 22, 2022.

13 See International Labor Organization (ILO), "Informal Economy," accessed February 6, 2023.

14 This regional figure was calculated using the national data in Table 1.

TABLE 1
GDP and the Formal and Informal Economies in Quito Process Member States, 2022

Country	GDP (billions of U.S. dollars)	Informal % of Employment	Formal % of Employment	Informal Economy as a % of GDP
Argentina	630.7	37.4%	62.6%	27.3%
Brazil	1890.0	38.9%	61.1%	33.2%
Chile	310.9	34.5%	65.5%	19.3%
Colombia	342.9	58.2%	41.8%	33.3%
Costa Rica	68.5	43.9%	56.1%	26.6%
Dominican Republic	112.4	52.1%	47.9%	33.9%
Ecuador	115.5	53.4%	46.6%	37.2%
Guyana*	14.8	48.5–52.9%	51.5–47.1%	29.1%
Mexico	1420.0	54.9%	45.1%	29.2%
Panama	71.1	48.2%	51.8%	51.6%
Paraguay	41.9	63.5%	36.5%	46.5%
Peru	239.3	76.1%	23.9%	42.2%
Uruguay	71.2	20.0%	80.0%	31.7%

* Informal employment data are from 2022 and were obtained from official government sources. The only exception is Guyana, for which this table shows a 2021 figure that was in the last bulletin published on the Guyanese government's website. Sources: World Economics, "Informal Economy Size," accessed February 10, 2023; International Monetary Fund (IMF), "World Economic Outlook (October 2022) - GDP, Current Prices" (dataset, October 2022); Argentine National Institute of Statistics and Census (INDEC), *Mercado de trabajo. Tasas e indicadores socioeconómicos (EPH): Tercer trimestre de 2022* (Buenos Aires: INDEC, 2022); Brazilian Institute of Geography and Statistics (IBGE), *Indicadores IBGE: Trimestre Móvel set. - nov. 2022* (Rio de Janeiro: IBGE, 2023); Chilean National Statistics Institute (INE), "Boletín Estadístico: Informalidad Laboral" (bulletin, February 2, 2023); Colombian National Administrative Department of Statistics (DANE), "Ocupación informal: Trimestre móvil septiembre - noviembre 2022" (technical bulletin, Bogotá, January 16, 2023); Costa Rican National Institute of Statistics and Census (INEC), "Encuesta Continua de Empleo - Indicadores generales de la condición de actividad según país de nacimiento - IV Trimestre 2022" (dataset, 2022); Guyanese Bureau of Statistics, *Guyana Labour Force Survey November 2021* (Georgetown: Bureau of Statistics, 2021); Central Bank of the Dominican Republic, "Boletín trimestral del mercado laboral: julio-septiembre 2022" (bulletin, 2022); Ecuadorian National Institute of Statistics and Censuses (INEC), "Encuesta nacional de empleo, desempleo y subempleo (ENEMDU): indicadores laborales diciembre 2022" (technical bulletin, January 24, 2023); Mexican National Institute of Statistics and Geography (INEGI), "Indicadores de ocupación y empleo: Diciembre 2022" (press release, January 26, 2023); Panamanian National Institute of Statistics and Census (INEC), "Situación de la población ocupada," updated April 2022; Paraguayan National Statistics Institute (INE), "Boletín trimestral de empleo – 3er trimestre 2022" (bulletin, November 2022); Peruvian National Institute of Statistics and Informatics (INEI), "Comportamiento de los indicadores de mercado laboral a nivel nacional: julio-agosto-septiembre 2022" (technical brief, November 2022); Uruguayan National Statistics Institute (INE), "Encuesta Continua de Hogares – No Registro y Subempleo" (dataset, 2022).

The relatively small size of the informal economy in Chile, for example, likely translates to greater economic benefits from regularization than is the case in many other Quito Process Member States. The country has a comparatively low rate of informal employment, and its rigorous enforcement of rules against hiring irregular migrants makes it particularly difficult for Venezuelans without regular status to find formal employment.¹⁵ For years, Chile did not have a migrant regularization mechanism, and the mechanism implemented in 2021 excluded migrants who did not arrive in the country through authorized entry

15 Luicy Pedroza, Pau Palop-García, and Young Chang, *Migration Policies in Chile 2017-2019* (Hamburg, Germany: GIGA, 2022).

points. The combination of a relatively small informal economy and strong labor practices suggests that regularization could present important economic benefits for those who qualify, but also that those who do not qualify are likely to face heightened economic precarity.

Migrants in countries such as Peru¹⁶ and Ecuador¹⁷ seem much more likely to find work in the informal sector, due to the larger size of those countries' informal economies. Complex labor laws in Andean countries that require high social security contributions raise the costs of formal employment in these countries, incentivizing employers and workers (native-born and immigrant alike) to instead make informal arrangements.¹⁸ This is particularly true in the many countries in the region that have limited capacity to enforce rules around labor formality.¹⁹

Because of the large size of the informal economy in most Quito Process Member States, both irregular and regular migrants often work informally (as do many native-born workers). Therefore, when Member States consider implementing regularization mechanisms, it is important that policymakers understand how immigrants interact with the economy and how gaining regular status and the right to work may or may not change that. Regularization may still yield other benefits (in terms of service access and social cohesion, for example) but alone may not be enough to connect migrants with the formal economy.

B. *Different Routes to Irregular Status*

A significant portion of the Venezuelan migrant population in Latin America and the Caribbean consists of individuals with an irregular immigration status. However, different circumstances can lead individuals to irregular status, and this can ultimately affect the extent to which migrants can access benefits and whether they are eligible for regularization programs.

For example, a Venezuelan migrant who entered a country through an unauthorized border crossing and one who entered the same country with a visa or permit but overstayed it may have different levels of access to assistance and regularization options.

Different circumstances can lead individuals to irregular status, and this can ultimately affect the extent to which migrants can access benefits and whether they are eligible for regularization programs.

While Southern Cone countries can expect the overwhelming majority of their irregular Venezuelan migrants to have overstayed permits, Andean countries that share long, porous borders experience frequent

16 In the case of Peru, the absence of labor contracts is widespread among employed refugees and migrants. Only 19.2 percent of employed workers have some type of contract. However, this represents an increase of 7.7 percent compared to the rate recorded by the Survey of the Venezuelan Population Living in the Country (ENPOVE) survey in 2018 (11.5 percent). See Peruvian National Institute of Statistics and Informatics (INEI), *Condiciones de Vida de la Población Venezolana que reside en el Perú* (Lima: INEI Peru, 2022); R4V, *GTRM Perú -Análisis conjunto de necesidades para el RMRP 2022* (Lima: R4V, 2022).

17 In June 2022, the informality rate was 50.6 percent, according to the National Survey of Employment, Unemployment, and Underemployment (Enemdu) for the second trimester of 2022. See Ecuadorian National Institute of Statistics and Census (INEC), *Encuesta Nacional de Empleo, Desempleo y Subempleo - ENEMDU* (Quito: INEC Ecuador, 2022); R4V, *Evaluación conjunta de necesidades: Informe de resultados de Ecuador-mayo 2022* (Quito: R4V, 2022).

18 Center for Social and Labor Studies (CESLA) and National Businessmen's Association of Colombia (ANDI), *Nuevas políticas de empleo para la región andina* (Bogotá: CESLA and ANDI, 2021).

19 ILO, *Panorama Laboral 2021: América Latina y El Caribe* (Lima: ILO, 2021).

irregular border crossings. In Central America and Mexico, irregular border crossings are also common; many Venezuelans cannot access a visa, and the number of Venezuelan nationals traveling northward through Central America via land routes has increased in recent years. In 2022, for example, more than 150,000 Venezuelan nationals entered Panama by irregularly crossing the Darién Gap, with the intention of reaching the United States.²⁰

These trends in how Venezuelans become irregular migrants should guide policymakers as they design and implement regularization measures, and help them set realistic expectations regarding the impact of these mechanisms.

C. *Regularization Mechanisms*

Countries in Latin America and the Caribbean have almost all made responding to Venezuelan migration a high priority on their policy agendas. However, the ways in which they have done so have varied. Some countries (such as Uruguay and Argentina) have relied on established legal frameworks to facilitate Venezuelans' access to regular status, while others (such as Colombia, Chile, Ecuador, Peru, and Brazil) have created specific mechanisms to regularize Venezuelan migrants.²¹ And some countries have used a mix of policy tools (including existing temporary and permanent visas, mobility and residence agreements, special regularization campaigns, and in some cases, asylum procedures) to grant Venezuelans status.²²

Estimates of the share of Venezuelans who have regular status vary greatly across data sources, both at the regional and country level. One such estimate, published by the Migration Policy Institute in early 2023, found that at least half and as many as three-fourths of displaced Venezuelans across the top 15 receiving countries in Latin America and the Caribbean had obtained some type of regular status.²³ The wide variation in data on this topic has made it difficult to achieve a comprehensive, up-to-date understanding of the situation that would support more effective policy design and implementation. Ongoing efforts to improve data collection and coordination are thus critical.

Even with this varied data landscape, one thing is clear: the regularized share of Venezuelans varies considerably from country to country. This reflects differences in what paths to regular status exist, how widely accessible they are, and the nature of the status they grant. Most of these regularization mechanisms have offered temporary status, meaning Venezuelans must renew it periodically to avoid falling into irregular status. Most also do not provide a path to permanent residence. This has emerged as a fundamental limitation as it has become increasingly clear that many Venezuelans are likely to stay in their

20 Government of Panama, Migración Panama, “Irregulares en tránsito por Darién por país 2022” (data table, 2022).

21 Luciana Gandini, Victoria Prieto Rosas, and Fernando Lozano-Ascencio, “Nuevas movilidades en América Latina: la migración venezolana en contextos de crisis y las respuestas en la región,” *Cuadernos Geográficos* 59, no. 3 (July 21, 2020): 103–21.

22 In this section, “regularization” refers to the provision of all kinds of regular migration status. Although asylum is one such route to regular status, other mechanisms have played a larger role in facilitating Venezuelans' access to regular status in most countries in the region. As such, this section largely focuses on other regularization measures. For information about efforts to strengthen Quito Process Member States' asylum systems, see Quito Process, “Asilo,” accessed May 10, 2023.

23 Luciana Gandini and Andrew Selee, *Betting on Legality: Latin American and Caribbean Responses to the Venezuelan Displacement Crisis* (Washington, DC: MPI, 2023).

host countries.²⁴ Without a way to apply for a longer-term or permanent status, hundreds of thousands of Venezuelans risk sliding back to irregularity and losing access to basic services and formal employment. This state of play can also lead to bubbling frustration in host communities. Other countries (such as Ecuador²⁵, Argentina,²⁶ Uruguay,²⁷ and Brazil²⁸) allow migrants to apply for permanent residence, generally after first holding a temporary residence permit.

Without a way to apply for a longer-term or permanent status, hundreds of thousands of Venezuelans risk sliding back to irregularity and losing access to basic services and formal employment.

The criteria Venezuelans must meet to be eligible to regularize also vary from country to country and program to program (see Table 2 for an overview). In a few cases, countries have linked regularization initiatives to applicants' employment. For example, Colombia's Special Permit to Stay for the Promotion of Formalization (PEPFF) required Venezuelan applicants to be employed and provide proof of a formal job offer. Meanwhile, Costa Rica's Special Category of Temporary Workers (CETTSA) set eligibility criteria based on migrants' labor sector, rather than their nationality or other characteristics.²⁹ This process gave migrants who entered the country between January 2016 and January 2020 and who worked in the agricultural, agro-export, or agro-industrial sectors a chance to regularize their migration status. When regularization initiatives offer status only to migrants who can demonstrate their participation in the formal economy, governments can argue to their constituents that only "productive" or "needed" migrants are being allowed to stay.³⁰ However, in places with large informal economies and relatively limited formal employment opportunities, such mechanisms likely do little to disincentivize migrants from seeking informal work and employers from hiring them.

Many regularization programs for Venezuelans set a cutoff date, allowing only those who entered the country before a particular date to qualify. This type of requirement generally aims to prevent the regularization mechanism from becoming a "pull factor," encouraging further migrants to travel to the country with the explicit intention of regularizing. Colombia's TSPV, for example, required Venezuelan

24 Diego Chaves-González, Jordi Amaral, and María Jesús Mora, *Socioeconomic Integration of Venezuelan Migrants and Refugees: The Cases of Brazil, Chile, Colombia, Ecuador, and Peru* (Washington, DC, and Panama City: MPI and International Organization for Migration, 2021).

25 Government of Ecuador, *Executive Decree 436 2022* (June 2022).

26 *Decree no. 616/2010* regulates the Permanent Mercosur Residency pathway in Argentina for nationals of Mercosur and associated states, including Venezuelans. See Government of Argentina, "Radicaciones Mercosur - Residencia Permanente," accessed May 10, 2023.

27 Visa Mercosur allows nationals of Mercosur and associated states, including Venezuelans, to apply for permanent residence in Uruguay. See Venezolanos en Uruguay, "Residencia permanente Mercosur en Uruguay," updated September 6, 2020.

28 *Interministerial Decree n. 9/2018* regulated the authorization of residence permits to migrants in Brazilian territory and nationals in a border country, including Venezuelans. *Interministerial Decree n. 15/2018* suspended some requirements that applicants present certain identification documents and accepted self-declaratory statements from Venezuelans. See Government of Brazil, *Portaria Interministerial Nº 9* (March 14, 2018); Government of Brazil, *Portaria Interministerial Nº 15* (August 27, 2018).

29 Cristobal Ramón, Ariel G. Ruiz Soto, María Jesús Mora, and Ana Martín Gil, *Temporary Worker Programs in Canada, Mexico, and Costa Rica: Promising Pathways for Managing Central American Migration?* (Washington, DC: MPI, 2022).

30 For a discussion of these dynamics, see Demetrios G. Papademetriou, Kevin O'Neil, and Maia Jachimowicz, *Observations on Regularization and the Labor Market Performance of Unauthorized and Regularized Immigrants* (Hamburg: HWWA Migration Research Group, 2004), 9.

irregular migrants to show proof of residency in the country before January 31, 2021.³¹ Countries such as Ecuador³² and Chile³³ have similarly established entry date requirements for migrants seeking to regularize their status.

Migrants who entered a country with documentation but have since fallen out of regular status are more likely to have established employment and social networks, increasing their potential productivity and other post-regularization integration prospects. In part for this reason, some regularization mechanisms require applicants to prove that they entered the country regularly. However, since most Venezuelans have fled their country without a passport or other legal documents, many have been unable to enter another country legally. As a result, such requirements often exclude the vast majority of the Venezuelans who might otherwise seek to regularize their status.

Apart from creating large-scale regularization mechanisms, countries such as Mexico and the Dominican Republic have awarded regular status to some Venezuelans based on marriage or other family relationships. One study of regularization programs in Central America, Mexico, and the Dominican Republic, published by the International Organization for Migration (IOM), found that having family ties was one of the most common criteria for regularization processes in the studied countries.³⁴ This type of regularization mechanism often operates on a “rolling” basis (rather than within a limited time period), which can help avoid sharp spikes in demand for application processing and mean governments do not need to announce (to a potentially skeptical public) their creation of a separate, large-scale regularization measure.

Some countries have sought to regularize Venezuelans who may need some sort of humanitarian protection but who do not necessarily qualify for refugee status.³⁵ For instance, Mexico has an Ordinary Migratory Regularization Mechanism for Humanitarian Reasons, available to people who have petitioned for political asylum or refugee status, did not receive it, but who nonetheless demonstrate a need for humanitarian assistance.³⁶ Brazil, Costa Rica, and Paraguay also have regulations granting status for humanitarian purposes. Paraguay, for example, granted one-year temporary residency (with the possibility to renew twice) to Venezuelans due to their vulnerable situation.³⁷

31 Grupo Interagencial sobre Flujos Migratorios Mixtos (GIFMM) and R4V, “Preguntas y respuestas: Estatuto temporal de protección para venezolanos” (information sheet, 2021).

32 The Exceptional Temporary Residence Visa (VIRTE) prioritized those Venezuelan migrants who entered the country through authorized entry points.

33 Chilean Ministry of Interior and Public Security, *Ley de Migración y Extranjería*, Ley 21325 (April 20, 2021).

34 International Organization for Migration (IOM), *Regional Study: Migratory Regularization Programmes and Processes* (San Jose: IOM, 2021).

35 The definition of a refugee is “someone who is unable or unwilling to return to their country of origin owing to a well-founded fear of being persecuted for reasons of race, religion, nationality, membership of a particular social group, or political opinion.” See UN General Assembly, “[Convention Relating to the Status of Refugees](#),” July 28, 1951. Both Mexico and Brazil have implemented the Cartagena Declaration’s more expansive criteria for who qualifies as a refugee when considering Venezuelans’ asylum cases. This definition includes “persons who have fled their country because their lives, safety, or freedom have been threatened by generalized violence, foreign aggression, internal conflicts, massive violation of human rights or other circumstances which have seriously disturbed public order.” See “[Cartagena Declaration on Refugees](#),” Conclusion III, No. 3, November 22, 1984.

36 IOM, *Regional Study: Migratory Regularization Programmes and Processes*.

37 Paraguayan General Directorate of Migration, *Resolución D.G.M. N° 062* (February 1, 2019); Government of Paraguay, *Ley de Migraciones*, Ley N° 978/96 (November 8, 1996).

Several countries (such as Brazil, Chile, Colombia, Ecuador, Paraguay, and Peru) have designed mass regularization mechanisms specifically targeting Venezuelans, while other regularization initiatives are open to migrants of several nationalities. Chile, for instance, established a special visa for Venezuelans known as the Democratic Responsibility Visa.³⁸ Peru³⁹ expanded its regularization process to migrants of other nationalities, and Ecuador⁴⁰ has announced it will similarly extend its regularization mechanism to migrants of other nationalities in a later phase of the process. Finally, Costa Rica provides legal pathways for migrants from selected nationalities, including Nicaraguans, Panamanians, and Venezuelans.

Importantly, as noted above, regularization mechanisms vary in terms of the length of the status they grant and the rights they convey to migrants during their stay. Regularization mechanisms that grant a pathway to permanent residence and work permits, as is the case in Colombia, are the most generous and provide the most support for migrants' longer-term integration and related

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development goals. Other countries, such as Brazil and Ecuador, initially offer short-term permits but allow migrants to access long-term residency after their regularization permit expires. In other cases, programs only grant regular status for a matter of months or years, and there is little or no chance of transitioning to a more permanent status. Peru's Temporary Permit of Permanence Card (CPP), for example, only grants temporary authorization for two years. This can result in migrants falling in and out of regular status, as most migrants stay even after their temporary status has expired.

The region's widespread adoption of short-term regularization measures has often resulted in bureaucratic backlogs for governments, as well as increased obstacles for migrants' long-term integration. As evidence suggests that migrants become more productive the longer they spend in a country or in a particular job, requiring migrants to leave—or allowing them to fall into irregular status—cuts into the potential economic benefits that regularization can offer.⁴¹ At the same time, there is evidence that Venezuelans who were not regularized at all were pushed further to informal or sometimes illegal activities.⁴² Such findings suggest that if maximizing migrants' labor market performance and contributions is a core policy goal, it is important to design regularization measures in a way that makes them accessible to a broad slice of the target population and that connects them up to longer-term residence opportunities.⁴³

38 María José Veiga, *Revisión de los marcos normativos de Argentina, Estado Plurinacional de Bolivia, Chile, Perú y Uruguay: contexto del pacto mundial para una migración segura, ordenada y regular* (Buenos Aires: IOM, 2021).

39 United Nations High Commissioner for Refugees (UNHCR), "Nuevo CPP: Permiso Temporal de Permanencia," accessed October 11, 2022.

40 Government of Ecuador, "Pregunta Frecuentes" (information sheet, 2022).

41 Papademetriou, O'Neil, and Jachimowicz, *Observations on Regularization*, 11–12.

42 World Bank, *Migración desde Venezuela a Colombia*; World Bank, *An Opportunity for All*; World Bank, *Retos y oportunidades*.

43 Soledad Álvarez Velasco, Manuel Bayón Jiménez, Francisco Hurtado Caicedo, and Lucía Pérez Martínez, *Viviendo al límite: migrantes irregulares en Ecuador* (Quito: Colectivo de Geografía Crítica de Ecuador, GIZ and Red Clamor, 2021).

TABLE 2

Past and Present Regularization Mechanisms in Quito Process Member States

Country	Regularization Mechanism	Year Enacted	Requirements				
			Proof of Formal Employment	Entry before Cutoff Date	Regular Entry	Family Ties	Applicant Nationality
Argentina	Temporary Mercosur Residency	2010	No	No	Yes	No	Yes
	Permanent Mercosur Residency	2010	No	No	Yes	Yes*	Yes
Brazil**	Normative Resolution CNlg No. 126/2017	2017	No	No	No	No	No
	Decree No. 9.199/2017	2017	No	No	No	No	No
	Interministerial Ordinance No. 9/2018	2018	No	No	No	No	Yes
	Interministerial Ordinance No. 670/2022	2022	No	Yes	No	No	Yes
	Ordinance No. 28/2022	2022	No	Yes	No	No	No
Chile	Migratory Regularization Process	2018	No	No	No	No	No
	Migratory Regularization Process	2021	No	Yes	Yes	No	No
Colombia	Special Permit to Stay (PEP)	2020	No	Yes	Yes	No	Yes
	Special Permit to Stay for the Promotion of Formalization (PEPFF)	2020	Yes	No	No	No	Yes
	Temporary Statute of Protection for Venezuelan Migrants (TSPV)	2021	No	Yes	No	No	Yes
Costa Rica**	Special Temporary Complementary Protection Category	2020	No	Yes	No	No	Yes
	Special Category for Temporary Workers (CETTSA)	2020	Yes	Yes	No	Yes	No
Dominican Republic	Resolution 00119-2021	2021	No	Yes	Yes	No	Yes
Ecuador	Visa UNASUR	2017	No	No	Yes	No	Yes
	Visa of Exception for Humanitarian Reasons (VERHU)	2019	No	Yes	Yes	No	Yes
	Exceptional Temporary Residence Visa (VIRTE)	2022	No	Yes	Yes	No	Yes
Guyana	Registration certificates	2019	No	No	Yes	No	No
Mexico**	Regularization for Having an Expired Document or Carrying out Unauthorized Activities	2011	No	No	Yes	No	No
	Regularization for Humanitarian Reasons	2011	No	No	No	No	No
	Regularization by Family Relationship	2011	No	No	No	Yes	No

TABLE 2 (cont.)

Past and Present Regularization Mechanisms in Quito Process Member States

Country	Regularization Mechanism	Year Enacted	Requirements				
			Proof of Formal Employment	Entry before Cutoff Date	Regular Entry	Family Ties	Applicant Nationality
Panama	Executive Decree No. 235	2021	No	No	No	Yes	Yes
Paraguay	Temporary Residence	2008	No	No	Yes	No	Yes
Peru	Temporary Residence Permit (PTP)	2017	No	Yes	Yes	No	Yes
	Special Resident Migratory Status	2018	No	No	Yes	No	Yes
	Temporary Permit of Permanence Card (CPP)	2020	No	Yes	No	No	No
	Humanitarian Migratory Status	2021	No	Yes	No	No	Yes
Uruguay	Visa Mercosur (Temporary or permanent)	2014	No	No	Yes	No	Yes

* When applying through a relative, based on their status.

** In these three countries (Brazil, Mexico, and to a lesser extent, Costa Rica), asylum systems have been widely utilized to provide regular status and protection to many Venezuelans. Among these countries, Brazil and Mexico have reported exceptionally high recognition rates. This is due to their decision to apply the Cartagena Declaration's broader definition of who is a refugee when processing asylum requests from Venezuelan nationals. Sources: For **Argentina**, Ministry of the Interior, "Tramitar residencia temporaria -radicaciones Mercosur," accessed May 10, 2023; Ministry of the Interior, "Radicaciones Mercosur - Residencia Permanente," accessed May 10, 2023. For **Brazil**, Government of Brazil, *Resolução Normativa CNIG Nº 126* (March 3, 2017); Government of Brazil, *Portaria Interministerial Nº 9* (March 14, 2018); Government of Brazil, *Resolução Normativa Nº 29* (October 29, 2019); Government of Brazil, *Portaria Interministerial Nº 670* (April 1, 2022); Government of Brazil, *Portaria Nº 28* (March 11, 2022). For **Chile**, Government of Chile, "Proceso de regularización de migrantes se inició en todo Chile," updated April 23, 2018; Chile Atiende, "Regularización Migratoria 2021" (information sheet, November 4, 2021); Ministry of Foreign Affairs of Chile, "Visa de responsabilidad democrática continúa apoyando a miles de venezolanos y venezolanas," accessed October 6, 2022. For **Colombia**, Migración Colombia, *Resolución 2359 de 2020* (September 29, 2020); Migración Colombia, *Resolución 289 de 2020* (January 30, 2020); Centro de Estudios Regulatorios, "MinRelaciones Exteriores, Decreto 216 de 2021," accessed May 10, 2023; Government of Colombia, "Migrantes venezolanos podrán tramitar su permiso especial de permanencia (PEP) de manera gratuita," updated January 31, 2020; Grupo Interagencial sobre Flujos Migratorios Mixtos (GIFMM) and R4V, "Preguntas y respuestas: Estatuto temporal de protección para venezolanos" (information sheet, 2021); Ministry of Labor, "Permiso especial de permanencia para el fomento de la formalización-PEPFF," accessed October 4, 2022. For **Costa Rica**, Lexology, "Costa Rica: Régimen excepcional para la regularización migratoria de trabajadores del sector agropecuario, agroexportador o agroindustrial," accessed July 19, 2023; Diego Chaves-González and María Jesús Mora, *The State of Costa Rican Migration and Immigrant Integration Policy* (Washington, DC: Migration Policy Institute, 2021); Government of Costa Rica, *Decreto Nº 42406-MAG-MGP* (June 23, 2022). For the **Dominican Republic**, Government of the Dominican Republic, *Resolución 00119-2021* (January 19, 2019). For **Ecuador**, Government of Ecuador, "Emisión de visa temporal Unasur" (information sheet, 2017); Government of Ecuador, "Manual de proceso para el usuario de consulado virtual - proceso de aplicación de visas de excepción por razones humanitarias" (information sheet, 2019); Venezuela en Ecuador, "Preguntas Frecuentes," accessed May 10, 2013. For **Guyana**, United Nations High Commissioner for Refugees (UNHCR), "Guyana es pionera en el uso de tecnología de avanzada para ayudar a los venezolanos," accessed October 13, 2022. For **Mexico**, National Institute of Migration, "Regularización por tener documento vencido o realizar actividades no autorizadas," accessed May 10, 2023; Info Digna, "¿Sabías que puedes regularizar tu situación migratoria en México?," updated May 2022; Government of Mexico, "Regularization for Humanitarian Reasons" (information sheet, November 8, 2012); Government of Mexico, "Regularization by Family Relationship" (Information sheet, November 8, 2012). For **Panama**, Government of Panama, *Decreto Ejecutivo No. 235* (September 15, 2021); Chen Lee & Asociados, "Regularización migratoria en Panamá," accessed October 13, 2022. For **Paraguay**, *Ley Nº 3565 / Aprueba El Acuerdo Sobre Residencia Para Nacionales De Los Estados Partes Del Mercosur* (July 17, 2013); Government of Paraguay, "Radicación temporaria para venezolanos," accessed October 12, 2022. For **Peru**, Government of Peru, *Decreto Supremo Nº002-2017-IN* (January 3, 2017); Government of Peru, *Resolución de Superintendencia Nº 043* (January 30, 2018); UNHCR, "Nuevo CPP: Permiso Temporal de Permanencia," accessed October 11, 2022; Government of Peru, *Resolución Ministerial* (June 16, 2021). For **Uruguay**, Venezuelanos en Uruguay, "Residencia permanente Mercosur en Uruguay," updated September 6, 2021.

3 Venezuelans' Regularization and Labor Market Integration in Colombia

Colombia's most recent regularization initiative, known as the Temporary Statute of Protection for Venezuelan Migrants (TSPV), was launched in 2021. It offers status that lasts for ten years and has been widely praised for its comprehensive, long-term strategy to fully integrate an estimated 2.4 million Venezuelan migrants in Colombia.⁴⁴ As such, the initiative is the largest and most-studied regularization mechanism among those created by Quito Process Member States.

The TSPV applies to Venezuelans in several migratory situations. First, it extends the status of migrants who had already regularized through the Special Permit to Stay (PEP). It also grants regular status to migrants in the process of applying for a visa. Migrants with irregular status who can prove that they entered Colombia before January 31, 2021, can also apply for TSPV. Lastly, any Venezuelan who entered the country regularly before May 28, 2023, is eligible to apply.⁴⁵

In addition to promoting regularization, the decree that created TSPV (Decree 216 of 2021) had the stated aim of promoting employers' hiring of Venezuelans to reduce their high levels of informality compared to the local population.⁴⁶ While 46.8 percent of labor in Colombia overall was informal in 2021,⁴⁷ the rate of informality for Venezuelans was much higher, between 71.9⁴⁸ and 89.6 percent.⁴⁹

While 46.8 percent of labor in Colombia overall was informal in 2021, the rate of informality for Venezuelans was much higher, between 71.9 and 89.6 percent.

This particular component of the TSPV followed previous attempts to tackle labor informality through a specific work permit called the Special Permit to Stay for the Promotion of Formalization (PEPFF). The aim was to provide companies with the tools to formally hire Venezuelans by enabling them to request this permit from the Colombian Ministry of Labor.

The TSPV stipulates that, to work formally in Colombia, Venezuelans must be regularized and meet the same professional requirements as Colombian nationals. Any title a Venezuelan migrant obtained abroad needs to undergo a process of validation, and the worker must receive all the relevant provisional permits or licenses, registration, professional cards, or proof of experience from the responsible professional associations or authorities. Correspondingly, employers have a list of obligations they must follow when hiring Venezuelans.

44 As of August 2023, a total of 2,484,241 Venezuelans had been registered, but only 1,805,786 had received the permit. See Migración Colombia, "ETPV," accessed September 8, 2023.

45 Government of Colombia, "Abecé del Estatuto Temporal de Protección para migrantes venezolanos" (information sheet, March 5, 2021).

46 Government of Colombia, *Decreto 216* (March 1, 2021).

47 Colombian National Administrative Department of Statistics (DANE), "Medición de empleo informal y seguridad social: trimestre octubre - diciembre 2021" (technical bulletin, 2022).

48 Colombian National Planning Department (DNP), *Informe nacional de caracterización de población migrante de Venezuela* (Bogotá: DNP, 2022).

49 R4V, "Mercado Laboral de los refugiados y migrantes provenientes de Venezuela," accessed May 10, 2023. The authors used information on that site that is based on DANE, "Boletín Técnico Gran Encuesta Nacional Integrada de Hogares" (survey data, October 2021). These data measure social security coverage.

One such requirement is that employers must register foreign workers in a platform created by the Ministry of Labor, called the Single Registry of Foreign Workers in Colombia (RUTEC). This online registration system informs the ministry of the location and economic sector in which hired foreigners are working, with the purpose of enabling the ministry to supervise their working conditions. Similarly, Migración Colombia has developed the Report of Foreigners Information System (SIRE) to promote compliance with national labor regulations.

Much of the official government information about Venezuelan migrants in Colombia comes from three institutions observing the integration process of regularized migrants: the National Planning Department (DNP)'s National Migration Observatory,⁵⁰ the National Administrative Department of Statistics (DANE),⁵¹ and Migración Colombia. Each has collected data characterizing the migrant population in order to build understanding of migrants' living conditions and help design better, more evidence-informed policies.

Although these institutions do not have indicators that track migrants' labor market experiences at different points of the migration and integration process, their datasets do offer an overview of a population about which it is notoriously difficult to collect reliable information. For instance, Migración Colombia's Characterization Survey 2021–22 collected various types of information about TSPV holders, but it did not ask certain questions that would have shed light on how their integration was progressing (e.g., what specific sectors they were working in). Thus, while the survey offers valuable insights into the skills these migrants bring to the Colombian economy, the data cannot be used to gauge whether they have been able to find jobs that make use of those skills.

This section of the report examines these and other sources of data on both the regularized and unregularized population, as well as on Venezuelan workers in general.⁵² Based on analysis of the available evidence on Colombia's PEP and TSPV regularization programs, it highlights key findings about the programs' impacts on the labor market outcomes of Venezuelans.

Finding 1: Venezuelans who have lived in the country for five years or longer have a higher employment rate than more recent arrivals, but informality among migrant workers remains widespread.

Venezuelan migrants have generally reported lower rates of formal employment than the overall Colombian population. However, unemployment rates for migrants in Colombia (the majority of whom are Venezuelan) dropped in 2021 and 2022, a similar trend to that of the local population.⁵³

50 This is a tool of the national government to organize, analyze, and socialize information about Venezuelan migration with a territorial approach. It is used for making decisions about and designing adequate responses to migrant needs for assistance and integration support. See DNP, "Observatorio de migración desde Venezuela - OMV," accessed October 6, 2022.

51 It is important to note that the analysis and data provided by DANE incorporate Colombian returnees, in addition to Venezuelan migrants, within their figures and indicators.

52 Konrad Adenauer Stiftung (KAS) and Fundación Ideas para la Paz (FIP), *Entendiendo La Mirada Empresarial Frente al Fenómeno Migratorio En Colombia* (Bogotá: KAS and FIP, 2021); ILO, IOM, and UNHCR, *Estudio de mercado laboral con foco en la población refugiada y migrante venezolana y colombianos retornados en las ciudades de Riohacha, Bucaramanga, Cali, Cúcuta, Bogotá, Barranquilla y Medellín* (Bogotá: ILO, IOM, and UNHCR, 2022); Ana María Ibáñez et al., *Salir de la sombra: cómo un programa de regularización mejoró la vida de los migrantes venezolanos en Colombia* (Bogotá: Inter-American Development Bank, 2022).

53 DANE, *Mercado Laboral. Principales Resultados* (Bogotá: DANE, 2022).

Data suggest that Venezuelans' employment prospects are closely tied to how long they have been in the country. The unemployment rate for migrants who arrived at least five years ago is very similar to the rate for Colombians, but unemployment is much higher among Venezuelans who arrived in the country less than a year ago (see Table 3).

According to migrants and employers who participated in this study's focus groups and interviews,⁵⁴ this could be partly due to the fact that migrants who have lived in Colombia for longer are more likely to have benefited from one of the regularization permits, which facilitated access to work.⁵⁵ Moreover, having spent a longer time in the country has allowed them to establish support networks that can open up employment opportunities. Some focus group participants also suggested that the economic recovery after the initial pandemic-induced shock could have contributed to the increase in employment rates in 2021 and 2022.

TABLE 3
Unemployment Rates for Nationals vs. Immigrants in Colombia, 2021–22

Year	Nationals' Unemployment Rate	Migrants	
		Years in Colombia	Unemployment Rate
2021	11.1%	Less than 1	25.8%
		More than 5	13.7%
2022	10.3%	Less than 1	19.8%
		More than 5	11.2%

Sources: DANE, *Mercado Laboral. Principales Resultados* (Bogotá: DANE, 2022); DANE, "Principales indicadores del mercado laboral diciembre de 2021" (technical bulletin, January 31, 2022).

With the TSPV, Colombia has also managed to register a significant number of Venezuelan migrants with social services such as the General Social Security Health System (SGSSS) and skills certification processes. Data from June 2019 indicate that most Venezuelans registered with SGSSS were affiliated with the contributory system, under which individuals with financial capacity or employers directly pay, while 36 percent were able to access subsidized health care due to their financial vulnerability. Interestingly, by 2022, many more migrants had been registered, and 68 percent were affiliated with the subsidized system.⁵⁶ This suggests that many migrants in Colombia work in informal, precarious situations. Thus, while regularization efforts may be opening some opportunities (e.g., to access public services), they are not necessarily leading to direct access to better jobs in the formal sector. And since the country has taken expansive steps to regularize Venezuelan migrants,⁵⁷ those who remain irregular or are still waiting for their regularization IDs to be issued may find fewer assistance measures targeted to them (e.g., support finding a job or certifying their labor competencies).

54 Participant comments during an MPI online focus group with Venezuelan migrants in Colombia, Ecuador, and Peru, August 22, 2022; authors' interviews with private-sector representatives, July and September 2022.

55 Participant comments during MPI focus groups with Venezuelan migrants, employers, and civil society, December 2022.

56 DNP, "Personas venezolanas con documento PEP y PPT afiliadas al Sistema General de Seguridad Social en Salud (SGSSS) – Afiliados totales por cada mes del año" (dataset, 2022).

57 Authors' interview with a representative of the Colombian Border Manager's Office, August 2022.

Finding 2: Venezuelans' salaries vary widely, and they often receive fewer labor benefits in comparison to their Colombian counterparts.

There are notable gaps in the labor conditions for and benefits received by Colombia's native-born and migrant workers. Venezuelans in Colombia, for example, are more likely than Colombians to have a verbal contract with their employer (rather than a formalized, written one), pay less in pension contributions, and receive less income for the same jobs.⁵⁸ Moreover, Venezuelans work many more hours on average than other workers in the country, likely resulting in lower hourly pay rates compared to their Colombian counterparts.

However, there are significant differences in Venezuelans' earnings depending on how long they have lived in Colombia (see Table 4). The average income of Venezuelans who have been in the country for more than five years is higher than that of other workers (most of whom are Colombian, though the data also include a small number of other migrants). Their income is also considerably higher than that of Venezuelans who have been in the country for less time. A 2022 study from the Colombian research organization Dejusticia estimated that Venezuelans who have lived in Colombia for more than five years earn around USD 540 per month; Venezuelans who have resided in Colombia for between one and five years earn approximately USD 213; and those who have lived in the country for less than a year earn around USD 153.⁵⁹

TABLE 4

Labor Conditions and Income for Workers in Colombia, by Nativity and Length of Residence, 2022

	Persons not Born in Venezuela*	Venezuelans in Colombia for 5+ Years	Venezuelans in Colombia for 1–5 Years	Venezuelans in Colombia for Less than 1 Year
% of Workers with Verbal Contracts	35%	52%	81%	91%
% of Workers Contributing to Pension Fund	40%	29%	10%	1%
% of Workers with a Severance Payment	60%	37%	21%	11%
Average Income	USD 313	USD 540	USD 213	USD 153

* The vast majority of non-Venezuelans in the data presented here are Colombian, though a very small minority are immigrants from other countries. Still, these data can be used broadly to compare trends for Venezuelan vs. Colombian workers.

Note: The authors converted income figures from Colombian pesos to U.S. dollars, using the official exchange rate on July 31, 2021 (USD 1.00 = COP 4300.3).

Sources: Cristina Escobar Correa, Diego Escallón Arango, and Laura Cifuentes Rosales, *Análisis de la garantía de derechos a La educación, salud e inclusión laboral de la población migrante de Venezuela en Colombia* (Bogotá: Danish Refugee Council, 2021); Lucía Ramírez Bolívar, Lina Arroyave Velásquez, and Jessica Corredor Villamil, *Ser migrante y trabajar en Colombia: ¿Cómo va la inclusión laboral de las personas provenientes de Venezuela?* (Bogotá: Dejusticia, 2022).

58 Cristina Escobar Correa, Diego Escallón Arango, and Laura Cifuentes Rosales, *Análisis de la garantía de derechos a La educación, salud e inclusión laboral de la población migrante de Venezuela en Colombia* (Bogotá: Danish Refugee Council, 2021).

59 Lucía Ramírez Bolívar, Lina Arroyave Velásquez, and Jessica Corredor Villamil, *Ser migrante y trabajar en Colombia: ¿Cómo va la inclusión laboral de las personas provenientes de Venezuela?* (Bogotá: Dejusticia, 2022).

It is likely that multiple factors contribute to these income differences among Venezuelans. Firstly, as Venezuelans stay in the country longer and develop deeper roots, they tend to earn more. Additionally, evidence suggests that Venezuelans who arrived in Colombia more than five years ago had higher levels of education than more recent newcomers, likely helping many to find employment in professional occupations before migration levels began to increase sharply.⁶⁰ However, the rise in Venezuelan workers' wages over time also coincided with Colombia's various efforts to regularize the migratory status of Venezuelans, suggesting that regularization could play a role in increasing pay. One notable example is the PEP RAMV (Special Permanence Permit for Venezuelan Migrants) that was implemented in 2018 to regularize approximately half a million Venezuelan irregular migrants. A study conducted by the Inter-American Development Bank in 2022 revealed that PEP RAMV holders had a monthly income ranging from 1 percent to 31 percent higher than that of irregular migrants, highlighting the positive impact of regularization on their economic well-being.⁶¹

Finding 3: Venezuelans represent an important human capital asset for Colombia, and one that regularization could help the country more fully leverage.

Venezuelans in Colombia are a highly educated population, even though more recent arrivals have a lower average education level than Venezuelan migrants who arrived before them. In 2016, almost 45 percent of the 6,356 Venezuelans who registered with the Public Employment Service (SPE) had a tertiary education degree,⁶² compared to less than 20 percent of the 18,371 who registered in 2021.⁶³ Still, Venezuelans' level of education in both periods exceeded that of the Colombian population in those same years (11 percent in 2016⁶⁴ and 16 percent in 2021⁶⁵).

The differences within the Venezuelan population likely reflect shifting migration patterns. While Venezuelans who arrived in earlier periods were mostly educated professionals seeking high-skilled labor opportunities, since 2018, Colombia has received many more Venezuelans with lower socioeconomic and education levels who have been forced to flee the severe political and economic crises in Venezuela. Similarly, Venezuelans who overstayed their permits after entering Colombia with a passport (a more common situation among earlier cohorts of arrivals) generally have higher levels of education than those who entered through irregular border crossings.

Even with this variation in the educational characteristics of the Venezuelan migrant population, evidence suggests that regularization could encourage more Venezuelans to seek educational opportunities. While school enrollment does not necessarily require a regular immigration status, it becomes necessary for progressing from one level to another and for enrolling in a university. From 2018 to 2021, the number of

60 Andrew Selee and Jessica Bolter, *An Uneven Welcome: Latin American and Caribbean Responses to Venezuelan and Nicaraguan Migration* (Washington, DC: MPI, 2020).

61 Ibáñez et al., *Salir de la sombra*.

62 DNP, "Personas venezolanas registradas en el Servicio Público de Empleo - Nivel educativo de las personas registradas en el SPE 2016" (dataset, 2022).

63 DNP, "Personas venezolanas registradas en el Servicio Público de Empleo - Nivel educativo de las personas registradas en el SPE 2021" (dataset, 2022).

64 DANE, "Fuerza laboral y educación 2016" (technical bulletin, March 24, 2017).

65 DANE, "Fuerza laboral y educación 2021" (technical bulletin, September 9, 2022).

Venezuelan students in primary and secondary schools increased considerably, from 34,030 to 496,027.⁶⁶ Tertiary education enrollment also grew, from 1,470 in 2018⁶⁷ to 6,796 in 2021.⁶⁸ Although it is difficult to attribute this growth solely to regularization, more Venezuelan migrants progressed toward a secondary school degree in Colombia during the implementation of PEP and TSPV. This suggests that regularization measures can have a positive impact on Venezuelans' educational advancement, motivating more migrants to pursue higher levels of education and thus benefiting both their own personal development and the development of the society in which they live.

Regularization has also helped reduce barriers to Venezuelans' participation in vocational training programs. As Table 5 shows, data from the National Planning Department show that from 2017 to 2021, a total of 127,038 Venezuelans were enrolled with the National Training Service (SENA), which offers educational courses aimed at strengthening the Colombian labor force. Because one of the enrollment requirements is having a valid identification document, it is likely that most of the Venezuelans enrolled in these courses were regularized.

During this study's focus groups,⁶⁹ Venezuelan migrants mentioned different human capital and wage dynamics before and after regularization. Before regularization, Venezuelans on either end of the education/skills spectrum reportedly had more similar economic outcomes. Those with high levels of education often struggled to find jobs in their field and had to take jobs that were relatively unattractive to nationals. The labor market situation for Venezuelans with the lowest education and skill levels was similar, although because of their more limited skills, they often earned even less.

After regularization, however, Venezuelan workers' labor market outcomes were reportedly more differentiated by education level, and their human capital and income were more closely correlated. In focus groups, migrants with higher qualification levels described having less difficulty applying for formal jobs, accessing training opportunities, and getting credentials validated after gaining regular status. These well-educated workers also saw their incomes rise (far more than those with lower skill levels) and saw noticeable gains for each additional degree. This suggests that regularization has had a particularly important positive impact on the employment of highly educated Venezuelans and a less pronounced impact on those with limited education.

TABLE 5
Venezuelans Enrolled in SENA Training Programs, 2017–21

Year	Number of Venezuelans Enrolled
2017	15,268
2018	34,023
2019	17,731
2020	30,935
2021	29,081
Total	127,038

Source: Colombian National Planning Department, "Cupos del SENA en formación titulada y complementaria ocupados por población venezolana 2017-2021" (dataset, 2022).

66 DNP, "Matrículas de estudiantes venezolanos en instituciones de educación preescolar, básica y media - Estudiantes matriculados 2021" (dataset, 2022).

67 DNP, "Matrículas de estudiantes venezolanos en educación superior - Número de estudiantes matriculados 2018" (dataset, 2022).

68 DNP, "Matrículas de estudiantes venezolanos en educación superior - Número de estudiantes matriculados 2021" (dataset, 2022).

69 Participant comments during an MPI online focus group with Venezuelan migrants in Colombia, Ecuador, and Peru, August 22, 2022.

Building connections between data registries in the country (e.g., regularization, employment, education, and other data systems) could make it easier to get accurate, up-to-date information about migrants' labor market experiences and skills. This would, in turn, facilitate a more comprehensive understanding of integration processes and support the development of targeted employment policies and programs. For example, it could be used to create policies to meet the private sector's demand for a professional and well-qualified labor force and to support the integration of migrants with varied educational and professional backgrounds, in line with the country's mid- and long-term development goals.

Finding 4: More Venezuelans are finding work in better-paid sectors, likely in part due to regularization, but the constant arrival of large numbers of newcomers tends to obscure this trend in employment data.

As the number of Venezuelans in Colombia has grown, so has their presence across the Colombian economy. Employment data indicate that, between 2017–21, Venezuelans took up work in a variety of economic sectors, including some that yield higher average earnings. Yet, it is difficult to pinpoint the role that regularization played in this process.

According to DNP's Observatory,⁷⁰ in June 2018, after the first two PEP rounds of regularizations, Venezuelans participated in a relatively narrow span of economic activities. That month, more than half of employed Venezuelans (57.5 percent) were working in one of three areas: 1) accommodation and food services, 2) trade and repair of vehicles, and 3) artistic activities, entertainment, recreation, and other services. Three years later, in June 2021, these three sectors' share of Venezuelan employment had decreased slightly, to 53.3 percent (see Table 6).

However, when analyzing the sectoral and occupational mobility of this population, it is important to not focus solely on the growing or decreasing share of Venezuelan workers in one sector or another. The large number of Venezuelan newcomers who have arrived in the country and joined its workforce each year make it difficult to track whether Venezuelans who have been there longer and gone through the regularization process are able to transition into better-paid jobs. In fact, between the end of the PEP era (March 2020) and the beginning of the TSPV era (July 2022), almost 1 million additional Venezuelan migrants entered the country.

Thus, while there was relatively little change in the distribution of Venezuelan workers across industries, this does not tell a complete story. Looking at absolute numbers, tens of thousands of Venezuelans have been able to find employment in sectors with higher average incomes over the 2018–21 period, in addition to the many who have found work in lower-paid sectors. For example, while 12,306 Venezuelan migrants worked in professional, scientific, and technological jobs in 2018, the number had risen to 47,991 by 2021—a nearly four-fold increase. A similar trend could be seen in the public administration and defense, education, and human health-care sectors, where the number of Venezuelan workers more than doubled, from 8,911 in 2018 to 19,831 in 2021. The fact that more Venezuelans are finding work in such sectors is likely due at least in part of the stronger labor market position that regular status affords, even as other factors (such as the growth of professional networks over longer periods of residence) also play a role.

70 DNP, "Personas venezolanas registradas en el Servicio Público de Empleo - Nivel educativo de las personas registradas en el SPE 2018–2021" (dataset, 2022).

TABLE 6

Venezuelan Migrants Employed in Colombia, by Sector, 2018–21

Sector	Average Income Level*	June 2018		June 2019		June 2020		June 2021	
		Number	%	Number	%	Number	%	Number	%
Total	–	306,481	100%	668,741	100%	756,968	100%	1,051,674	100%
Accommodation and food services	Low	68,168	22.2%	141,158	21.1%	156,041	20.6%	177,692	16.9%
Trade and repair of vehicles	Low	66,050	21.6%	166,152	24.8%	175,469	23.2%	258,215	24.6%
Artistic activities, entertainment, recreation, and other services	Medium low	42,010	13.7%	88,857	13.3%	90,073	11.9%	125,662	11.8%
Manufacturing industries	Low	37,700	12.3%	71,627	10.7%	80,536	10.6%	123,597	11.8%
Construction	Low	33,212	10.8%	77,121	11.5%	83,838	11.1%	114,536	10.9%
Agriculture, livestock, hunting, forestry, and fishing	Low	17,762	5.8%	37,157	5.6%	57,993	7.7%	79,961	7.6%
Transport and storage	Low	13,864	4.5%	27,960	4.2%	38,202	5.0%	73,251	7.0%
Professional, scientific, technical activities, and administrative services	High	12,306	4.0%	27,829	4.2%	32,397	4.3%	47,991	4.6%
Public administration and defense, education, and human health care	High	8,911	2.9%	13,751	2.1%	19,569	2.6%	19,831	1.9%
Information and communications	High	2,585	0.8%	6,406	1.0%	8,011	1.1%	10,082	1.0%
Financial and insurance activities**	High	1,271	0.4%	2,211	0.3%	2,214	0.3%	2,963	0.3%
Supply of electricity, gas, water, and waste management**	Medium low	1,201	0.4%	2,397	0.4%	4,733	0.6%	9,361	0.9%
Real estate**	High	1,155	0.4%	4,003	0.6%	4,276	0.6%	4,012	0.4%
Exploitation of mines and quarries**	Medium low	286	0.1%	2,052	0.3%	3,616	0.5%	4,520	0.4%

* This column is an estimated range based on the average monthly wage for professionals. La República, “Salarios promedio de profesionales en Colombia según Talent.com,” La República, July 9, 2022.

** These estimates are based on coefficients of variation greater than 15 percent.

Source: Authors’ tabulation of data from Proyecto Migración Venezuela, “Indicadores en el mercado laboral de la población migrante venezolana,” updated August 25, 2021.

Finding 5: Although many Venezuelans have moved into the formal economy, others have arrived and entered the informal economy; as a result, the rate of informality for Venezuelans in Colombia has not changed noticeably.

Despite Colombia's laudable efforts to help Venezuelans access formal employment, the steady arrival of more Venezuelans who tend, at least initially, to take up informal employment has kept the rate of informality for Venezuelans in the country roughly level. In 2021, the informality rate was 71.9 percent for Venezuelans who held a regular status⁷¹ and 89.6 percent for Venezuelans overall,⁷² compared to the national average of 46.8 percent.⁷³

For the many migrants in Colombia who are employed informally, this can often lead to precarious working conditions, including being underpaid. In comparison, migrants who join the formal sector should, in theory, make at least the minimum wage and have access to health and other benefits. A 2019 survey by the IOM's Displacement Tracking Matrix (DTM) found that about 87 percent of migrant respondents in Colombia reported being paid less than the minimum wage⁷⁴ (compared to about 44 percent for Colombian workers⁷⁵). In February 2022, 77.9 percent of Venezuelans worked more than the legal working hours per week, most of them without receiving overtime compensation.⁷⁶ Moreover, in 2022, only 42 percent of employed Venezuelans earned more than 0.9 percent of the monthly minimum wage and 4.4 percent earned more than double the minimum wage.⁷⁷

Naturally, different sectors have different rates of informal employment. For instance, the domestic services sector has particularly high levels of informality. A study of Venezuelan domestic workers by Dejusticia showed their lower levels of remuneration, compared to others in the sector. For each hour worked, Venezuelan domestic workers earned around USD 2.44 while Colombians received on average USD 3.27.⁷⁸ Employers also tend to use verbal contracts and not affiliate migrant domestic workers with the social security system.

For each hour worked, Venezuelan domestic workers earned around USD 2.44 while Colombians received on average USD 3.27.

Data that would make it possible to compare the labor informality rates of regularized and unregularized employed Venezuelans are scarce in Colombia. However, the Colombian government's push to regularize Venezuelans, improve their access to formal work, and open educational and training opportunities has likely increased the number of Venezuelans in the formal sector even as many others remain in informal work.

71 DNP, *Informe nacional de caracterización de población migrante de Venezuela*.

72 R4V, "Mercado Laboral de los refugiados y migrantes provenientes de Venezuela," accessed May 10, 2023. The authors used information on that site that is based on DANE, "Boletín Técnico Gran Encuesta Nacional Integrada de Hogares" (survey data, October 2021).

73 DANE, "Medición de empleo informal y seguridad social."

74 IOM, *Encuesta DTM: vocación de permanencia de población venezolana en Colombia* (Bogotá: IOM, 2020).

75 Colombian Ministry of Labor, "Trabajadores que ganan menos de un salario mínimo, merecen estar en el sistema" (press release, May 2019).

76 DANE, "Encuesta pulso social: resultado para la ronda tres (January – February 2022)" (survey presentation, April 2022).

77 Ana María Tribín-Urbe et al., *Migración desde Venezuela en Colombia: caracterización del fenómeno y análisis de los efectos macroeconómicos* (Bogotá: Central Bank of Colombia, 2020).

78 Ramírez Bolívar, Arroyave Velásquez, and Corredor Villamil, *Ser migrante y trabajar en Colombia*, 41.

4 Venezuelans' Regularization and Labor Market Integration in Other Quito Process Countries

Turning to the other Member States of the Quito Process, this section considers a range of experiences with regularization in the context of Venezuelan displacement. Although no single regularization measure in these countries has been as large in scale or produced as robust a body of evidence as Colombia's programs, this analysis aims to broaden the picture of how Venezuelans' regularization and labor market integration are playing out across the region. In doing so, this section focuses particularly on points where Member States' evidence contradicts, refines, or strongly reinforces the findings drawn from evidence on Colombia's PEP and TSPV. It also revisits issues for which the evidence from Colombia faced certain limitations, such as unemployment and informal employment.

Finding 1: Regularization processes can contribute to Venezuelans' formal labor market inclusion, but having a regular status does not guarantee access to formal, better-paid jobs.

Although there is limited evidence to indicate that Colombia's PEP and TSPV have (to date) affected the formal employment rates of Venezuelans who were regularized, the gap in between Colombians' and Venezuelans' unemployment rates there is relatively small compared to many other countries in the region (see Table 7).

The size of the employment rate gaps between Venezuelans and the nationals of the other Quito Process Member States has varied. Studies from Ecuador⁷⁹ and Brazil,⁸⁰ for instance, indicate that Venezuelans experience considerably higher unemployment rates than nationals, while in other countries (such as Argentina, Chile, and Mexico) the gap between nationals and migrants was smaller (see Table 7).

The variation in employment outcomes could be related to the fact that, in many countries, Venezuelans tend to be heavily represented in sectors vulnerable to economic shocks, including the one caused by the pandemic. For instance, a 2020 ILO study in Ecuador indicates that 27.6 percent of Venezuelan migrants with formal jobs were working in customer service and 12.9 percent in hotels, bars, restaurants, and tourism.⁸¹ There is also some evidence to suggest the pandemic's effects may have been felt more acutely by irregular than regular migrants; for example, another study in Ecuador⁸² highlights the higher percentage of irregular migrants in informal activities, services, commerce, and self-employment, while regularized migrants worked in more professional positions.

79 R4V, *Evaluación conjunta de necesidades*.

80 R4V, *RMRP 2022 - Plano Regional e Capítulo Brasil* (Brasília: R4V, 2022); IOM, *Brasil — Monitoreo de Flujo de Población Venezolana en Roraima 6* (Brasília: IOM, 2021).

81 ILO, *Sectores económicos con potencial para la inclusión laboral de migrantes y refugiados venezolanos En Quito y Guayaquil* (Quito: ILO Office for the Andean Countries, 2020).

82 Álvarez Velasco, Bayón Jiménez, Hurtado Caicedo, and Pérez Martínez, *Viviendo al Límite*.

TABLE 7

Unemployment Rates for Venezuelans and Nationals in Quito Process Member States, Multiple Years*

Country	Nationals	Venezuelans		Difference	
		Lower Estimate	Upper Estimate	Lower Estimate	Upper Estimate
Argentina	9.8%	15%	-	5.2%	-
Brazil	9%	19.0%	-	10.0%	-
Chile	9.4%	12.5%	-	3.1%	-
Colombia**	10.3%	11.2%	19.8%	0.8%	9.5%
Costa Rica***	11.8%	10.7%	-	-1.1%	-
Dominican Republic	5.2%	13.1%	-	7.9%	-
Ecuador	5.0%	19.4%	38.5%	14.4%	33.5%
Mexico	4.3%	53.0%	-	48.7%	-
Panama	4.9%	3.0%	-	-1.9%	-
Paraguay	8.1%	33.0%	-	24.9%	-
Peru	5.7%	2.0%	-	-3.7%	-
Uruguay	9.5%	19.0%	-	9.5%	-

* This table presents the latest data available for each country. The data for most countries are from 2021, with the exception of Chile (2022), Costa Rica (2022), the Dominican Republic (2022), Mexico (2022), Peru (2022), Argentina (2020), and Panama (2018).

** The upper estimate for Venezuelan migrants in Colombia corresponds to those who have been in Colombia for less than 12 months, while the lower estimate represents those who have been in the country for more than a year.

*** For Costa Rica, data on the unemployment rate for Venezuelans were not available, so this table shows the rate for migrants of all nationalities.

Note: Comparable data for Guyana were not available.

Sources: ILO, *Panorama Laboral 2021. América Latina y el Caribe* (Lima: ILO, 2021); DANE, *Mercado Laboral. Principales Resultados*; Migraciones Chile and World Bank, *Encuesta Nacional de Migración 2022: Presentación de resultados* (Santiago: World Bank, 2022); INEC Costa Rica, "IV Trimestre 2022 Costa Rica: Características de la población nacida en otro país" (dataset, February 2023); IOM, *Situación de la población refugiada y migrante de Venezuela en Panamá* (Panama City: IOM, 2019); R4V, *Evaluación conjunta de necesidades: informe de resultados de Ecuador-mayo 2022* (Quito: R4V, 2022); Peruvian Ministry of Labor and Labor Promotion, *Annual Employment Report 2021* (Lima: Ministry of Labor and Labor Promotion, 2022); INEI Peru, *Condiciones de Vida de la Población Venezolana que reside en el Perú* (Lima: INEI Peru, 2022); INEC Panama, "Estadísticas del Trabajo: Encuesta del mercado laboral, agosto 2019," updated 2021; ILO, "COVID – 19 y el mundo del trabajo: punto de partida, respuesta y desafíos en República Dominicana" (issue brief, 2020); R4V, *Refugee and Migrant Needs Analysis (RMNA) 2022* (N.p.: R4V, 2022); R4V, *Needs Assessment for the Southern Cone RMRP 2022* (N.p.: R4V, 2022); Trading Economics, "República Dominicana – Tasa de desempleo," updated 2022; David Licheri et al., *Impacto económico de la migración venezolana en República Dominicana: Realidad vs. Potencial* (N.p.: IOM, Suecia Sverige, CADOVEN, CAVEX, and Equilibrium SDC, 2022).

The role of regularization, albeit an important policy mechanism to promote employment, is complex in many countries. In countries such as Peru and Ecuador, where informality is extremely widespread, irregular migrants do not appear to face obstacles to employment that are quite as large as in Argentina or Chile. Irregular status does act as a barrier to formal employment in Ecuador and Peru, but less so for semi-skilled workers seeking employment in the informal economy. In these two countries, estimates of the informal employment rates of Venezuelans typically are higher than the national average. In Peru,⁸³ for example,

83 INEI Peru, *Condiciones de Vida de la Población Venezolana*; Plan International, *Estudio de georreferenciación y caracterización de la población venezolana en situación de movilidad humana y población receptora en Ecuador y Perú* (Hamburg: Plan International, 2021).

estimates suggest that between 80.8 percent and 90.8 percent of Venezuelans worked informally in 2021 versus 76.8 percent of Peruvian nationals.⁸⁴ Similarly, in Ecuador, the rates were around 70.6 percent for Venezuelans versus 19.4 percent for nationals in 2021.⁸⁵ In Chile, where the hiring of irregular migrants is not only illegal but also subject to strict enforcement by authorities, the level of labor formality among migrants, including Venezuelans, is similar to that of the national population.⁸⁶

The employment experiences of Venezuelan migrants with and without regular status described during this study's focus groups in Peru and Ecuador⁸⁷ suggest that, in some cases, after the initial arrival period, irregular migrants may find it easier to secure a job than those who hold regular status and are actively seeking formal employment.⁸⁸ This is likely due at least in part to the fact that employers who hire workers informally can pay lower wages and do not have to contribute to social security. Venezuelans seeking jobs in the formal sector may also face some barriers unique to formal employment. In countries such as the Dominican Republic⁸⁹ and Chile⁹⁰ that have legal caps on the share of a company's employees who can be foreign workers (20 percent and 15 percent, respectively), these legal restrictions can limit employers' capacity to hire migrant workers, even if they have a regular status. In Peru,⁹¹ there is a legal limit on both the share of a company's employees who can be foreign workers (maximum 20 percent) and the share of its payroll that can go to migrants (30 percent). In other cases, employers are unaware of regularization processes and whether they are allowed to hire migrants into formal positions, likely discouraging some from doing so.

The eligibility criteria for regularization mechanisms and the nature of the status provided can also affect employment dynamics. In Ecuador, many Venezuelans have not applied for regularization because they do not meet the necessary requirements, or cannot prove that they do (such as when they cannot provide documentation showing their entry date into the country).⁹² This unregularized population includes 30 percent of Venezuelans with a tertiary education, meaning Ecuadorian employers and communities are not fully benefitting from their skills.⁹³ In Peru, many Venezuelan migrants who were able to regularize their status have fallen back into irregularity after their permits expired. One migrant worker interviewed in the country⁹⁴ attributed this to a communication error on the part of the government. At the time of regularization, Venezuelans were given a foreigner card valid for four years, but their permits were recorded

84 INEI Peru, *Producción y Empleo Informal en el Perú: Cuenta Satélite de la Economía Informal 2017-2021* (Lima: INEI Peru, 2022).

85 Plan International, *Estudio de georreferenciación*.

86 Chilean National Statistics Institute (INE), "[Tasa de ocupación informal descendió interanualmente y llegó a 27,4% en el trimestre octubre-diciembre de 2022](#)," updated February 2, 2023; INE Chile, "[Boletín Estadístico: Empleo Población Extranjera](#)" (bulletin no. 15, February 1, 2023); Migraciones Chile and World Bank, *Encuesta Nacional de Migración 2022*.

87 Participant comments during MPI online focus groups with Venezuelan migrants and representatives of integration-focused organizations in Colombia, Ecuador, and Peru, August 18 and 22, 2022.

88 Participant comments during an MPI online focus group with Venezuelan migrants in Colombia, Ecuador, and Peru, August 22, 2022.

89 Government of the Dominican Republic, *Law 16-92, article 135*, Code of Employment (August 2007).

90 Government of Chile, *Código del trabajo*, artículo 19 - DT - Normativa 3.0 (January 16, 2023).

91 Government of Peru, *Legislative Decree N° 689* (November 1991).

92 Participant comments during MPI online focus group with Venezuelan migrant women in Colombia, Ecuador, and Peru, August 23, 2022; authors' interview with a representative of a local organization representing Venezuelans in Ecuador, August 18, 2022.

93 ILO, "[En Ecuador trabajadores independientes e informales se capacitan con metodología empresarial de OIT para recuperar sus medios de vida](#)," updated April 16, 2021.

94 Authors' interview with a Venezuelan migrant in Peru, August 2022.

in the official database as being valid only for one year, thus requiring annual renewal. To regain their regular status, Venezuelans must pay a steep penalty of USD 1.20 per day the permit has been expired.

It is important to note, however, that Venezuelan (and other) workers who are not recorded in official statistics as employed are not necessarily unemployed. Venezuelan irregular migrants may be unable to demonstrate their employment if they are employed in precarious or short-term positions, as day laborers, self-employed, or simply have an employer who is unwilling to formalize their employment.⁹⁵

What is clear is that Venezuelan workers often face a range of barriers that extend beyond regular status. The challenges of getting foreign-earned credentials recognized present obstacles to well-educated migrants' labor integration across Quito Process Member States (see Finding 2 below for more on issues with credential recognition).⁹⁶ For migrants with fewer skills and/or facing language barriers (e.g., speakers

What is clear is that Venezuelan workers often face a range of barriers that extend beyond regular status.

of Indigenous languages), having a regular status and work authorization may not be enough to guarantee formal employment. This is particularly likely to be the case in countries that have a heavy tax load on low-earning workers, higher minimum wages, and/or rigid hiring rules—costs to employers that can disincentivize the hiring of migrants.⁹⁷

When this is the case, only migrants who have a regular status, in-demand skills, and validated titles and credentials (a small minority of Venezuelans in most countries) are likely to be able to secure formal employment. Data from some countries in the region support this argument: in Chile, the average earnings of employed Venezuelan migrants are approximately 1.2 percent higher than those of native workers (likely in part due to their higher average education levels),⁹⁸ and this ratio holds even after migrants have been in the country for longer periods of time. This finding suggests that migrants who successfully enter the Chilean formal labor market are qualified enough to have competitive salaries.

Other factors that hinder Venezuelans' integration into the labor market include gender inequality and discrimination. While Venezuelans' unemployment rates are higher than those of receiving-country nationals in most parts of the region, this situation is particularly critical for women. A needs analysis published in 2022 by the Regional Inter-Agency Coordination Platform for Refugees and Migrants from Venezuela found that Venezuelan women are disproportionately affected by unemployment and labor

95 This dynamic has been noted in other contexts as well; see Papademetriou, O'Neil, and Jachimowicz, *Observations on Regularization*, 24.

96 Universidad del Rosario and KAS, *Retos y oportunidades de movilidad humana venezolana en la construcción de una política migratoria colombiana* (Bogotá: Universidad del Rosario and KAS, 2018); World Bank, *Retos y oportunidades*; Equilibrium Cende, "Encuesta regional a población migrante y refugiada venezolana" (survey results, 2021); David Licheri et al., *Impacto económico de la migración venezolana en República Dominicana: Realidad vs. Potencial* (N.p.: IOM, Suecia Sverige, CADOVEN, CAVEX, and Equilibrium SDC, 2022).

97 Papademetriou, O'Neil, and Jachimowicz, *Observations on Regularization*, 24.

98 Ex-Ante, "Migración y xenofobia: cómo viven los más de 500 mil venezolanos que han llegado a Chile," updated September 27, 2021.

informality.⁹⁹ Studies in Peru,¹⁰⁰ Argentina,¹⁰¹ Chile,¹⁰² Ecuador,¹⁰³ and Colombia¹⁰⁴ similarly show women having greater difficulties finding a job. Anti-immigrant discrimination can also limit Venezuelans' ability to join the formal labor market, even with a regular status. This is a growing concern because, as Venezuelan migration levels have risen, so too has xenophobia and anxieties about migration's impacts on receiving communities.¹⁰⁵

The sum of these experiences suggests that regularization mechanisms can be one important tool for improving Venezuelans' labor market prospects and reducing unemployment, while introducing them to the social security system and enabling them to pay taxes. However, some regularization mechanisms have only given Venezuelans limited or partial access to social services and support, which tends to end when a regularization permit expires, and the short-term nature of their status can make it difficult to take steps toward longer-term economic integration and advancement. Increased engagement between governments and the private sector could help address sector-specific challenges (e.g., around credentialing), improve employer understanding of which migrants are eligible for formal employment, and establish common goals, thus strengthening Venezuelans' formal employment prospects.

Finding 2: Venezuelans have brought significant human capital to countries across the region, but many struggle to fully apply their skills and it is frequently unclear whether regularization will help them do so.

Among the more positive findings from studies and data across Quito Process Member States is that regularization increases the correlation between migrants' skill/education levels and their labor market success. Some studies have also pointed out that irregular status holds back even the most qualified Venezuelans.¹⁰⁶ This is particularly noteworthy given Venezuelans in many countries have relatively high levels of education—human capital assets that could benefit receiving countries, if they can support Venezuelans in accessing work in the professions for which they have been trained.

However, as the previous section notes, difficulties getting credentials recognized and other obstacles can keep migrants from fully applying their skills in a new country, even if they have regular status. Venezuelans have often found that degrees earned in their home country are discounted—if not outright ignored—in other countries in the region. Among the main difficulties are the cost of many credential validation processes, lack of awareness or understanding of the process, and difficult-to-meet bureaucratic requirements (e.g., to provide apostilled or duly legalized academic documents). As a result, only a small percentage of Venezuelans who hold a university degree have had it validated in their countries of

99 R4V, *Refugee and Migrant Needs Analysis (RMNA) 2022* (N.p.: R4V, 2022).

100 José Koechlin, Ximena Solórzano, Giovanna Larco, and Enrique Fernández-Maldonado, *Impacto de la inmigración venezolana en el mercado laboral de tres ciudades: Lima, Arequipa y Piura* (Lima: IOM, Peruvian Ministry of Labor and Employment Promotion, Universidad Antonio Ruiz de Montoya, ILO, 2019).

101 R4V, *Diagnóstico sobre la situación de los derechos humanos de las personas migrantes y refugiadas venezolanas en la república Argentina* (Buenos Aires: R4V, 2022).

102 María Aguilar and Tamara Zuñiga, *Informe Casen y Migración IV: Brechas de género dentro del mercado laboral para la población migrante en Chile durante el primer año de pandemia* (Santiago: Fundación Servicio Jesuita a Migrantes, 2022).

103 Ana Camila Vásquez, Marta Castro, and David Licheri, *COVID-19 y el aumento de la brecha de género en la población migrante venezolana* (Lima: Equilibrium CenDe, 2020).

104 GIFMM and R4V, "Colombia: Reporte Situacional de Integración - Primer Trimestre 2022" (issue brief, October 4, 2022).

105 Guillermo Cruces et al., *Un mundo mejor para la población migrante en América Latina y el Caribe* (Washington, DC: Inter-American Development Bank, 2023).

106 Proyecto Migración Venezuela, "Migrantes Cualificados," updated January 4, 2022.

residence, leaving many unable to work on their respective fields. For instance, in the Dominican Republic, less than 5 percent of Venezuelan professionals have validated their degrees.¹⁰⁷

Issues related to credential recognition are particularly relevant in the health and engineering sectors, in which professional associations have the final say over who can work in the field. One of the most noteworthy efforts to address this barrier in the region is the Argentine Orientation Program, which intends to match migrant professionals (especially doctors and engineers) with employment opportunities in several provinces where their skills are in demand, facilitating the residence process and the validation of the workers' professional titles.¹⁰⁸ Argentina has also validated foreign-trained professionals' titles through provincial universities, similarly encouraging them to settle in provinces where their skills are in high demand.

Looking across the region, the limited recognition of Venezuelan academic credentials suggests that significant human capital may be going to waste. Many irregular migrants in Quito Process countries have high levels of education. For instance, in Ecuador, 48.4 percent of Venezuelans with irregular status were found to have completed a basic and secondary education as of 2020, and 30.0 percent had a technical or university degree.¹⁰⁹ This is a higher level of educational attainment than the national average, since only 14 percent of Ecuadorians had completed a tertiary education and for 45 percent, primary school was their highest level of education.¹¹⁰ However, Venezuelans' educational achievement does not guarantee a formal job. In 2022, 27 percent of Venezuelans with a university degree had a formal work contract, and the share was slightly less than 10 percent for those with a secondary education.¹¹¹ While there is considerable evidence that irregular migrants face barriers to fully applying their human capital, it is also often unclear whether and how regularization would enable them to do so.

Temporary regularization mechanisms (e.g., in Peru) are less likely than longer-term statuses (such as Colombia's TSPV) or permanent residence to activate Venezuelans' economic potential.¹¹² A first reason for this is that offering short-stay permits may make employers think twice about hiring someone who may only be able to work for them for a year or two, which in turn keeps migrants from acquiring substantial work experience in the country. A second reason is that migrants and their employers are less likely to invest time and resources in training and professional development if a migrant's time in the country as a regular worker is limited or uncertain.

In all of the countries examined, the salaries of regular migrants rose and the wage gap between Venezuelans and nationals decreased over time—although at different rates. The limited evidence in this

107 ILO, *Promoción de Medios de Vida para Personas Venezolanas en República Dominicana* (Santo Domingo: ILO, 2020).

108 Martín Dinatale, "Cómo será el plan que implementará el Gobierno para los inmigrantes que buscan trabajo," Infobae, March 9, 2019; Oswaldo Avendaño, "Son médicos venezolanos que llegaron a Buenos Aires a buscar trabajo pero el Gobierno los reinsertó y ahora salvan vidas en zonas rurales," Infobae, September 16, 2019; Natalio Coso, "Médicos venezolanos en el exilio, la oportunidad de ejercer lejos de casa," France24, April 20, 2021; Mariel Fitz Patrick, "Una nueva vida para los ingenieros venezolanos que llegan a Argentina," Infobae, February 24, 2019.

109 Álvarez Velasco, Bayón Jiménez, Hurtado Caicedo, and Pérez Martínez, *Viviendo al Límite*.

110 Chaves-González, Amaral, and Mora, *Socioeconomic Integration of Venezuelan Migrants and Refugees*.

111 Ecuadorian Ministry of the Interior and IOM, *Resultados del registro migratorio de ciudadanos venezolanos en el Ecuador 2019-2020: características, condiciones, dinámicas y factores con perspectiva geográfica de la población objetivo* (Quito: Ecuadorian Ministry of the Interior and IOM, 2022).

112 This has also been observed in other national and regional contexts. See Papademetriou, O'Neil, and Jachimowicz, *Observations on Regularization*, 26.

area does not, however, make it possible to identify what impact regularization specifically may be having on migrants' wages in Quito Process countries, and how this may shift over time. Still, improving processes for professional experience and credential validation, along with adjustments to regularization mechanisms to offer workers and employers more certainty, hold promise for promoting migrants' economic integration.

Finding 3: Informal employment is widespread for Venezuelans in many Quito Process countries, more so than for nationals, and although regularization (together with other measures) might improve their labor conditions, many migrants are likely to continue working informally.

Most policymakers in the region cite combating informal employment as one of their main reasons for enacting regularization measures, along with security, health, and education. Boosting the employability of migrants, including through measures to help them transition to the formal sector, is described as a priority in the Regional Socioeconomic Integration Strategy adopted by these countries in 2021.¹¹³ The 2022 joint declaration they issued in Brasilia in 2022 also highlights the need for employment programs and policies to promote migrants' socioeconomic integration, while protecting their labor rights.¹¹⁴

But even with this political momentum, it is unclear whether policies to promote regularization and formal work will have the desired effect of reducing labor informality. While there is some data on the size of informal economies in the region (see Table 1 in Section 2.A.), this information is often incomplete. Venezuelans' participation in the informal economy has been difficult to track in a robust way, for example. However, the studies that exist and that will be described in this section indicate that both regular and irregular migrants are participating in the informal economy at higher rates compared to nationals of their receiving countries.

In Brazil, for example, an assessment found that informal employment is widespread among Venezuelans in the country overall (43 percent), but particularly high among those in the states of Roraima (62 percent) and Amazonas (65 percent), which border Venezuela. The study also notes that humanitarian needs are more acute among Venezuelans with informal sources of income compared to those with formal jobs (e.g., 32 percent versus 25 percent were experiencing housing insecurity, 64 percent versus 48 percent were experiencing food insecurity).¹¹⁵ During government labor inspections in Roraima from 2017 to 2019, 47 percent to 65 percent of Venezuelans working for inspected workplaces were found to be working informally, mainly in construction.¹¹⁶ These findings are particularly notable because Venezuelans in Brazil have access to a work permit, a national document that ensures their access to the formal labor market and all of the same labor rights envisaged in Brazilian legislation for the country's nationals.

In some countries in the region, there is less of a gap between nationals and newcomers. Peru has the highest rates of informality among Quito Process Member States, for both nationals and Venezuelan

113 Quito Process, R4V, ILO, and United Nations Development Program (UNDP), *Migration from Venezuela: Opportunities for Latin America and the Caribbean. Regional Socio-Economic Integration Strategy* (Geneva: ILO and UNDP, 2021).

114 Quito Process Member States, "Declaración conjunta de la VIII reunión técnica internacional: Proceso de Quito" (declaration, Brasilia, July 2022).

115 R4V, *RMNA 2022*, 77.

116 Franknauria Guilherme da Silva and Geson Muniz Rabelo, "O reflexo da migração de venezuelanos no mercado de trabalho formal e informal no estado de Roraima," *Revista Científica Multidisciplinar Núcleo do Conhecimento* 06 (October 1, 2019): 78–102.

migrants. And in Chile, 28 percent of migrants (of all nationalities) work informally, which is similar to the rate for the native-born population.¹¹⁷

Venezuelans make up a sizeable proportion of informal workers across many countries in the region. In fact, even though they represent a relatively small share of the overall workforce in most countries, Venezuelan migrants (including those in regular and irregular status) account for a large proportion of those employed in the informal sector of most Quito Process Member States.¹¹⁸ And because Venezuelan irregular migrants have fewer labor mobility options compared to both regular migrants and nationals, they are more likely to remain in the informal economy.

There are also notable sectoral and employment-type patterns to Venezuelans' informal work. Commerce and services are among the main sectors in which Venezuelans are informally employed across the majority of Quito Process Member States.¹¹⁹ Construction is another common sector for informal employment, among irregular migrants and other workers alike. Most of the migrants in the focus groups conducted for this study were working in smaller firms or self-employed.¹²⁰ Interestingly, Costa Rica (which has a temporary work program that allows circular migration) has been able to decrease the number of irregular migrants working in its agriculture, construction, and domestic sectors.¹²¹

The existence of regularization measures and work authorization does not, however, guarantee migrants will move into the formal sector. In some countries (such as Peru and Ecuador) informality is so prevalent that regularization mechanisms have generated mixed results in this regard. During the focus groups, some Venezuelans reported choosing not to regularize their status because they thought it likely that they would continue to find employment primarily in the informal sector.¹²² In other cases, other labor laws can create disincentives for migrants to regularize or for employers to hire regularized migrants. In Chile, for example, the law punishes employers more severely for hiring regular migrants without a formal contract and access to social security than it does for informally hiring an irregular migrant. In other cases, the likelihood of an employer being sanctioned for hiring an irregular migrant is so low that employers are not incentivized to help their migrant employees formalize their status, compared to the potential costs (e.g., increased wages and a potentially less compliant workforce).

The fact that informal employment can remain attractive, and sometimes the only option when hiring migrants, can lead to lower participation in regularization mechanisms.

The fact that informal employment can remain attractive, and sometimes the only option when hiring migrants, can lead to lower participation in regularization mechanisms. These dynamics may also help

117 INE Chile, "Boletín Estadístico: Empleo Población Extranjera" (bulletin no. 14, January 3, 2023).

118 Quito Process, R4V, ILO, and UNDP, *Migration from Venezuela: Opportunities for Latin America and the Caribbean*.

119 Chaves-González, Amaral, and Mora, *Socioeconomic Integration of Venezuelan Migrants and Refugees*.

120 Participant comments during an MPI online focus group with Venezuelan migrants in Colombia, Ecuador, and Peru, August 22, 2022. A study by Cámara Empresarial Venezolana Peruana (CANVENPE) in Peru also found that most migrants work in small firms. See David Licheri and Xenia Mejia, *Estudio de la contribución actual y potencial de la migración venezolana en la economía peruana* (Lima: CAVENPE and Konrad Adenauer Stiftung, 2021).

121 Ramón, Ruiz Soto, Mora, and Gil, *Temporary Worker Programs*.

122 Participant comments during an MPI online focus group with Venezuelan migrants in Colombia, Ecuador, and Peru, August 22, 2022.

explain why many migrants in the region who obtain regular status do not then move into formal employment. Others may not seek formal sector employment because they know this will depend on their ability to maintain their regular status, which (as the previous section discusses) can be challenging with short-term permits and the constant risk of relapses into irregularity. In Peru, for example, a considerable number of regularized Venezuelans were unable to renew their contracts after their permit expired and they could no longer show regular status.¹²³

The design of regularization mechanisms can also influence uptake. Those that have high application costs while offering migrants temporary status and an uncertain path to longer-term residence tend to draw less participation.¹²⁴ In the case of Ecuador, policymakers lowered the cost of regularization to make it accessible to more beneficiaries, though cost continues to be a barrier for some Venezuelans seeking to access visas.¹²⁵ A 2021 study published by the Peruvian-Venezuelan Business Chamber (Cavenpe) similarly identified the high cost for migrants as a major barrier to regularization in Peru.¹²⁶ Cumbersome administrative processes can also lead to delays, lost wages for migrants who must take time out from work to apply (as happened in Chile¹²⁷), and the risk that migrants' status may not be renewed before it lapses (as in Ecuador), all of which can discourage migrant participation and employer cooperation.

The odds of migrants entering the formal economy after regularization also seem to vary by occupation. Domestic or caregiving work, for instance, has a high incidence of informal employment, but it has received special attention due to the high demand for domestic workers in the region. In a migrant focus group for this study, participants described Venezuelans working in this sector, as well those in large and/or supportive Venezuelan communities with high rates of business ownership, as more prone to continuing to work informally after regularization.¹²⁸ In Costa Rica, meanwhile, the influx of workers under the country's agricultural regularization strategy was associated with growth in the percentage of registered wage-earning migrants among all migrants authorized to work. However, while this strategy may have attracted more migrants to the formal sector, it is unclear how many remain in formal jobs, and some observers presume that many later transitioned back into the informal economy.¹²⁹

Despite these problems and countervailing trends, there have also been some signs that regularization mechanisms in various parts of the region have moved some migrants into the formal sector and encouraged occupational and sectoral mobility. A study by the Ñuble Labour Observatory, for example, found that migrants working in small and medium-sized businesses in Chile were able to progress following regularization of their status.¹³⁰ For policymakers seeking to promote formal employment, addressing obstacles to participation in regularization programs (including cost and administrative complexity) should be a priority. But so too should efforts to mitigate the chances that Venezuelans who are not regularized are driven to further social exclusion.

123 Authors' interview with a Venezuelan migrant in Peru, August 2022.

124 Papademetriou, O'Neil, and Jachimowicz, *Observations on Regularization*, 28.

125 Defensoría del Pueblo Ecuatoriana, "Requisitos para la Obtención de la visa Virte," updated 2022.

126 Licheri and Mejia, *Estudio de la contribución actual y potencial de la migración venezolana*.

127 Daniel Carrasco, "Alcaldesa denuncia caos generado por Embajada de Venezuela en Chile," *El Pitazo*, July 22, 2022.

128 Participant comments during an MPI online focus group with Venezuelan migrants in Colombia, Ecuador, and Peru, August 22, 2022.

129 Ramón, Ruiz Soto, Mora, and Martín Gil, *Temporary Worker Programs*.

130 Mario Andrés Díaz Llano, "Confirman discriminación salarial contra inmigrantes," *La Discusión*, June 24, 2019.

5 Final Remarks and Recommendations

Although the evidence available on how regularization mechanisms are affecting Venezuelans' labor market prospects offers reasons for optimism (as well as caution), it is too early to truly assess their full impact. Migrants' socioeconomic integration is a long process by nature. Labor market integration is also not the sole priority in the formulation of most registration and regularization policies in the region; human rights, law enforcement, and security are other oft-cited reasons. This diversity of purposes could help explain, in part, why the labor market benefits are still somewhat speculative.

More studies—including ones with long time horizons—are needed to adequately measure the labor market impacts of regularization mechanisms. Existing studies of the TSPV in Colombia, for instance, have lacked a control group or a comparison framework. This large-scale regularization measure was implemented relatively recently and in a complex regulatory setting in which irregular status is arguably not a key obstacle to labor market integration, as many migrants tend to work in the informal sector regardless of their status. In other countries, the short-term nature of many regularization mechanisms has likely limited their labor market benefits, even if they have successfully connected migrants with basic services and had symbolic value as a marker of solidarity. The dearth of evidence in this area has also made it difficult to evaluate the potential of regularization to support migrants' fuller participation in society (through access to education and the financial or banking system, for example) and to have positive spillover effects on the communities in which regularized migrants live.

The short-term nature of many regularization mechanisms has likely limited their labor market benefits, even if they have successfully connected migrants with basic services and had symbolic value as a marker of solidarity.

Despite the limitations of the evidence base, this analysis identifies some notable trends. For example, the region's regularization policies, overall, have not created strong incentives for migrants to move toward formal sector activities. Many have also allowed Venezuelans to fall back into irregular status after a period of a few months or years, which has limited their usefulness in integrating migrants into the formal labor market (even if they have served other purposes). A lack of clear planning starting in the registration phase of many of these initiatives has also generated information gaps and missed opportunities to promote labor market inclusion. The creation of a solid professional profile database during this phase (recording migrants' level of education, skills, and years of experience, for example) and better coordination between ministries of labor and the private sector are two strategies that could help in this regard.

Furthermore, this report's analysis provides additional support for the findings of prior studies in other national and regional contexts in that regularization mechanisms in Latin America and the Caribbean have not altered the fundamentals of a country's social and economic structures.¹³¹ They cannot change the incentives that lead large numbers of migrant and local workers alike into the informal sector, nor can they take the place of enforcing rules around formal employment. And while regularization can indeed open

131 Papademetriou, O'Neil, and Jachimowicz, *Observations on Regularization*, 31.

the door to formal employment, it is not guaranteed. This is particularly true for lower-skilled migrants, who may have relatively few formal employment options. For Venezuelans with higher levels of education, meanwhile, regularization is only the first step toward more stable, better-paid jobs, as matters such as training, credential recognition, and demonstratable work experience are also necessary for career advancement.

A. *Strategic Opportunities and Recommendations*

It is now time for regularization mechanisms to enter the next phase of maturation. With support from across governments, nongovernmental stakeholders, and regional actors, these processes can be made more timely and relevant to the reality that many Venezuelans will stay in their countries of residence, including through links to labor market policy and national development goals.

As they look ahead, there are a number of forks in the road that policymakers and their partners must navigate. Promising strategies include:

1. **Enhancing registry data to support evidence-informed policymaking**

Actors across the region are hungry for more robust data to inform government and donor responses to migration and to strengthen understanding of phenomena such as how the human capital migrants bring to a country can be leveraged to benefit its economy and key sectors within it. In this, registration and regularization mechanisms can provide essential baseline data that can be used to deepen understanding of integration in all its diverse forms. Ensuring that such efforts produce timely, accessible, reliable, disaggregated, and comparable data, as mentioned in the Quito Process Data Strategy,¹³² will be important to advancing these goals.

The information collected from registration and regularization mechanisms is a powerful resource, but a country's migration authorities cannot explore its potential alone. The data should be made readily available (with appropriate safeguards) for other government entities, researchers, nongovernmental organizations, and other stakeholders to analyze. For example, there are significant opportunities to bring together registry data with other data sources to triangulate population characteristics and migration patterns, build better analytical and foresight capabilities, and refine strategies to increase migrants' labor market performance.

Where there are concerns about data and privacy sensitivities, such analyses could be done through agreements with trusted partners, such as signed memoranda of understanding (MOUs). These partnerships would be especially fruitful if researchers also have a voice in the development of the registration surveys (e.g., to suggest questions or topics whose inclusion could shed light on a particular trend).

One option to increase the usability of registry data is to create an interactive platform that would enable policymakers, civil-society actors, researchers, journalists, and the general public to access and explore the data in a way that does not require specialized knowledge or data analysis skills. This tool could help

¹³² Quito Process, "Joint Statement of the VIII International Technical Meeting on Human Mobility of Venezuelan Citizens in the Region" (statement, Brasilia, June 30 and July 1, 2022).

interested stakeholders filter and sort data, and create graphs and tables that could be exported in several formats. Such a platform could function as a force multiplier, increasing the capacity and responsiveness of both governmental and nongovernmental responses to large-scale migration.

2. Creating extended permits and other durable pathways to regular status to support longer-term integration and development aims

Venezuelan migration holds the potential to significantly boost human capital in countries across the region, not only in terms of economic figures (such as GDP growth) but also by contributing to longer-term development. However, even as Venezuelan migration continues unabated and many Venezuelans express their intentions to stay, most countries' policies follow a temporary logic, granting status for one or two years and in some cases not granting work authorization.

The temporary nature of these permits impedes migrants' long-term economic integration and prevents receiving societies from fully benefitting from their skills. The drawbacks have been seen most in countries where regularization measures' short-term nature increases vulnerability, creates recurring bureaucratic requirements, and risks migrants sliding back into irregularity after a relatively short period. As policymakers look to the long term and seek to tap into newcomers' skills, they should consider offering permits with a longer duration (and the possibility to work, where it is still lacking). A forward-looking perspective such as this should pair efforts to expand regularization with the development of more durable forms of status, including pathways to permanence.

3. Opening up dialogue between government and private-sector stakeholders to deepen the links between regularization and productive employment

The private sector also plays a vital role in fostering the labor market integration of migrants. As such, engaging private-sector stakeholders (including local and international businesses) in efforts to strengthen the links between migration, regularization, and development will be essential to their success. Although government representatives have acknowledged in interviews the importance of finding joint solutions, such efforts have, to date, been government driven. When they are involved, private-sector actors are usually tapped to explore funding opportunities. In a fuller partnership, their role could evolve to include providing expertise and leading efforts to increase the participation of migrants in the formal sector.

In practice, private-sector actors operate in ways that are considerably different, have diverse views on migration, and have varied levels of interest in and capacity for collaboration with government. With the support of international actors, governments could do a better job at conducting private-sector mapping activities to identify promising partners and explore how both the private sector and government can use their strengths to engage with migrants at various stages of the regularization and integration process.

This collaboration could, among other things, involve identifying job vacancies that have been difficult to fill and determining which sectors have the greatest potential to contribute to a country's development goals. Governments could then adjust their recruitment, hiring, and contracting strategies accordingly and with an eye to leveraging the influx of Venezuelan workers. For instance, leveraging digital social networks, which are widely utilized by Venezuelans, could make it possible to locate and connect job seekers and employment opportunities beyond traditional channels. Enhancing communication and information-

sharing between the government, private sector, and migrants would be needed to achieve such a strategy. This improved communication could also help ensure that employers understand processes for hiring migrant workers and that migrant workers are aware of their rights.

4. Supporting Venezuelan migrants' economic mobility

Countries in Latin America and the Caribbean have a number of approaches at their disposal to open new labor market opportunities for migrants. This includes creating programs that would enable newcomers to develop or strengthen technical skills, and streamlining the procedures for receiving recognition for education and credentials earned abroad. Countries could also take steps to better align their public education and training programs with evolving labor market needs—an approach that would benefit both native- and foreign-born workers. Such steps could help newcomers secure better-paid jobs and close the native-migrant earnings gap, while fostering skills that are in demand in local labor markets.

This is another area in which active collaboration between the government, private sector, and community actors could help facilitate migrants' integration into the workforce. This could involve reviewing and amending labor laws to reflect changing workforce trends and reducing excessive regulation associated with formal employment. In addition to increasing migrants' employment opportunities, such efforts could help ensure that a host country's investments in education and training opportunities for newcomers (or all workers) fully benefit that country's economy, stimulating growth in key sectors and promoting economic development.

5. Building on opportunities for exchange between countries in the region

Using the Quito Process as a platform, countries in the region could exchange recommendations and mobilize resources to support specific countries as they design and implement regularization initiatives. Doing so would strengthen communication and collaboration among regularization mechanisms active in the region, including by sharing knowledge, feedback, and best practices. Member States could also receive support and guidance from international and multilateral organizations as they design, implement, evaluate, and disseminate findings for each phase of the regularization and integration process. Finally, this platform could support governments' efforts to engage more intentionally with the private sector and other relevant stakeholders, including migrants themselves, to develop a strategy to maximize the benefits of migration while guaranteeing migrant workers fair salaries and working conditions.

B. Looking Ahead

Partnership is a key theme across all of these areas. As Latin America and the Caribbean adapt to a new era of human mobility, stakeholders should seek to harness the power of collective action—with governments leading the way with evidence-informed policies, the private sector driving innovation, civil society advocating for inclusive societies, and multilateral organizations providing resources, expertise, and coordination support. This type of joint approach is needed to create an ecosystem in which regularization measures are more integrally connected with migrants' economic integration. In turn, a well-integrated migrant population can contribute more fully to the communities in which they live and to a country's broader economic and social development goals.

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