

COVID-19 crisis

Through a migration lens

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Outline

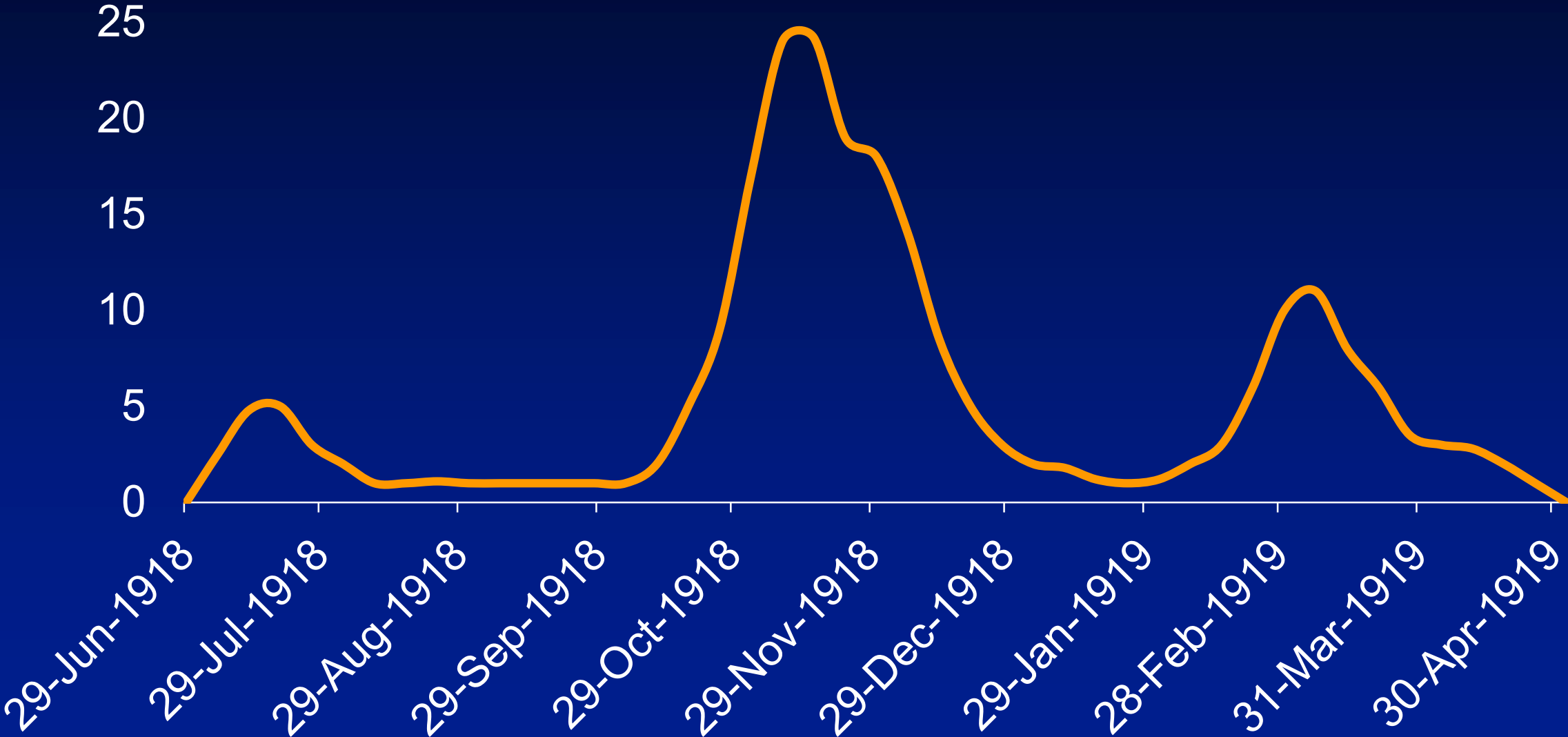
- COVID-19 compared to other crisis
- Impacts on migration
- Impacts on remittances
- Policy interventions

COVID-19 vs other pandemics

	Cases as % of world population	Most affected countries	Average change in GDP growth in most affected countries
Spanish flu (1918–20)*	~25%	China, India, Indonesia, Russia, United States (global pandemic impacting many countries)	0.8%
SARS (2002–04)	Negligible	Canada; China; Hong Kong SAR, China; Singapore	3.0%
H1N1 (swine flu) (2009–10)**	11%	Australia, China, Mexico, Thailand, United States	-2.5%
MERS (2012)	Negligible	Islamic Republic of Iran, Jordan, Republic of Korea, Saudi Arabia, United Arab Emirates	-3.7%
Ebola (2014–16)	Negligible	Guinea, Liberia, Sierra Leone	-8.6%
COVID-19 (2019–20)	.03%	France, Germany, Italy, Spain, United States (global pandemic impacting 210 countries)	??
<i>Memo: Global financial crisis (2008–09)</i>		Countries of all income levels	High-income countries: -3.7%; LMICs: -3.3%

Spanish flu, 1918-20

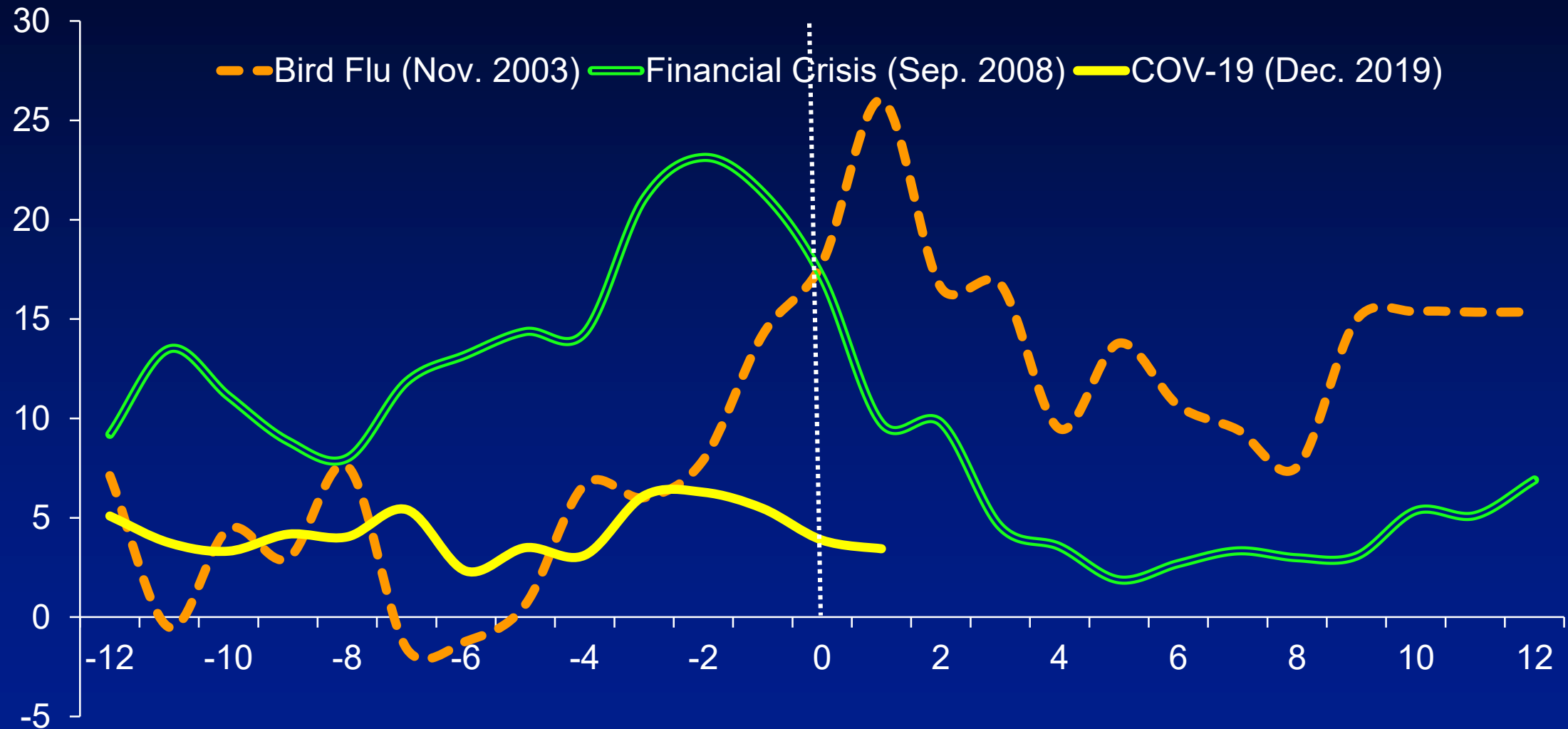
Deaths per 1,000 persons, United Kingdom



Source: Data are based on Taubenberger and Morens (2006: 15).

Event study: In the Philippines, remittance flows rose after Bird Flu, but declined after global financial crisis

Percent change (year-over-year, 3-month moving avg)

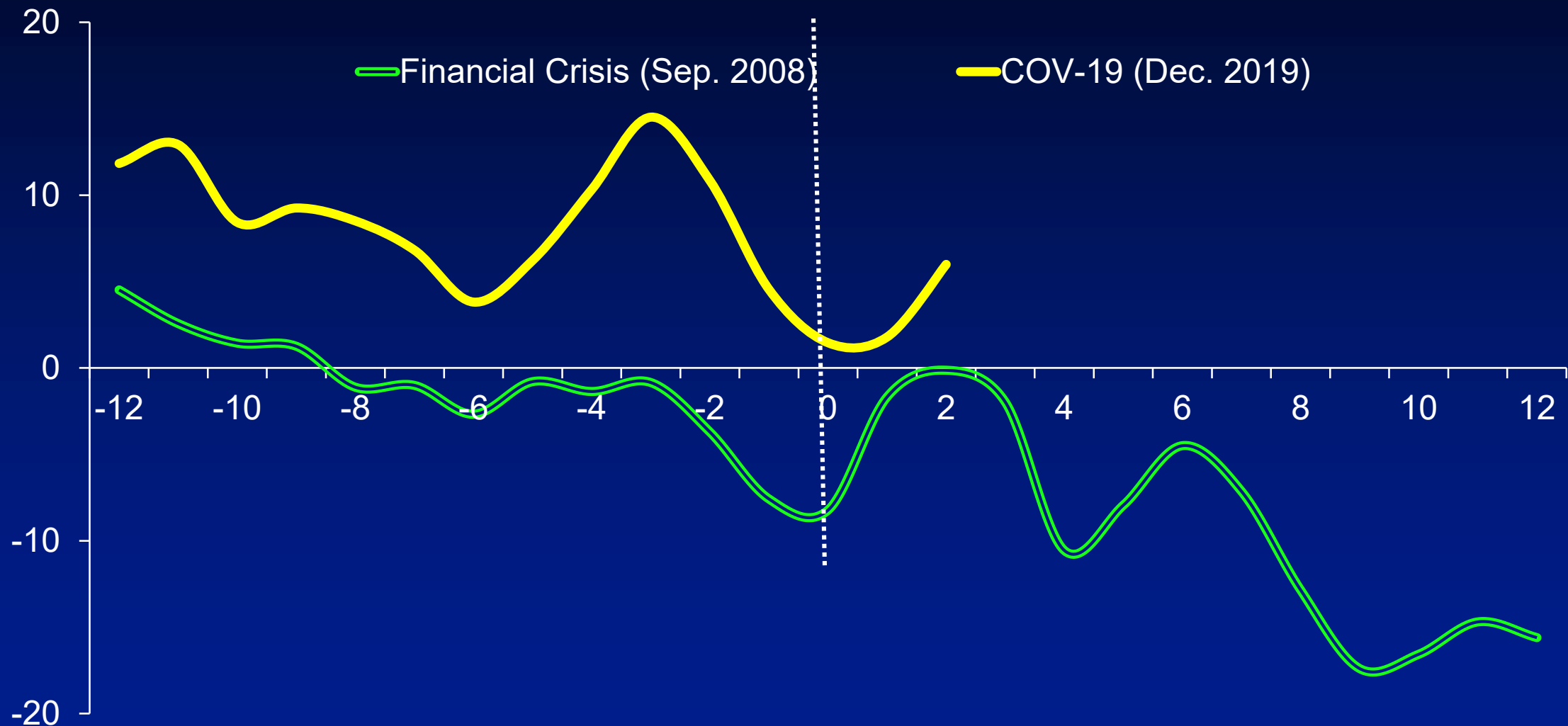


Source: Haver, World Bank

Note: Note: The x-axis shows the number of months away from time t = 0; t = 0 is February 2003, November 2003, September 2008, March 2014, and December 2019

Event study: In Mexico, remittance flows declined after global financial crisis

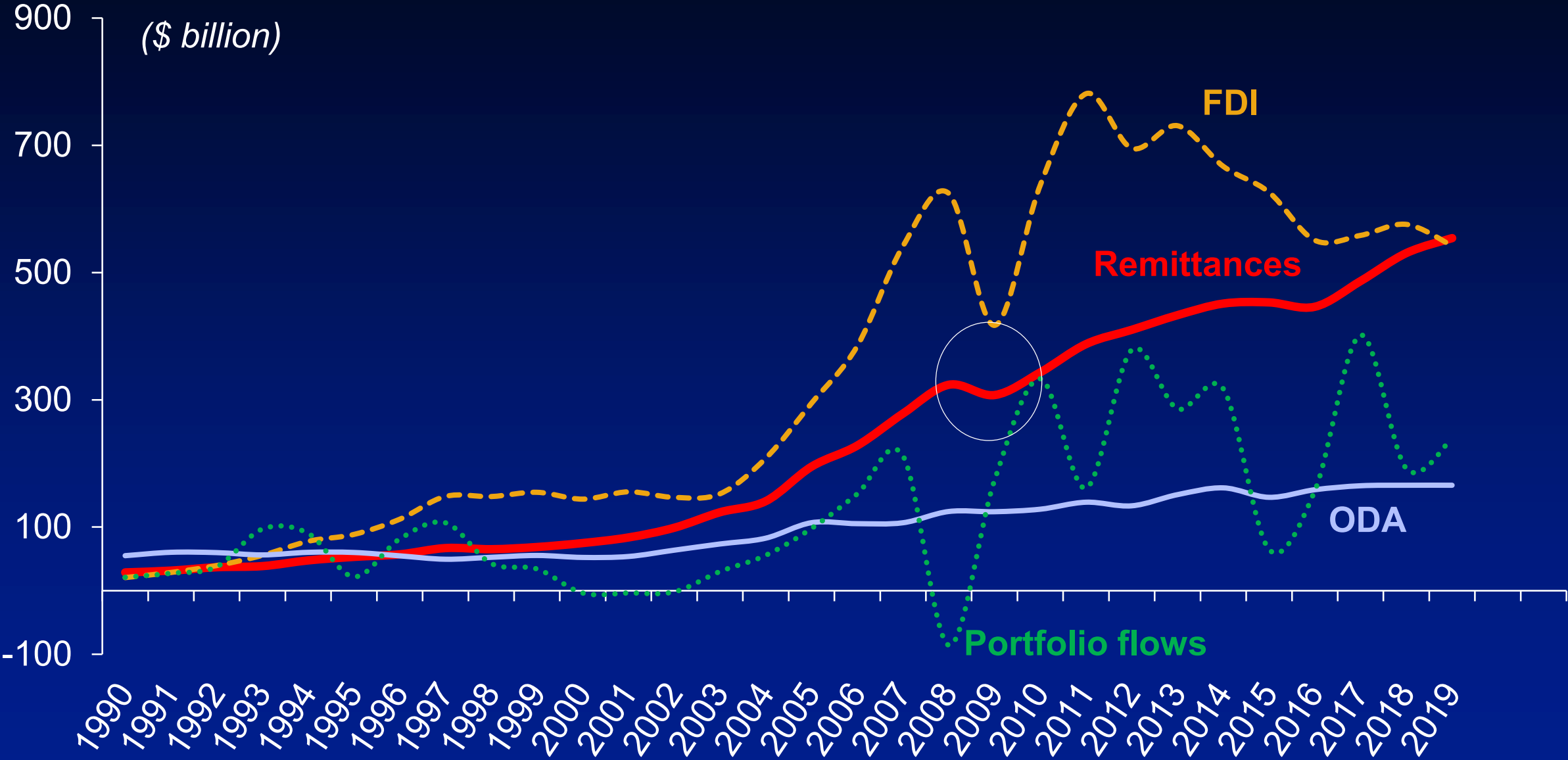
Percent change (year-over-year, 3-month moving avg)



Source: Haver, World Bank

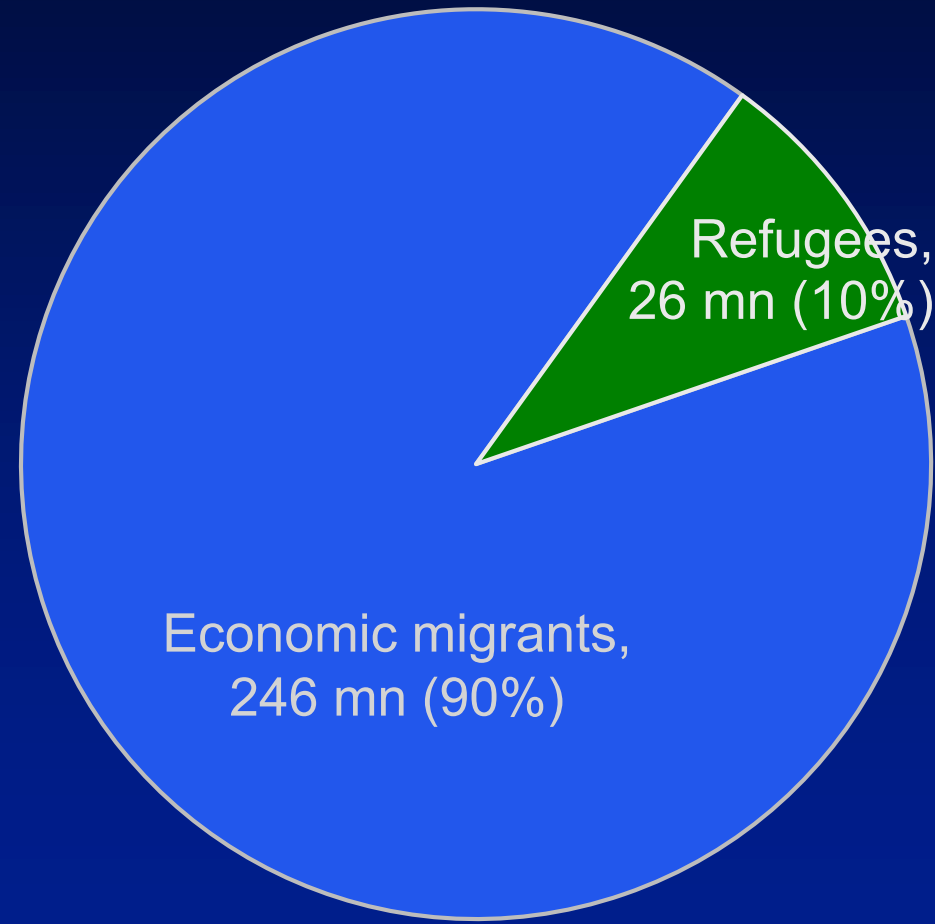
Note: Note: The x-axis shows the number of months away from time $t = 0$; $t = 0$ is February 2003, November 2003, September 2008, March 2014, and December 2019

Remittance flows to LMICs declined by 5% in 2009, and recovered in 2010



Source: World Bank-KNOMAD staff estimates, World Development Indicator, and IMF's BOP statistics

A billion migrants: International migrant stock is not expected to change – decline in new migration could be offset by a decline in return migration

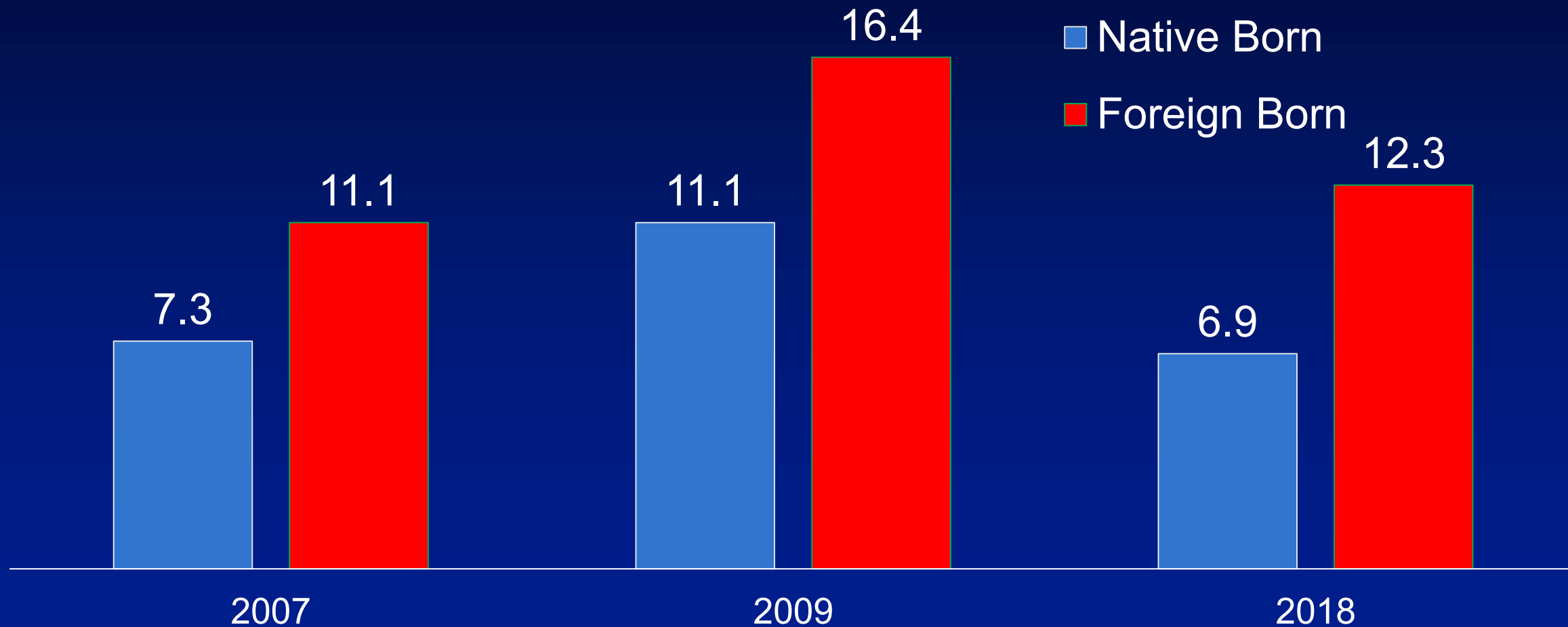


International migration
272 million

Internal migration 760
million

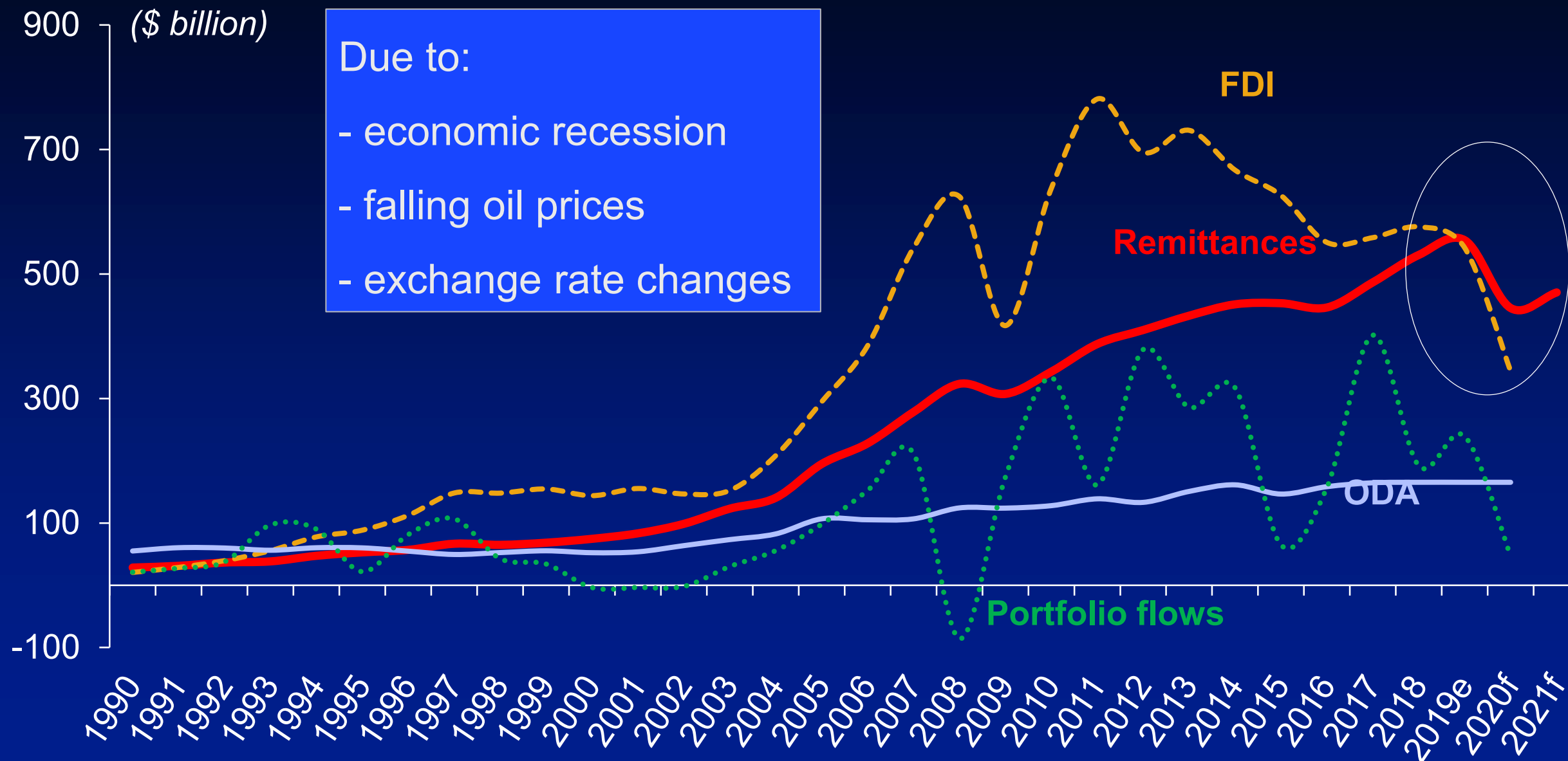
Migrants are more vulnerable to unemployment risks: unemployment rate for migrants increased during 2009 and has stayed high

Unemployment rate (%), EU28



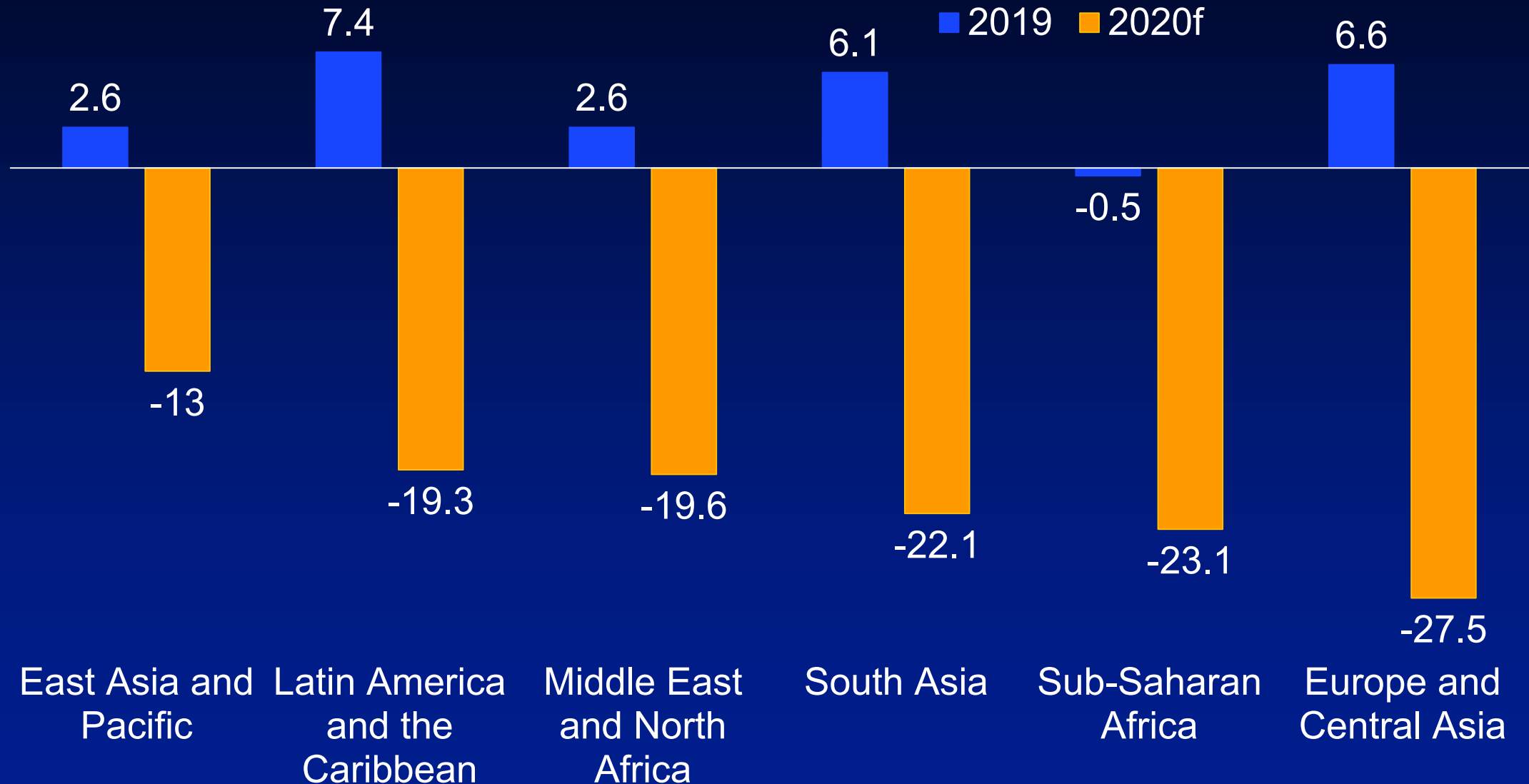
*Note: EU = European Union
Source: Eurostat data*

Remittance flows to LMICs expected to decline by 20% in 2020



Remittances projected to fall in all regions

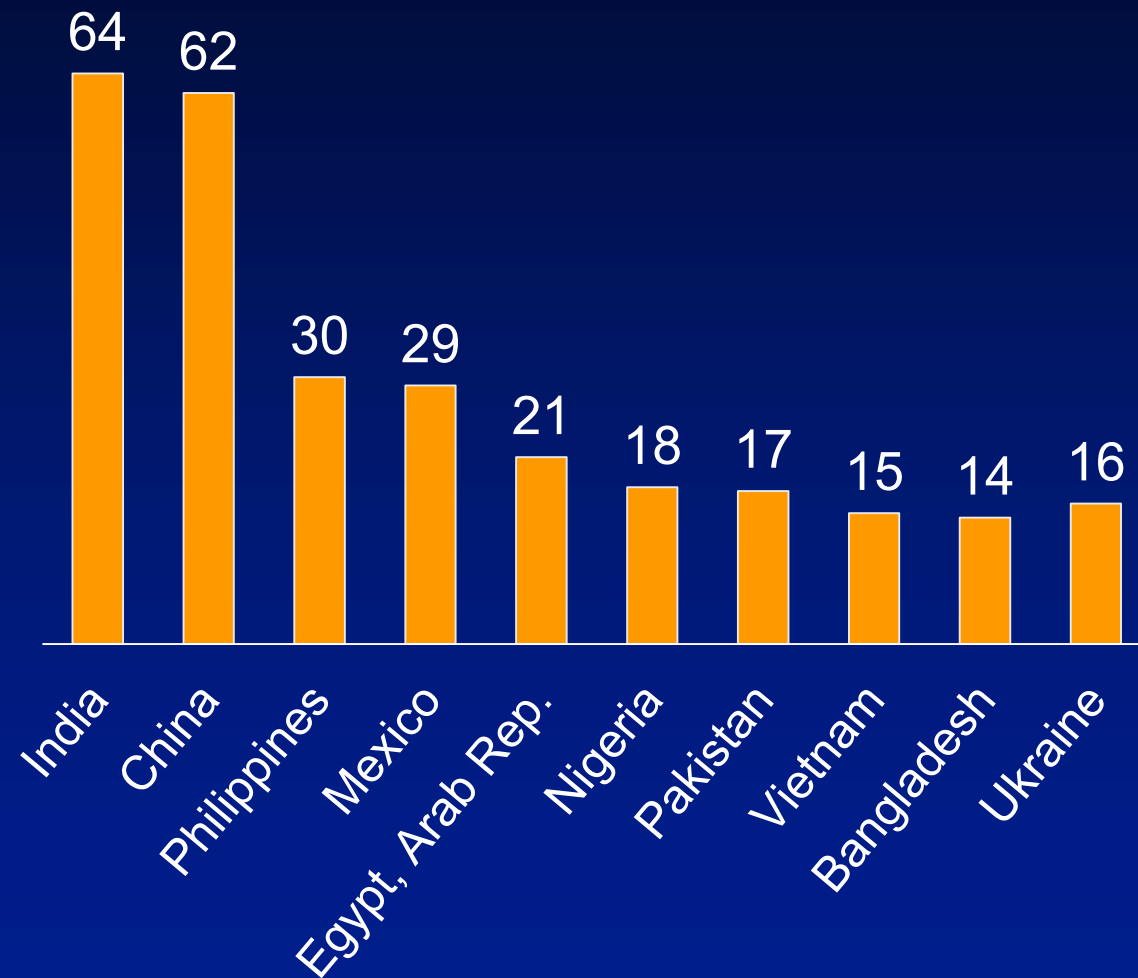
Annual growth (percent)



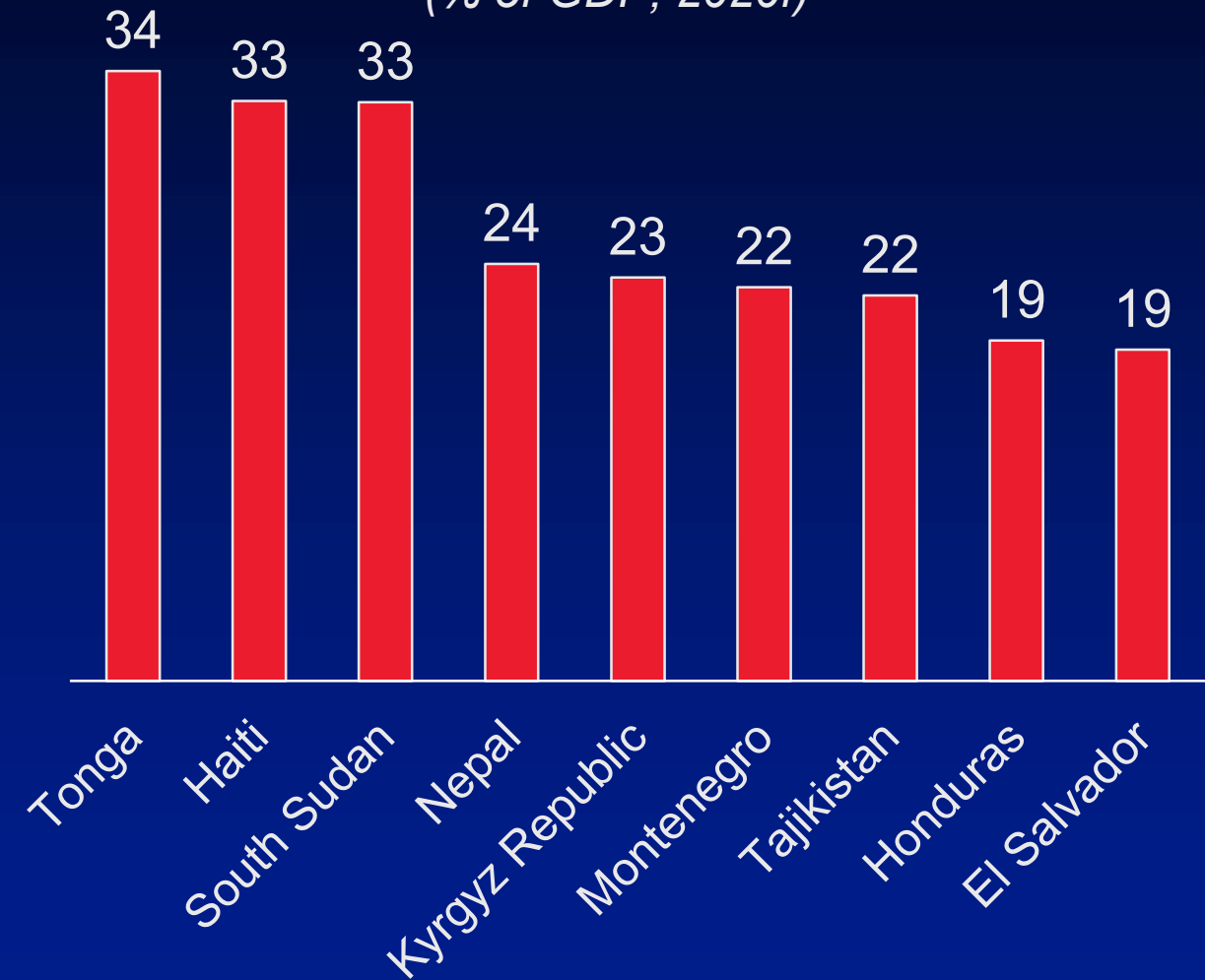
Source: World Bank-KNOMAD Staff estimates.

Top recipients of remittances

(\$ billion, 2020f)



(% of GDP, 2020f)



Source: World Bank-KNOMAD staff estimates

Suggested policy responses

	Supporting stranded migrants	Access to social services for migrants, their families	Supporting remittance infrastructure
Short term	<p>Evacuate stranded migrants.</p> <p>Grant temporary protected status to foreign nationals.</p> <p>Health awareness campaigns and provision of treatment to migrants.</p> <p>Support informal businesses employing migrant workers.</p>	<p>Provide access to health services, education, and housing.</p> <p>Extend cash transfer programs to support internal and international migrants.</p> <p>Support social services and provide cash transfers to families left behind.</p> <p>Facilitate the provision of remote mentoring and medical advice by diaspora doctors, and the temporary return of such professionals.</p>	<p>Remittance service providers (RSPs) should be declared as essential services.</p> <p>Subsidize the cost of sending money to reduce burden of remittance fees.</p> <p>Certain AML/CFT requirements could be temporarily simplified to incentivize online and mobile money transfers, following a risk-based approach.</p> <p>Mitigate factors that prevent customers or service providers of digital remittances.</p>

	Supporting stranded migrants	Access to social services for migrants, their families	Supporting remittance infrastructure
Medium term		<p>Revisit insurance regulations that may constrain migrants from buying medical insurance for families back home.</p> <p>Make medical insurance benefits offered by host countries portable to origin countries.</p>	<p>Improve data on migration and remittances. Contribute to International Working Group to Improve Remittance Data</p> <p>Reduce remittance costs. Facilitate digital remittances.</p> <p>Improve financial access in receiving and sending countries.</p>
Long term	Support safe and regular migration programs.	<p>Train more doctors and nurses in low- and middle-income countries in collaboration with medical schools in high-income countries.</p> <p>Support efforts to reduce recruitment costs.</p> <p>Establish universal health programs that include migrants irrespective of their legal status.</p>	Support efforts to reduce remittance costs.

The virus did not stop at national borders.

The crisis has highlighted our interconnectedness, our interdependence.

Our conduct and policies must be inclusive of people from different places.

By helping migrants, we'd be helping many more people all over the world,
including ourselves.