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Índice

Tables

Figures

Summary

The document analyzes the social protection responses of ten Latin American countries since the onset of the COVID-19 pandemic in mid-March 2020. The first section outlines the social context at the time the pandemic hit, case selection of the ten countries examined, and data on existing social protections. The second section provides an overview of income protection responses in response to COVID-19, in the ten countries, assessing speed, breadth and sufficiency. The third section provides detailed country responses in paired comparisons: Argentina and Chile; Peru and the Plurinational State of Bolivia; Brazil and Mexico; Colombia and Ecuador; and Uruguay and Costa Rica. The fourth section provides a conclusion, and tentative lessons for the medium term.

Introduction

Compared to Europe, Latin America had a slight head start in preparing for the pandemic. Still, the governments were unprepared for the extent and breadth of the response needed. The challenges that Latin American governments have faced since mid-March have been enormous. This document takes stock of and analyzes the efforts that Latin American governments have taken over the past months –from mid-March to end of July– to ensure social protections to the households that lost their income during the pandemic. We focus especially on income protections to households to cover their basic necessities. This focus has an intrinsic value: ensuring a basic level of material wellbeing for people, families and households. It also has an instrumental value: if people can cover their basic needs at home, they are more likely to adhere to social distancing measures, which reduces the epidemiological risk.

We conduct a comparative and in-depth analysis of the policy responses of ten Latin American countries. To control for different underlying points of departure in economic development and existing social protections, we engage in paired comparisons of Argentina and Chile; Peru and the Plurinational State of Bolivia; Brazil and Mexico; Colombia and Ecuador; and Uruguay and Costa Rica. This analysis has tentative implications for best practices in the medium term, as governments continue to grapple with the health, economic and social fall-out.

We examine three dimensions of governments' social protection policy responses: speed, breadth, and sufficiency. We address in-kind food assistance and measures to protect households' access to basic utilities but focus our analysis on cash assistance. Families need income assistance to buy food fast; all families and/or individuals who now have no income or savings need such assistance; and finally, the assistance needs to be sufficient to cover basic necessities for the duration of the crisis. While we examine social protection responses as a whole, we pay particular attention to households with children, given that poverty is concentrated in these households, making them especially vulnerable socially.

With the high levels of inequality and informality that exist in the region, governments in Latin America faced the challenge of reaching three distinct groups: first, those included in existing social security schemes; second, those included in non-contributory schemes/government assistance

programs; and third, those in-between, who belong to neither –the self-employed and informal sector workers, and their dependents. Governments have reached out in different ways to these different groups of people and households.

Since mid-March, governments have gone through a marked but varied policy expansion in social protection measures in compressed time. By the end of March, seven out of the ten Latin American governments had pledged additional cash assistance to households they considered particularly vulnerable, as identified through existing cash transfer programs. All governments also sought to establish some form of labor and/or income protections to those in the formal sector, although responses varied quite dramatically. By the end of April, as it became clear that the crisis would not abate any time soon, nine out of ten governments had also pledged some form of emergency income assistance to the broad sector of informal households, whose labor or other private income had collapsed due to the pandemic. Of these nine, seven eventually established more inclusive, 'demand-driven' mechanisms where individuals who had lost their income could self-identify and apply (although they would still be evaluated by a government agency). Two –Ecuador and Colombia– maintained restrictive eligibility criteria that did not allow individuals to apply, and Mexico did not institute a national-level income assistance program in response to the pandemic. Even many of the demand-driven models were slow to evaluate applicants and deliver aid, and also grappled with errors of exclusion. By mid-June, governments that had pledged aid had managed to deliver at least some of it to the majority of intended recipients. Delays were caused by a variety of factors, including slow recognition by executives of the extent of need; congressional reticence in authorizing massive budget increases; and implementation challenges related to technical and state capacity problems. It was a long wait for many vulnerable households, which also led to epidemiological risks as people who could not cover their basic needs were forced out of their houses in search of income and assistance.

By early August, vast differences in breadth and sufficiency had emerged across the countries examined, documented in Figures 6,7,8, and 9. Focusing especially on recipients of conditional cash transfers for households with children and informal households, we see policy responses that range from high breadth and sufficiency –i.e. meeting households' basic needs– to minimal breadth and very low sufficiency. For informal households, the governments that established 'demand-driven' eligibility criteria and allowed individuals to self-identify and apply came closer to closing the protection gap. Assuming no major errors of inclusion or exclusion, Brazil, Argentina and the Plurinational State of Bolivia managed to eliminate the protection gap in coverage; the first two countries also provided transfers that were relatively sufficient. The Bolivian transfers, while broad, were far less sufficient. Chile, Costa Rica and Peru, incrementally, made major progress over the past months in narrowing the protection gap, reaching a recipient population about 60% the size of the pre-pandemic informal employed population, although Costa Rica's exclusion of some recipients of existing cash transfer programs hurt especially families with more than one child. The Chilean and Costa Rican transfers were relatively sufficient in covering households' basic needs; the Peruvian transfer remained far below that. Ecuador and Colombia, with restrictive programs and pre-determined recipients, reached just 20% of their informal populations, leaving a yawning protection gap in both countries. In addition, both the existing transfers to households with children and the new emergency transfers covered just a fraction of households' basic needs. Finally, Mexico had both low breadth and low sufficiency, although it must be recognized that it conducted an important effort to expand cash transfers before the pandemic.[1]

[1] In 2019, Mexico launched broad non-contributory cash transfer programmes, such as the Benito Juarez scholarship (reaching 7.5 million students as of June 2019), the Pension for the Well-being of Elderly People (covering 7.5 million people as of June 2019) and the Pension for the Well-being of People with Permanent Disabilities (covering 692,000 people as of June 2019). See ECLAC, Non-contributory Social Protection Programmes in Latin America and the Caribbean Database [online] https://dds.cepal.org/bpsnc/home.

The paired comparisons illuminate the varied, and often fragmented responses of governments on income protections. Both the Argentine and Chilean governments had existing unemployment insurance for formal sector employees who lost their jobs. Beyond this, both governments sought to protect formal sector employment, but through different strategies. The Argentine response was marked by its speed and by protections for formal sector workers. The government prohibited lay-offs by the end of March, and moved to subsidize employment for struggling companies, allowing for workers to retain a substantial share of their income during the quarantine. Chile gave employers more freedom by allowing for suspensions of the labor contracts without salary commitments on the part of employers, and allowing for lay-offs. The income drops were slightly cushioned by allowing workers to withdraw funds from their individual unemployment accounts, which the government bolstered. Both countries reached out to the self-employed in lower-income brackets, Argentina rapidly through its broad family emergency income program, and Chile through a separate program, and more slowly.

Argentina was also fast in establishing a basic income floor for households with no other income, while Chile's approach was more reactive and incremental, reaching higher levels of breadth and sufficiency only later in June and, finally, late July. Both governments allowed for demand-driven mechanisms, where individuals or households could self-identify and apply for aid.

In Peru and the Plurinational State of Bolivia, with 80% of the employed population in the informal sector, the contours of the challenge were different. The one-fifth of the economically active population in the formal sector did not have unemployment insurance in either country, although both countries had indemnization for laid-off workers. Peru moved to subsidize low-paid formal sector employment in late March, and in April, despite resistance, like Chile, authorized work hour reductions and suspensions of labor contracts, with the stated aim of protecting formal sector employment. The government also authorized withdrawals from individual pension accounts to cushion income loss. The Plurinational State of Bolivia, on the other hand, prohibited lay-offs but did not allow for reductions in work hours and salaries, or suspensions. It offered credit but not subsidies to help companies pay their workers.

Both countries authorized cash assistance to existing recipients of non-contributory cash transfer programs by late March and, in April, as the dimensions of the economic fall-out became stark, incrementally authorized transfers to a larger group of informal households, finally establishing what both governments referred to as universal transfers. Both governments faced challenges in delivery of the transfers; the Plurinational State of Bolivia relied on physical transfers while Peru also established electronic apps by late May. In both countries, while the government eventually recognized most informal households that had lost their income due to the pandemic and allowed for them to apply for aid, these households had to wait a good two months before receiving cash assistance from the government. The wait was especially long in Peru, where delivery of the first transfer to the final 2.5 million households only began on August 11th. Both governments at the end of July announced plans to provide a second transfer to these households; in the Plurinational State of Bolivia, a clear plan was hampered by executive-legislative conflict.

Brazil and Mexico are a study in contrasts when it comes to the governments' social protection responses. Brazil has unemployment insurance, although problems with the executive response to the pandemic slowed down delivery of benefits to eligible individuals. The government allowed for reduction of work hours and salaries and suspensions of the labor contract, and provided a variety of subsidies to cushion income loss for workers; however, breadth and speed of implementation was variable. Mexico's strategy, on the other hand, has been to reiterate worker rights as they apply in the Labor Code, and to institute loans for one million small companies, formal and informal.

On non-contributory transfers, Brazil's response is marked by an opposition-led, speedy legislative initiative at the end of March, which established a broad and relatively sufficient emergency assistance floor to both recipients in the existing cash transfer program Bolsa Familia as well as low-

income informal households. Implementation went through hiccups, although broad coverage had been established by late June. Legislative pressure has pushed the government to extend the emergency assistance for two additional months, and at the end of July, the government was contemplating an additional extension. The Mexican government, on the other hand, has not established cash assistance programs to poor and/or informal households in response to the pandemic.

Both Colombia and Ecuador were slow to provide assistance to formal sector workers, whether through subsidizing employment (which Colombia did starting May, and Ecuador had not done as of July), or through activating unemployment insurance. With the latter, both countries have unemployment insurance for laid-off workers who meet certain eligibility requirements, but in both countries, actual assistance to those eligible was slow to come. On non-contributory social assistance, both governments moved by the end of March to begin authorizing cash assistance to vulnerable households. In both countries, beneficiaries were strictly determined by the government on the basis of existing databases, without the opportunity for individuals or households to self-identify and apply for aid. In cash-strapped Ecuador, the President's Humanitarian Assistance Plan got derailed because of opposition in Congress, and by the time it was approved two months after it had been introduced, much of the humanitarian and assistance part had been stripped away.

Uruguay and Costa Rica entered the pandemic with stronger existing social protections. In Uruguay, the newly sworn in government rapidly activated broader access to unemployment insurance, in a fashion similar to Germany's Kurzarbeit model, where struggling companies can temporarily reduce workers' hours or suspend them without laying them off, and social security is activated to compensate workers partially for their income loss. This strategy reduced layoffs and unemployment while maintaining income protections. The govt also increased cash transfers to households in existing non-contributory programs, and by mid-April also delivered vouchers to people in the informal sector which, while not very generous, helped with basic sustenance.

Costa Rica's response was unique in that the broad social protection package announced late March provided the same cash transfer to workers in the formal and informal sector, and, similar to Uruguay, also compensated workers whose hours had been reduced by half. The transfer itself was relatively generous; however, its impact was reduced by two limitations. By mid-May, the government ran out of funds and could only cover about half of the applications; Congress refused to authorize further funds for two months, only approving more money at the end of July. In addition, it excluded many households with children that received existing cash transfers, even though these transfers were significantly less generous than the new transfer.

In sum, the policy responses of the governments analyzed in this report are marked by their variedness. As a general observation, however, it is fair to say that many governments were slow to extend basic income protections to those who had lost their income in the crisis; once they recognized this need, they were hampered by delivery problems. By early July, some governments had still not allowed for households to self-identify and apply for aid, relying on government databases that were incomplete or lacked updates. In a crisis of this type of magnitude, excessive focus on minimizing errors of exclusion rather than errors of inclusion has almost certainly led to households that might desperately need assistance not receiving it. The results of these different policy efforts are beginning to emerge; while over-all, the socio-economic effects of the pandemic have been devastating, initial reports indicate that extreme poverty may actually have declined in Argentina and Brazil, as a result of the income protection measures instituted in these two countries.

Moving forward, we recommend that governments build on the efforts they have made to establish social protection floors to wide sectors of vulnerable populations in the region. In countries where coverage is still limited, we recommend that governments establish inclusive criteria to close the existing protection gaps. In countries where governments have succeeded in establishing breadth of

coverage, we recommend ensuring sufficiency to at least the extreme poverty level per household member for the duration of the crisis. Finally, we recommend using the opportunity of these extensive policy expansion efforts –and concomitant database updates that these have required– to build a more permanent, universal social protection floor, for the medium and long term. A broad income protection floor is necessary for both intrinsic and instrumental reasons, and will ensure that countries are better equipped to meet the next pandemic or crisis. In the medium term, once such a floor is established, the amount and duration of assistance (i.e. sufficiency) can be adjusted with circumstance.

I. The pre-pandemic social context

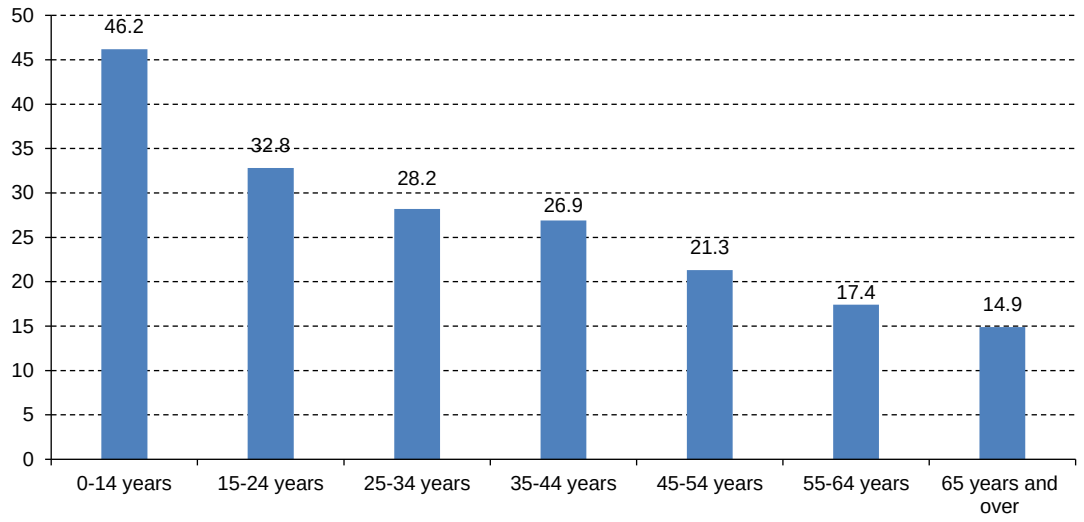
The first decade and a half of the new millennium saw improvements in labor formalization, social protections, and poverty reduction, influenced by both favorable economic conditions and government policy efforts (Kingstone, 2018; López-Calva and Lustig, 2010). The share of Latin American workers who contribute to social security, as a simple average of eight countries, increased from 37% in 2005 to 45% by 2018.[2] Governments also significantly extended non-contributory anti-poverty programs during the first fifteen years of the new millennium, and by 2016, 20% of the population was reached by government cash transfer programs that targeted mothers with children in poverty (Cecchini and Atuesta, 2017).

Up until 2015, poverty had also been declining. Right before the pandemic hit, 30.8% of the population, by CEPAL's definition, lived in poverty. This was significantly less than the 45.4% registered in 2002, but slightly up from the low of 27.8% in 2014, due to a variety of factors, including slowing economies. The decline in extreme poverty was less dramatic, from 12.2% of the population in 2002 to 11.5% in 2019 (ECLAC, 2019). In addition, most of those who have made it out of poverty are still vulnerable; another 25.8% of the population, pre-pandemic, made up the low-income non-poor strata; together, those who in 2018 lived on up to 1.8 times the per capita poverty line represent over half the population in the region. The lower middle-income strata (1.8 to 3 times the per capita poverty line) represent another 20.9% of the population, and thus in total 76.8% of the regional total population belonged to lower- or lower-middle strata when the pandemic hit (ECLAC, 2019).

Moreover, poverty is highly concentrated in children. Figure 1 outlines poverty rates by age in Latin America.

[2] IADB (2018). The figure includes Argentina (2005/2018), Brazil (2005/2018), Chile (2006/2017), Costa Rica (2005/2018), Honduras (2005/2018), Nicaragua (2005/2014), Paraguay (2005/2018) and Peru (2005/2018).

Figure 1
Latin America: Share of people living in poverty as percentage of each age group, 2019



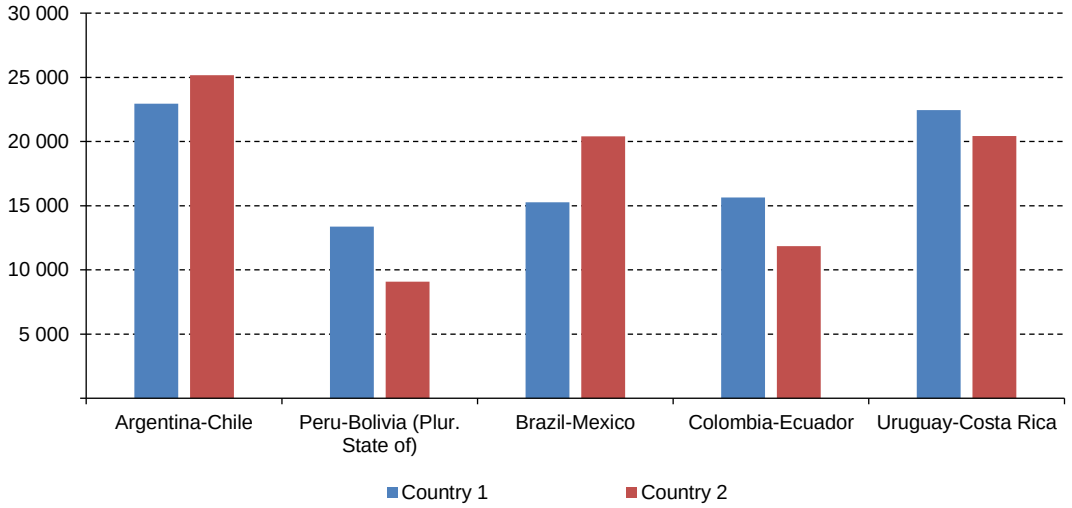
Source: ECLAC, 2019.

As Figure 1 indicates, almost half of children (46%) in Latin America already lived in poverty pre-pandemic. This figure steadily declines with age, and just 15% of those 65 years and over live in poverty. Thus, while epidemiologically the elderly are most at risk in the pandemic, socially, children have been particularly at risk.

On the level of households, we can see that households with children are over-represented in the lower income quintiles. Another dataset (based on Luxembourg Income data) shows that three-quarters of households in the lowest income quintile have under-18 year olds (and over half in the next two quintiles). Dual parent households represent 52%, and monoparental households, 20%, of households in this quintile. These proportions shift over the quintiles, and become strikingly different in the highest quintile, where 68% of households have no children, and only 6% are monoparental households. In sum, most low-income households have children and are therefore especially vulnerable (Blofield and Filgueira, 2020). This social context means *that families with children are especially at risk for any interruptions to their daily income and are therefore in urgent need of income protections* to ensure basic necessities.

We focus our analysis on ten Latin American countries: Argentina, Plurinational State of Bolivia, Brazil, Chile, Colombia, Costa Rica, Ecuador, Mexico, Peru and Uruguay. These ten countries have different points of departure in economic development and existing social protections, with important implications for how they are able to respond to the pandemic-associated social needs, and to provide social protection to their populations. As Figure 1 shows, they range from South America's poorest country, the Plurinational State of Bolivia, to Latin America's wealthiest country, Chile. The countries also vary on a range of other indicators related to level of formalization of the labor force, share of population in poverty, and access to basic utilities and housing conditions. We organize the country studies as paired comparisons of countries at broadly similar levels of development. To control for different underlying points of departure in economic development and state capacity, we engage in paired comparisons of Argentina and Chile; Peru and the Plurinational State of Bolivia; Brazil and Mexico; Colombia and Ecuador; and Uruguay and Costa Rica. Figure 2 outlines GDP per capita in PPP dollars in 2019 for the five paired comparisons of the ten countries.

Figure 2
Gross Domestic Product per capita in PPP (purchasing power parity) current dollars in the ten paired country comparisons, 2019



Source: World Development Indicators, World Bank.

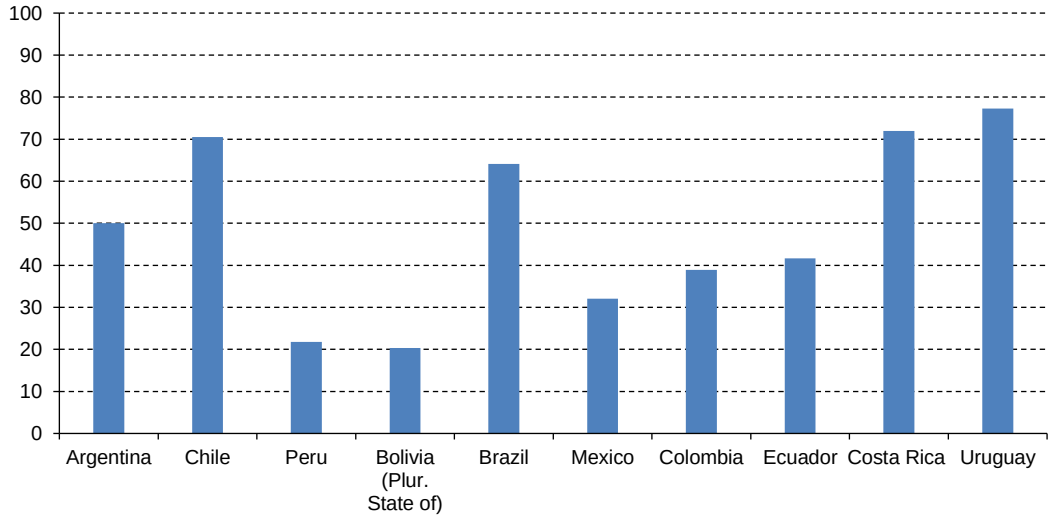
Figure 2 indicates broadly similar levels of GDP per capita in the paired comparisons, differences notwithstanding. In Figures 3 and 4 below, we outline the reach of existing contributory and non-contributory social protection systems in these countries. In the paired country studies, in Figures 9 to 13 we provide share of population in poverty, and access to basic utilities and housing conditions for these countries. Over-all, and as per existing research, Argentina and Chile represent countries with higher levels of economic development, more mature welfare states with relatively high levels of per-capita spending and effort as a percentage of GDP. Peru and the Plurinational State of Bolivia represent countries with lower levels of economic development; while Peru has higher GDP per capita, the Plurinational State of Bolivia has spent relatively more on social protection post-millennium. While Mexico is wealthier than Brazil, Brazil has also had higher levels of per-capita spending on social protection. Mexico and Brazil are also the two largest federal countries in the region, representing about half the region's entire population, and therefore substantively important. We also include Colombia and Ecuador as a paired comparison of two broadly similar countries, and finally, we include the two small countries of Uruguay and Costa Rica, with higher economic development and some of the most robust welfare states (Cecchini, Filgueira and Robles, 2014).

Latin America is marked by high levels of inequality and informality. Given this, governments have the challenge of reaching three distinct groups: first, those included in existing social security schemes; second, those included in non-contributory schemes/government assistance programs; and third, those in-between, who belong to neither –the self-employed and informal sector workers, and their dependents.

Those in the first group of workers, who are included in existing social security schemes, are eligible for protection of social risks such as old age, disability, and maternity. They are also protected by each country's labor codes. Half of the countries examined here –Uruguay, Argentina, Chile, Brazil, Ecuador and Colombia– have some form of unemployment on the books, and all countries also have severance pay for workers who are laid off or unjustly fired. Moreover, even if labor conditions for workers at the low end in the formal labor force may not be great, they are covered by minimum wage laws that provide a floor of income protection. Figure 3 provides the share of employed workers

contributing to social security as a percentage of the total employed population for the ten countries examined here. It includes both self-employed and salaried workers.

Figure 3
Employed workers contributing to social security (as percentage of employed population), 2018

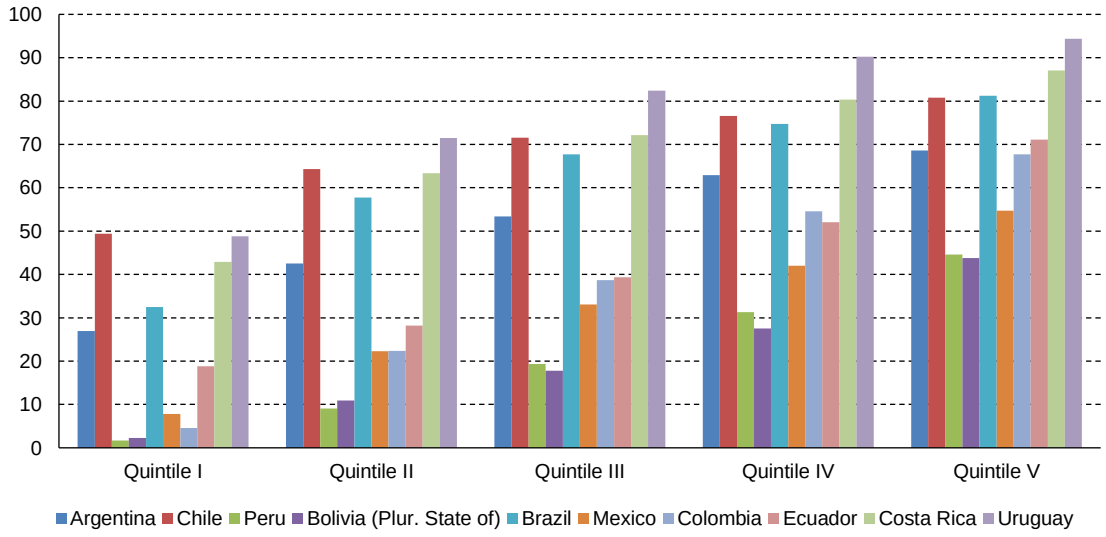


Source: IADB 2020, SIMS Database. 'Employed population' or 'Employed workers' include both self-employed and salaried workers. They are those who have worked at least for one hour in the reference period (generally in the last week or month, if the question in the survey is made on a daily basis); or those who are not working owing to extraordinary reason such as medical leave, vacations, strikes, etc

As Figure 3 indicates, there is significant variation in the extent of formalization of the workforce, from 20% of the workers in Peru and the Plurinational State of Bolivia, to 77% of the workers in Uruguay.

Aside from country differences, formalization varies significantly by socio-economic status. Figure 4 shows the share of employed workers contributing to social security, by quintile.

Figure 4
Employed workers contributing to social security (as percentage of employed population) by income quintile, 2018



Source: Inter-American Development Bank, 2020 . The Labor Markets and Social Security Information System (The SIMS).

As Figure 4 indicates, social security coverage is, across all ten countries, significantly lower in the lower income quintiles. For the ten countries, the average share of employed workers contributing to social security goes from 23.6% in the first income quintile, to 39% in the second, 50% in the third, 59% in the fourth, and 69% in the fifth income quintile. Informality and low income, then, go together. Moreover, given that children are concentrated in the lower-income, informal quintiles, fewer families with children are protected through contributory social security income protections.[3] Among the poor and low-income quintiles, the majority of households are reliant on the informal sector for income (ECLAC, 2019).

The second group comprises those who have been included in non-contributory social protection programs. These individuals and households are targeted based on being in poverty or extreme poverty, or in some other way highly vulnerable. By 2017, 30 cash transfer programs reached 133.5 million people living in 30.2 million households, about 20.7% of the population in the region, down from a high of 22.6% in 2010. Spending on these programs was around 0.37% of regional GDP in 2017, or US$ 148 per capita (Abramo, Cecchini and Morales, 2019). The two large demographic groups that have been the targets of non-contributory income protections are the elderly and households with children. As a rule, cash transfers to the elderly have been more sufficient than the transfers to households with children. The former, combined with contributory pensions, contributed to the significantly lower levels of poverty among the elderly, as per Figure 1. Given this, we focus here especially on conditional cash transfer programs toward households with children, given the social vulnerability of these households.[4]

One of the main innovations of the conditional-cash transfer programs -aside from linking them to health check-ups and school attendance of children- was to target them specifically toward women as mothers, with the idea that mothers are more likely to spend all of the money on children and family wellbeing. This idea has empirically borne out, and also improved women's wellbeing and status in the household. Studies have found that transfers to mothers have especially beneficial effects on child health and development (e.g. Duflo, 2003; Kumar and Quisumbing, 2012); as well as on women's health (Beegle, Frankenberg and Thomas 2001), status in the household and more egalitarian decision-making (Anderson and Eswaran, 2009; Villareal, 2007) and for reducing intimate partner violence (Buller and others, 2018).

The third group is comprised of those workers and households who are part of neither the contributory nor non-contributory social security and protection programs. They are mostly self-employed and informal sector workers, and their dependents. As per Figure 4, these workers and their dependents are heavily concentrated in the lower income quintiles. Many of them may not be poor enough to qualify for the CCTs but are not far from the poverty line (ECLAC, 2019). From here-on, we refer to them as informal households. This group is, by definition, the hardest to reach; indeed, we do not have readily available, regional data on the share of households (rather than workers) that are informal, reflective of the problem in and of itself. When the pandemic hit, such households represented, very roughly, between one-fourth and one-third of the population in the region with dramatic differences by country.

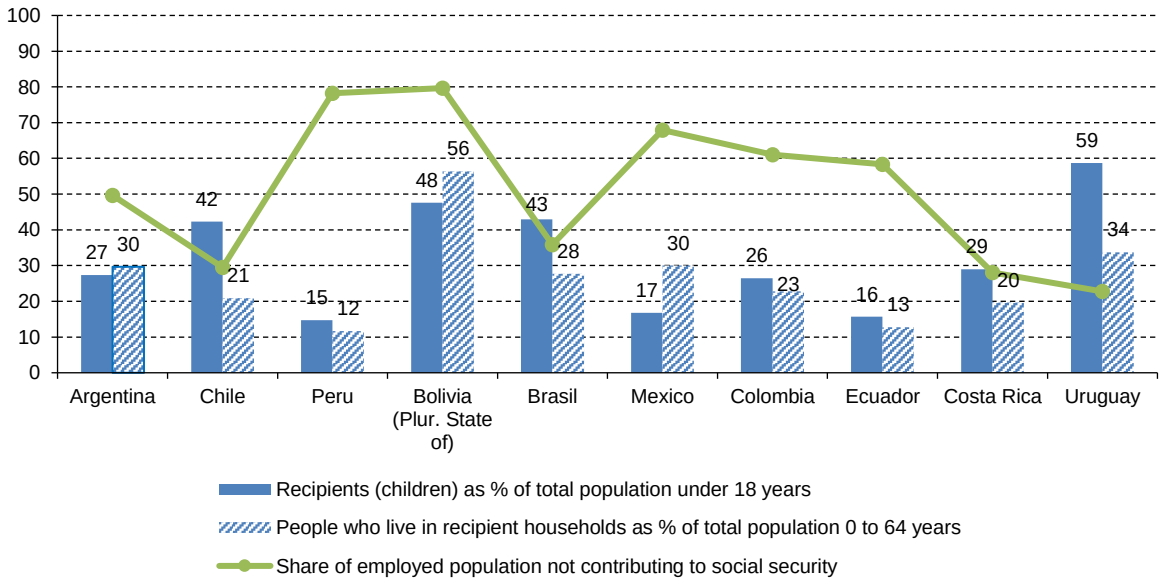
Figure 5 outlines children in the ten countries that are recipients of non-contributory cash transfer programs for households with children as a share of the under-18 year old population, as well as household members of those recipients, as a share of the population under 65 years. The line with markers indicates the share of the total employed population in each country that is not contributing to social security. The space above the line represents the share that are part of the contributory social security system in each country; the space below represent those who are informal. The line thus gives us a sense of the potential reach of the CCTs among the informal population. While it should be kept in mind that the parameters are different, as the bars are as a share of the under-18 year old population,

[3] An analysis of household composition and access to social security, from 2011, shows that households with children are much less likely to be part of the contributory social security system; unfortunately, it is the most recent data available.

[4] In the country policy responses we also discuss income protection measures toward the elderly.

and under 65-year old population, respectively, and the line is as a share of total employed population, the gap between the marked line and the bar provides us a rough proxy of the size of a social protection gap in each country, pre-pandemic. We do not have the data on household composition and the overlap in households between informal workers and CCT recipients, so this is a rough proxy of an estimate. Given that children are overrepresented in informal households and among the population in poverty, this measure likely underestimates the coverage gap.

Figure 5
Recipients (children) in CCT programs as share of total population under 18 years, PRE-COVID period



Source: Own elaboration based on Non-contributory social protection programs in Latin America and the Caribbean database, Social Development Division, ECLAC; CEPALSTAT and Inter-American Development Bank, 2020. The Labor Markets and Social Security Information System (The SIMS). Data for Uruguay corresponds to Official Data of the Ministry of Social Development 2020. Calculations of number of child beneficiaries for Brazil are made based on data Camargo and others, 2013. For Costa Rica, the share of people who live in recipient households as share of total population is an estimate, given that one of the programs (Crecemos) is new and only has data for recipients, but not households. We made the rather arbitrary estimate that with the households that have a child in the Avancemos Program (middle school and up) and the households that have a child in the Crecemos program, there is an overlap of 50%.
Notes: The programs included in the analysis are: AUH and AUE for Argentina; Juancito Pinto for the Plurinational State of Bolivia; Bolsa Familia for Brazil; SUF for Chile; Más Familias en Acción for Colombia; Crecemos and Avancemos for Costa Rica; Bono de Desarrollo Humano for Ecuador; Becas para el Bienestar Benito Juárez for Mexico; JUNTOS for Perú and AFAM-PE and Tarjeta Uruguay Social for Uruguay.

Figure 5 shows that, first, coverage of existing non-contributory cash transfer programs for households with children ranges quite broadly, from a low of 15%, 16% and 17% of under-18 year olds in Peru, Ecuador and Mexico, respectively, to between 25% and 30% of under-18 year olds in Colombia, Argentina and Costa Rica, to 42% in Chile, 43% in Brazil, 48% in the Plurinational State of Bolivia, and, finally, a high of 59% in Uruguay.

We also see very different 'protection gaps' here. We have the highest protection gap in Peru, followed by Mexico and Ecuador, and then Colombia. While the Plurinational State of Bolivia has very high informality, its cash transfer program also reaches almost half of the under 18-year olds in the country (although the transfer itself is extremely low, at about US$ 26/year). In Argentina, 29% of children are covered in its program, while 50% of employed workers contribute to social security, leaving a moderate gap. Assuming perfect targeting and even distribution of children across households, Costa Rica and Brazil do not have a protection gap. Again, however, Figure 5 likely underestimates the gap in

coverage and protection. In Chile, and especially Uruguay, the share of covered children is higher than the share of employed workers that are informal, representing more comprehensive coverage.

It should be stressed that Figure 5 measures coverage but not sufficiency; these transfers tend to be minimal in amount (as is shown in Figure 8) and have not managed to significantly reduce poverty among children in the region (as per Figure 1). What the size of these gaps does is give us a rough indication of the different points of departure governments found themselves in as they had to rapidly devise ways to reach the population when the pandemic hit.

In sum, social vulnerability is concentrated and reinforced in households with children, where the breadwinners are less likely to be part of the contributory social security system. Households with children are most likely to be low-income and informal, and therefore over-represented in groups 2 and 3. Figure 5 gives us an estimate of the reach of contributory and non-contributory social protections based on even distribution of children across households; therefore, it likely underestimates the gap. What the data in this section shows us is that to reach the most socially vulnerable households, and ensure their basic needs, required a major effort not just to reinforce contributory social security protections, but especially to extend protections and their sufficiency to Groups 2 and 3.

II. Government social protection responses in Latin America during the pandemic: An overview of speed, breadth and sufficiency

Compared to Europe, Latin America had a slight head start in preparing for the pandemic. Still, the governments were unprepared for the extent and breadth of the response needed. From mid-March on, when the pandemic hit and governments moved quite rapidly into various degrees of lockdown or physical distancing, they faced the simultaneous challenge of reaching broad sectors of their populations that, without rapid, broad and sufficient government assistance, faced humanitarian catastrophe as the economies came to a halt and their income sources dried up. The challenges that Latin American governments have faced over the past months have been enormous.

Since mid-March, in response to the socio-economic effects of the crisis, governments have gone through varied policy expansion in social protection measures. This expansion is taking place in conditions very different from the process of the past two decades, where expansion was incremental, and mostly the result of extensive policy deliberation. It was often in the context of electoral competition, which has also resulted in less discretionary policies than pre-millennium (see for example De la O, 2015; Garay, 2016; Diaz-Cayeros, Estévez and Magaloni, 2016).

Now, the expansion is taking place in compressed time. With a new, constantly changing and unpredictable situation, governments have grappled with the new reality on the basis of the information available at any given moment. This document takes stock of and analyzes the efforts that Latin American governments have taken since mid-March until the end of July/early August to ensure social protections to the households that lost their income during the pandemic.[5] We focus especially on income protections to households to cover their basic necessities. The focus on income protections has an intrinsic value: ensuring a basic level of material wellbeing for humans.

[5] Our analysis is more detailed up until the end of June, with updates up until the end of July.

It also has an instrumental value: if people can cover their basic needs at home, they are more likely to adhere to social distancing measures, which reduced the epidemiological risk.

We examine government policy efforts to ensure basic social protection in response to this pandemic, that is, the ability of households to cover their basic necessities.[6] Here, we focus on measures that provide *a basic income in the form of cash transfers*. In the paired comparisons, we address in-kind food assistance and measures to protect households' access to basic utilities such as water, electricity and telecommunications and the internet, but focus our analysis on cash assistance. We recognize that other policies can directly and indirectly affect ability to cover basic necessities, such as tax relief and price controls, for example, but do not cover them here.[7]

We examine three dimensions of governments' social protection policy responses: speed, breadth, and sufficiency. Individuals and families need income assistance to buy food fast; all families and/or individuals who now have no income or savings need such assistance; and finally, the assistance needs to be sufficient to cover basic necessities for the duration of the crisis.

Below, we assess general trends in the ten countries, in terms of speed, breadth, and sufficiency of the income protection response, and then move on to the paired country comparisons. Our analyses draw on government documents, newspaper articles and other publicly available sources.

A. The speed of assistance

Once the pandemic hit, and governments implemented quarantines and physical distancing measures, they also began to formulate social protection responses. By the end of March, as economies halted, all governments had announced some form of labor or income protections to those in the formal sector, although the scope and follow-up measures varied dramatically. Even among those with unemployment insurance, speed of assistance ranged from relatively fast in Uruguay to significant delays for at least a share of applicants in Brazil and Colombia, and especially in Ecuador.

Also by the end of March, seven out of the ten Latin American governments had pledged additional cash assistance to households in existing non-contributory cash transfer programs. Given that these households were already part of government databases and regularly received cash transfers, delivery to these recipients was relatively rapid and uncomplicated. While Costa and Ecuador also pledged assistance, they did not do so through the existing CCTs, and Mexico made advance payments to the participants of its social pensions for the elderly and persons with disabilities. As schools closed, those countries that provided free or subsidized meals to children, moved to provide food assistance for pick-up.

By the end of April, as it became clear that the crisis would not abate any time soon, nine out of ten governments (some already in late March) had also pledged some form of income assistance to the broad sector of informal households, whose labor or other private income had collapsed due to the pandemic. Of these nine, seven established more inclusive, 'demand' driven' mechanisms where individuals who had lost their income could self-identify and apply (although they would still be evaluated by a government agency). Two –Ecuador and Colombia– maintained restrictive eligibility criteria that did not allow individuals to apply, and Mexico did not institute a national-level cash transfer program at all, although it announced it would increase coverage in its program for farmers, which reached 230,000 people in 2019.

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[6] Access to health services and medication is a crucial element of coverage of basic necessities as well, but it is outside the scope of this document.

[7] See ECLAC (2020) for a discussion of a broader set of measures, including protections for formal sector workers, tax relief, price controls and loan facilities.

Broader assistance was badly needed; one survey on Latin America found that by early May, 69% of individuals in low-income households had lost their job due to the pandemic, compared to just 26% of individuals in high-income households, and many faced food insecurity (Bottan, Hoffmann and Vera-Cossio, 2020).

Delivery of transfers, however, faced bottle-necks in many countries. For example, Colombia had not reached 20% of the identified recipients of its emergency transfer to informal households by the end of June. Even many of the demand-driven models were slow to evaluate applicants and deliver aid, also hampered by technical problems related to existing government registries and more broadly, state capacity. Reaching these households often involved the creation of new databases, merging of existing databases, and the development of mechanisms by which to reach this population, both in terms of applying for aid as well as delivering it. Several countries initially had long lines of people waiting for cash assistance, which presented an epidemiological risk. Some countries continued to have such lines well into May. This prompted many governments to seek to create electronic mechanisms through which to process assistance. In some countries, newly created online systems initially crashed due to overwhelming demand.

The establishment of electronic means, including mobile phone apps, can be an efficient and speedy way to get assistance to people. For example, the city government of Medellín created a mobile app by which people could themselves determine if they needed assistance, and electronically apply for aid and receive it relatively fast.[8] Uruguay implemented a mobile app that also allowed for relatively fast delivery of electronic food vouchers, based on an electronic application.[9] At the same time, the use of electronic means needs to be complemented by other methods so that the population that is not digitally linked, often especially vulnerable, can access assistance. This was a problem during the first months in Brazil, as physical closing of offices made it very difficult if not impossible for some people to get the aid that they were eligible for.

By mid-June, most governments that had pledged aid had managed to deliver at least some of it to a large majority of intended recipients.[10] Delays were caused by a variety of factors, including slow recognition by executives of the extent of need; congressional reticence in authorizing massive budget increases; and implementation challenges related to technical and state capacity problems. Errors of inclusion and exclusion happened during implementation; errors of exclusion also in some cases resulted from policy design. It was a long wait for many vulnerable households, which also contributed to increased epidemiological risks as people who could not cover their basic needs were forced out of their houses in search of income and assistance.

B. Breadth of assistance

Governments faced the challenge of reaching three groups of people: formal sector workers in social security (and their dependents), recipients of existing non-contributory programs and their dependents, and finally, the informal households, which were part of neither social protection system. In the case of workers who were formal, governments had ready mechanisms by which to reach this group through social security and, by extension, their dependents in a household. When the pandemic hit, governments worried about the economic effects on both companies and workers, and feared a massive rise in unemployment. We see a variety of instruments used to address this, partly depending on existing labor legislation and social security systems. Governments can seek to provide income support to workers who lose their jobs. In Argentina, Brazil, Chile, Colombia, Ecuador and Uruguay, wage

[8] See [on line] https://www.medellin.gov.co/medellinmecuida.

[9] See for example El Observador, 15.4.2020, available [on line] https://www.elobservador.com.uy/nota/canastas-del-mides-para-trabajadores-informales-cuantas-llevan-entregadas-y-como-pedirla-20204151948 28 or the government website, at http://www.tuapp.com.uy/mides/, or a government communication, available [on line] https://www.presidencia.gub.uy/comunicacion/comunicacionnoticias/conferencia-castaingdebat-acuerdos.

[10] See the country studies for details on each country.

workers in the formal sector, if they met minimum criteria, were eligible for some form of unemployment insurance. All countries also had, at least in theory, some kind of indemnization for workers who were laid off.

Another way is to seek to avoid lay-offs in the first place. One way to do this was to simply prohibit lay-offs during the health emergency, which is what Mexico, Argentina and the Plurinational State of Bolivia did. Another way was to allow for temporary suspensions or work hour reductions, which is what Chile, Peru, Colombia, Ecuador, Costa Rica and Uruguay did. Depending on countries' labor codes, these measures may require executive decrees or legislative approval. In either case, governments could provide subsidies to companies to help cover worker wages, or directly to workers themselves. This is what Argentina, Chile, Peru, Brazil, Colombia, Costa Rica and Uruguay did. The Plurinational State of Bolivia provided credit, and Ecuador announced a small program for micro-and small enterprises in May. Mexico established a program of one million loans for small companies, with repayment requirements.

Countries that had unemployment for formal sector workers on the books, such as Argentina, Chile, Brazil, Uruguay, Colombia, Ecuador and Uruguay, were able to use it to provide some income protection to laid-off workers. However, whether and how unemployment actually extended to workers who had lost their jobs depended both on the existing eligibility in each country, availability of funds, and whether governments moved to relax the existing criteria and bolster existing funds, given the steep increase in demand and decrease in contributions. In Uruguay, Argentina and Chile unemployment insurance, in different forms and sufficiency, became available relatively rapidly; in Brazil and Colombia delivery of the benefits to a share of eligible laid-off workers was hampered; and in Ecuador, a political stalemate significantly delayed approval of shortening the waiting period of 60 days, which as of the end of July still had not been implemented on the government's website.

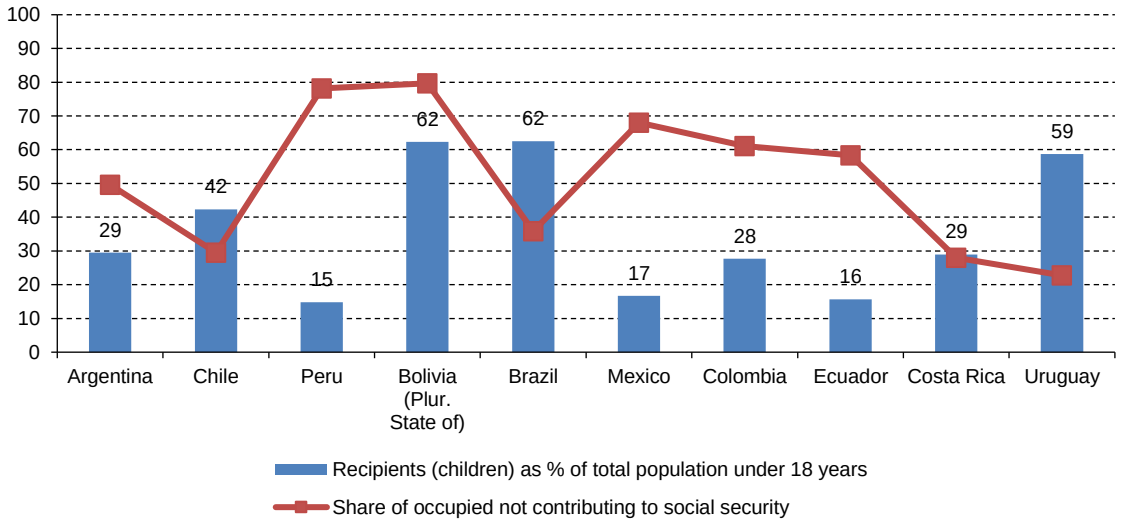
Aside from Uruguay, self-employed workers in the formal sector fell in between these unemployment insurance mechanisms—in some cases programs were extended specifically to them (e.g. in Chile end of June and again end of July); in other cases, they were included as part of broader emergency assistance programs (e.g. Argentina, Brazil, and Costa Rica).

In all countries, governments maintained their existing anti-poverty cash transfer programs in response to the COVID-19 crisis, and in seven out of ten countries, governments increased the amount of the transfer to the recipients of these programs. Here, we focus on cash transfers to households with children. Governments suspended the conditionality of these transfers, as schools in their presential form closed, and, in cases where public schools had food programs for vulnerable children, sought to establish food assistance for pick-up, to be consumed at home.

Figure 6 outlines the recipients of post-COVID cash transfers via existing CCT programs to households with children, as a share of the population under 18 years. The data for Colombia, Argentina, Uruguay, the Plurinational State of Bolivia and Brazil is the most updated post-COVID data; the data for Peru, Costa Rica, Ecuador, Mexico and Chile is the same as in Figure 4, as no separate, updated coverage figures have been reported. Nevertheless, Figure 6 gives an indication of post-COVID coverage of children in CCTs.

Figure 6 indicates that coverage of children in cash transfer programs increased quite substantially in Brazil and the Plurinational State of Bolivia, to 62% of children in both countries. In Uruguay, it remained the same at 59% of children. In Argentina and Colombia, it increased slightly from 27% and 26% to 29% and 28%, respectively. In the other countries, as noted, we do not have more updated information so we assume the coverage has remained the same.

Figure 6
Recipients of post-COVID cash transfers via existing CCT programs to households with children, as % of total population under 18 years



Source: Sources: Data for Colombia, Argentina, Uruguay, Plurinational State of Bolivia and Brazil is the most updated post-COVID data, based on official government pages and press clips (See Appendix for detailed sources and notes). Data for Peru, Costa Rica, Ecuador, Mexico and Chile corresponds to the last year available in the Non-contributory social protection programs in Latin America and the Caribbean database, Social Development Division, ECLAC. In these cases, we make the assumption that coverage has continued as before (and have not come across information to the contrary).
Note: The programs included in the analysis are: IFE for AUH and AUE recipients in Argentina; Bono Familia for the Plurinational State of Bolivia; Auxilio Emergencial for recipients of Bolsa Familia for Brazil; IFE 2.0 for SUF beneficiaries for Chile; Extraordinary Bonus for Más Familias en Acción recipients in Colombia; Crecemos and Avancemos for Costa Rica; Bono de Desarrollo Humano for Ecuador; Becas para el Bienestar Benito Juárez for Mexico; Bono Familiar Universal for JUNTOS recipients in Perú and AFAM-PE and Tarjeta Uruguay Social recipients in Uruguay.

Regarding informal workers and households, the key challenge for all ten governments has been to extend income assistance to those whose incomes have been devastated since the pandemic hit. To reach these people, governments usually worked their way from existing social registries of vulnerable populations. The important element was for governments to allow for individuals and households to self-identify and apply for assistance, what we refer to as demand-driven mechanisms. When governments allowed for these demand-driven mechanisms they were able to more accurately assess the extent of need, and more rapidly and effectively reach those who needed assistance.

Figure 7 outlines coverage in the new income transfer programs that governments have instituted in response to COVID-19, to the informal population, who were covered in neither contributory nor non-contributory programs. We measure coverage as a ratio of new transfer recipients to the total employed population (as per the latest available data). To control for the size of informality (for example Uruguay has way less informals to reach than the Plurinational State of Bolivia) we include the share of the employed population that is informal as a marked line, as before. The size of the bar reflects policy effort in coverage, and the closer the bar is to the line, the more effective the reach and breadth of coverage is in these new transfers, in relation to the informal population.[11]

If the bar is higher than the marked line, it means that there are more recipients in the new cash transfers than there were employed workers not contributing to social security in 2018. This should not, however, be interpreted as an error of inclusion, because the marked line does not include the entire

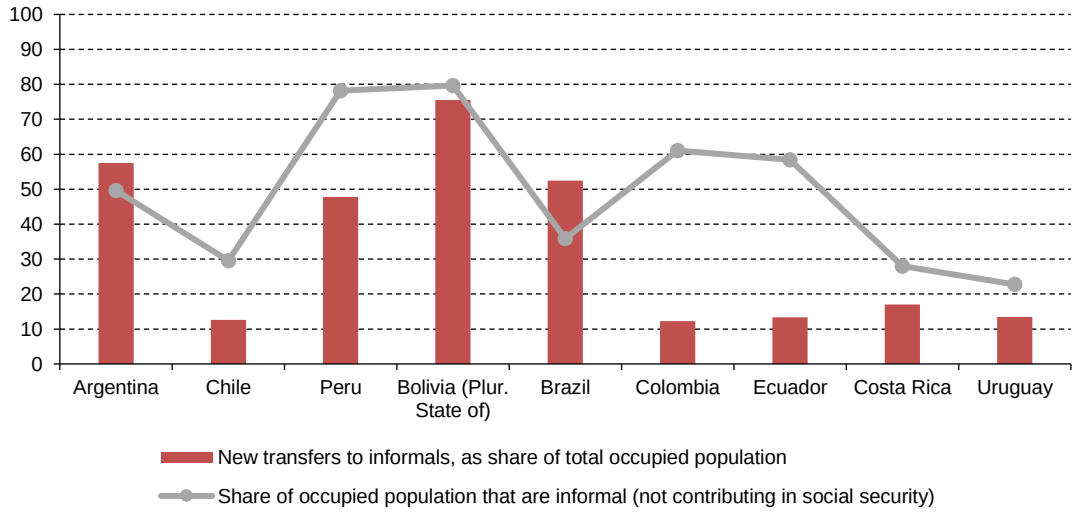
[11] The data is based on an extensive review of all available government and newspaper reports up to early August, 2020, and is recounted in the country studies and the Appendix.

economically active population, for example, those who were looking for work in 2018 but did not have a job, or changes in these numbers between 2018 and now.

To give a concrete example, if in country x a new program for informal households has three million recipients, and the total number of informal employed people in 2018 was three million workers, we would have a perfect match between the bar and the line, indicating full reach of informal workers. Of course, we need to assume there are no errors of inclusion or exclusion, but for better or worse it gives us a rough proxy of breadth of coverage. Also, we are measuring transfers to individuals, and their reach to other members of the household is not reflected here.

Figure 7 thus shows both the size of the challenge each country has, in terms of the informal working population that needs to be reached, as well as the extent to which the government is reaching a population of that size. It should be remembered that the bar does not include recipients *in existing cash transfer programs*, reported in Figure 6.[12]

Figure 7
Recipients of new cash transfer programs, as share of pre-pandemic total employed population, in relation to size of informal employed population, as of mid-August 2020



Source: Own elaboration. For sources and calculations for the new transfers to informals see the Appendix. Share of occupied population based on Inter-American Development Bank, 2020: The Labor Markets and Social Security Information System (The SIMS).
Notes: The programs included in the analysis are: IFE for Argentina; Bono Universal for the Plurinational State of Bolivia; Auxilio Emergencial for Brazil; IFE 2.0 for Chile; Ingreso Solidario for Colombia; Bono Proteger and Bono Extraordinario IMAS for Costa Rica; Bono de Protección Familiar for Ecuador; Bono Yo Me Quedo en Casa, Independiente, Rural and Bono Familiar Universal for Perú and Canasta de Emergencia Alimentaria for Uruguay.

Figure 7 reveals significant variation in coverage, and in coverage expansion; it is worth remembering that in March 2020, coverage in all these countries was zero, as the programs did not exist. Two countries stand out in relation to breadth and need: Argentina and Brazil. In both countries, and especially in Brazil, the number of recipients of new transfers exceeds the size of the pre-pandemic informal employed population. In both countries, coverage of recipients in the CCTs (Figure 6) also slightly increased. Adding both of these together, the breadth of coverage in Brazil and Argentina is high.

The other two countries that experienced significant policy expansion in new transfer coverage are the Plurinational State of Bolivia and Peru, both of which also had a significant need, given such a vast informal population to begin with. The reach of the Plurinational State of Bolivia's new program

[12] Mexico is not included in Figure 7 as it did not institute a national-level cash assistance program in response to COVID-19.

almost matches the size of the pre-pandemic informal employed population, representing a significant policy effort given that 80% of the working population is informal. Peru's program reaches just over 60% of the pre-pandemic informal occupied population, which is less than the Plurinational State of Bolivia. It is still sizeable, however, and also related to a difference in targeting; in Peru, the transfers are directed at the household (with a maximum of one per household), while in the Plurinational State of Bolivia the transfers are targeted at the person (and a household can receive more than one transfer). As is discussed in the country responses, Peru's program was also slower to reach the intended recipients, not because of a particularly slower pledge of assistance compared to the Plurinational State of Bolivia (it came only about a week later in April), but because of problems with reaching the population through databases. If we add coverage from Figures 5 and 6, the differences are further accentuated, given the high level of coverage in the Plurinational State of Bolivia's existing CCT program, and its coverage expansion since March, compared to Peru's much more limited pre-pandemic coverage. In total, then, the Plurinational State of Bolivia's breadth of coverage in response to COVID-19 is more far-reaching than Peru's, where a protection gap remains.

The challenge of reaching the informal population in Costa Rica, Uruguay, and Chile was much smaller, given that the pre-pandemic informal workers were only between 20% and 30% of the total employed population. Moreover, coverage in existing CCT programs was quite high, especially in Uruguay, at 59% of children; in Chile it was 42% of children, and in Costa Rica, 29% of children. The new cash transfer program in Costa Rica reaches about 64% of the pre-pandemic employed population, while Uruguay reaches about 60% of a smaller informal population. Chile reaches just under half of the informal employed population. However, the number for Chile may be an undercount of actual reach, given the way the transfer is targeted (to the family unit, but the amount is based on the number of persons). Moreover, as discussed in the country response, at the end of July a third version of the IFE emergency assistance in Chile was approved, which has further relaxed eligibility and is likely to expand coverage.

What unites all the countries discussed up to now is that they all established, some immediately, others incrementally, relatively inclusive eligibility criteria for cash assistance (the details are discussed in the country studies), and allowed low-income individuals or households that had lost their income and were not included in existing social protection programs to self-identify and apply. This both helped to efficiently reach all the people who needed assistance, and also put the onus on the state to establish that these applicants did not qualify, and actually had sufficient income (based on, for example, being in the social security system, or tax returns from the previous year). Several governments also instituted appeal mechanisms in the event of rejection, to allow for reconsideration in the event of errors of exclusion. Of course, we still lack information and transparency about how exactly these applications were adjudicated and accepted or rejected, although some governments have published information on applicant profiles. Others have published some information on rejections. As an example, the Plurinational State of Bolivian government shared information on the share of applications rejected due to applicants already being registered in social security.

These demand-driven mechanisms, discussed in more detail in the country studies, allowed governments to better assess both the extent of true need and who needed assistance. In many cases, this led to budget revisions and expansions. In both Brazil and Argentina, for example, the governments expressed surprise about the high number of eligible applications, and revised their budgets accordingly. In Costa Rica, the government also revised its estimates as the number of applications grew, but Congress refused to authorize additional funds until the end of July. Even demand-driven systems, however, excluded some extremely vulnerable groups; while some countries allowed recent legal immigrants to access aid, with the possible exception of Uruguay, in the countries analyzed here, undocumented migrants were ineligible.

The three remaining countries –Colombia, Ecuador and Mexico– did not establish demand-driven criteria. Colombia and Ecuador established cash transfer programs for informal workers; however, they

maintained narrow, pre-determined eligibility criteria based on existing databases, and did not allow individuals to self-identify and apply. This 'supply-side' strategy set both the reach (as in, number of people who would be covered) and recipients of the aid. As a result, and as can be seen in Figure 7, the coverage was very limited, in comparison with the size of the pre-pandemic informal employed population. New transfers to these people, both determined through existing government databases, reached only 20% of the informal employed population in Colombia, and 22% in Ecuador, leaving a significant protection gap. Given the size of the pre-pandemic informal employed population, what this means is that almost half of the population in Colombia and Ecuador that were employed pre-pandemic, remain without income protections as of August 2020. While some of the households are reached through the 28% of children in Colombia and 16% of children in Ecuador that are part of existing CCT programs, it is not enough to cover the breadth of the protection gap.[13]

Finally, the Mexican government has not developed any large-scale emergency cash transfers in response to COVID-19. The social protection response has involved anticipating payments in two non-contributory programs, to the elderly and to the disabled, to get the cash to recipients earlier,[14] and an expansion of coverage in a cash transfer program for farmers. The one new program of national scale created by the Mexican government was interest-free credit to one million pre-determined individuals with micro, small or medium sized enterprises, in both the formal and informal sector. Since they are loans that need to be repaid they are not included as cash transfer programs here.

C. Sufficiency

Finally, not only speed and breadth, but sufficiency of transfers is crucial. As with breadth, we assess the response for both recipients in existing government cash transfer programs for children and informal households. We do not attempt to directly compare sufficiency regarding income protections for formal sector workers, as there is such heterogeneity across measures, even within countries. Moreover, transfers are often linked to workers' wages. In general, governments established the national minimum wage as an income floor in these transfers, so in any case they are more sufficient than the transfers toward Groups 2 and 3. Government policies to this group are detailed in the country studies.

To assess sufficiency, aside from the amount, eligibility criteria matter as well, specifically, how assistance is targeted. It can be targeted to the household as a whole, to an adult, to each person, or through children. Therefore, the amount that different types of households receive under various targeting mechanisms differs. In addition, duration of assistance matters.

In Figures 8 and 9 we bring this data together for the ten countries, for both existing CCT recipients (Figure 8) and informal households (Figure 9), for the first three full months of the crisis: April, May and June. This comparison does not include in-kind assistance, such as food baskets, for which we do not to date have enough comparable data on.[15] In addition, food or other in-kind assistance may be distributed according to different criteria.[16] Figures 8 and 9 base these calculations on programs that were established and followed through on during this time period, but do not measure actual delivery or possible delays in delivery.

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[13] It should also be noted that in Colombia, problems with the database slowed down the ability of the government to reach even all the identified recipients: by the end of June, 20% of the three million targeted recipients (600,000 people) had still not been reached, so Figure 7, which includes all three million, may overestimate actual coverage. El Dinero, 28.6.2020, available [on line] https://www.dinero.com/pais/articulo/que-es-el-sisben-iv-y-cuando-quedara-listo-en-colombia/290386.

[14] The social pension (Programa Pensión para el Bienestar de las Personas Adultas Mayores) and persons with disabilities (Programa Pensión para el Bienestar de las Personas con Discapacidad Permanente).

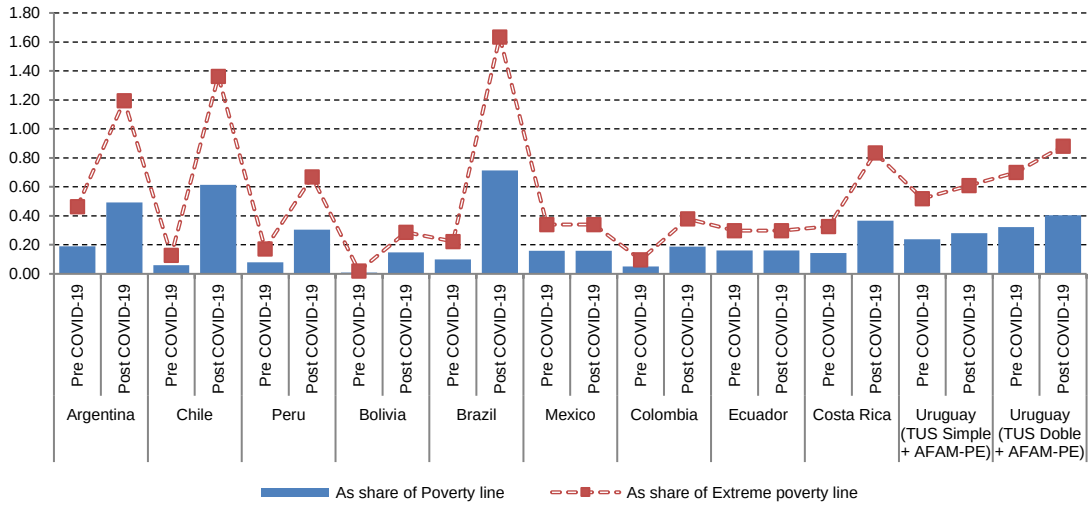
[15] It should be noted though that the Uruguayan assistance to informal households, while it had a monetary value, was a voucher explicitly for food.

[16] We mention in-kind food assistance efforts in the paired comparisons.

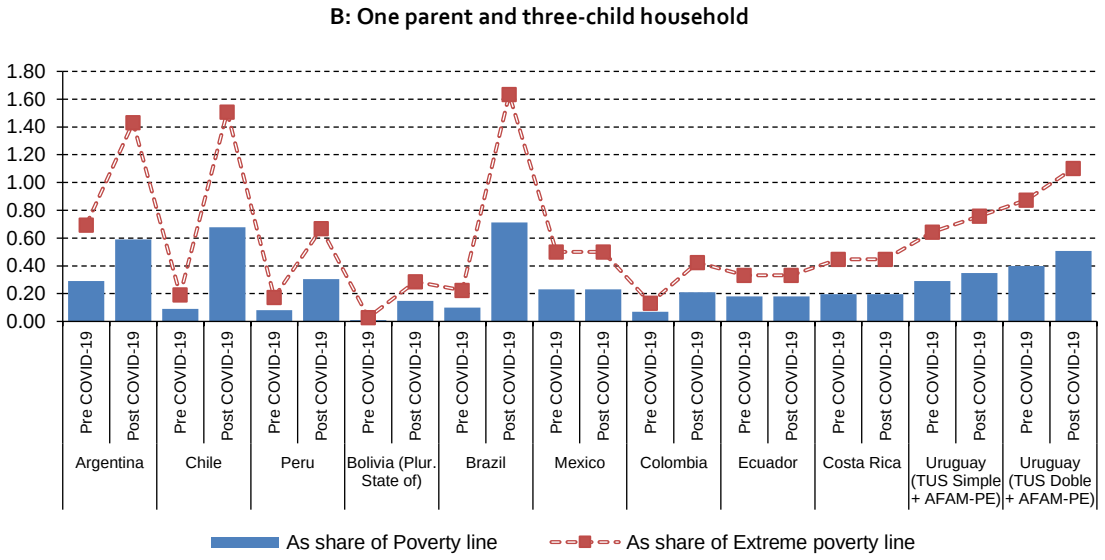
We focus, again, on households with children. In Figure 8, we measure cash assistance to two types of households, the first with two parents and two children, and the second with one parent and three children. These prototypes allow us to assess the sufficiency of assistance to an average household size of four persons, as well as compare assistance to adults and children in different types of households. In Figure 9, in addition to these two household types, we include a single-person adult household.

Figure 8 outlines government cash transfers to families with school-aged children that are *recipients in existing government cash transfer programs*, both pre- and post-COVID, as a share of the 2018 national urban per capita poverty line and extreme poverty line for each country as calculated by ECLAC for 2018, the latest available data (ECLAC 2019). The share is calculated per capita, so for total household income the number needs to be multiplied by household size. Both household/family types portrayed here have four members: the first has two parents and two-school aged children, and the second has one parent and three school-aged children.[17] For the pre-COVID transfer, the share is calculated at the monthly level. For the post-COVID transfer, the share includes both regular transfers (if they remain in effect) as well as additional emergency aid, and are a monthly average of the first three months of the crisis -April, May and June- to take into account duration of the crisis and thus total amount of cash assistance during the first three months. Thus, the share is directly comparable to the monthly pre-COVID transfer. The blue bar represents the extent to which the transfer meets the poverty line in each country, per capita, and the orange marked line represents the extent to which the transfer meets the extreme poverty line in each country. Over-all, the higher the bar and the line, the more sufficient the transfer.

Figure 8
Per capita cash transfers to recipients in existing cash transfer programs pre-COVID (monthly) and post-COVID (three-month average) by two types of households with children, as a share of urban national per capita poverty and extreme poverty line
A: Two parent and two child household



[17] We assume the ages of eight and ten years, and eight, ten and twelve years, for the two types of households. While we recognize that there are strong reasons to look at households with under-school aged children, as they are often especially vulnerable, given the heterogeneity in programs toward this group, for better comparability, we made the decision to focus on school-aged children. We welcome further research and analysis into transfers for households with younger children.



Source:See Appendix I.

Notes: For Argentina, the programs Asignación Universal por Hijo (AUH) plus IFE for post COVID period (The "Tarjeta Alimentaria" is not included in these calculations, as this transfer goes specifically to households in the AUH system with children under seven years old, pregnant mothers, and the disabled); for Chile, the Subsidio Único Familiar (SUF) plus Bono de Emergencia COVID19, Ingreso Familiar de Emergencia (IFE) and IFE 2.0 for post COVID-19 period; for Peru, Juntos plus Bono "Yo me quedo en casa" OR Bono Universal Familiar for post COVID-19 period; for the Plurinational State of Bolivia, Bono Juancito Pino only for pre COVID-19 period and Bono Familiar and Bono Universal por post COVID-19 period; for Brazil, Bolsa Familia only for pre COVID-19 period and Auxílio Emergencial do Governo Federal for post COVID-19; for Mexico, Becas Benito Juárez (no special transfer post COVID-19); for Colombia, Familias en Acción, plus the two extra transfers and the two deductions from VAT for post COVID-19 period; for Ecuador, Bono de Desarrollo Humano; for Costa Rica Avancemos and Crecemos plus Subsidio de Emergencia IMAS for post COVID-19 period; for Uruguay we present two types: TUS Simple + AFAM-PE and TUS Doble + AFAM-PE, plus the two exceptional duplications made for the post COVID-19 period .

Figure 8 shows that pre-COVID cash transfers to families with children, across the ten countries, ranged from meeting 1% of the extreme poverty line in the Plurinational State of Bolivia (so small that it does not even appear in Figure 8) to 10% of the extreme poverty line in Colombia, between 10% and 20% of the extreme poverty line in Chile (depending on number of children), 20% of the extreme poverty line in Brazil and Peru, 30% of the extreme poverty line in Ecuador, between 30% and 40% of the extreme poverty line in Costa Rica (depending on the number of children), between 30% and 50% of the extreme poverty line in Mexico (depending on number of children), between 50% and 70% of the extreme poverty line in Argentina (depending on the number of children), and between 50% and 90% of the extreme poverty line in Uruguay (depending on the number of children). The higher transfers in Uruguay are targeted to those with the least income.

In response to COVID-19, seven out of ten governments increased the amount of the cash transfers to CCT recipients in both types of four-member households. The sufficiency of the transfers increased most in Brazil, to reaching 70% of the per capita poverty line per household member, and 160%, or 1.6 times, the extreme poverty line for each household member. Chile's and Argentina's transfers also reach above the extreme poverty level. In Chile, depending on the number of children, the transfers reached between 60% and 70% of the poverty line for each household member, and between 1.4 and 1.5 times the extreme poverty line for each household member. In the case of Chile, the amounts during the first three months changed three times, incrementally increasing each time, and this share represents an average. In Argentina, the transfer, depending on the number of children, reached between 50% and 60% of the national poverty line, and between 1.2 and 1.4 times the extreme poverty line. The only other country where the additional transfers meet the extreme poverty line is Uruguay, for one group. Here, depending on the program and number of children, the transfers increase to between 30% and 50% of the national poverty line, and to

between 60% or 110%, or 1.1 times, the extreme poverty line. However, the increase in the amount of assistance is much more marked in Brazil, Chile and Argentina.

We also see a marked increase in the sufficiency of the transfer in Peru, where the transfer goes from meeting just 20% to 70% of the national extreme poverty line, per household member. In Colombia, the sufficiency increased from 10 to 40% of the extreme poverty line, per household member, and in the Plurinational State of Bolivia, it increased from 1% to 30% of the extreme poverty line, per household member.

In Costa Rica, the sufficiency of the transfer increases for the two-parent/two child household, but not for the one parent/three child household. This difference is because the government did not increase the amount of transfers to recipients in existing programs, but instead created two new transfer programs, with specific eligibility criteria that restricted access for recipients in existing CCTs. It cut off eligibility for the new transfers for any households that, pre-pandemic, received more than 50,000 colones per month in cash transfers. Therefore, a family with two children, aged eight and ten years, qualified for the more generous new transfer, which brought the sufficiency to 80% of the extreme poverty line per household member, while the family with three children, with 66,000 colones in existing monthly cash transfers, did not, and therefore sufficiency remained the same, at 40% of the extreme poverty line, per household member.

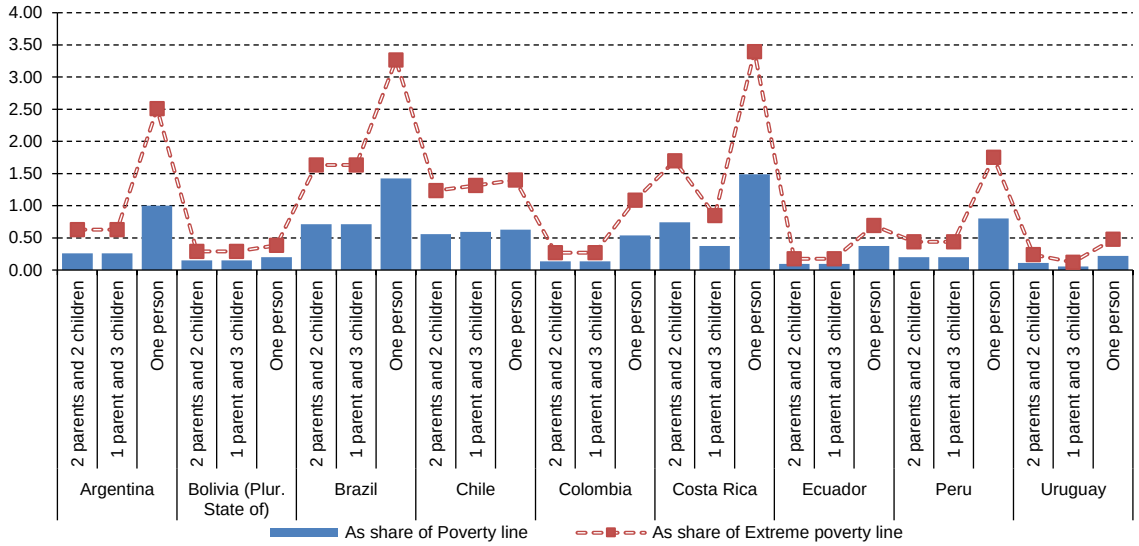
In Ecuador and Mexico, the government did not increase the amount of the cash transfers to households with children in existing CCTs, so the sufficiency remained the same.

Figure 9 shows the new cash transfers, in response to the pandemic, to three types of informal households -two parents with two children, one parent with three children, and a single person household- for three months (April, May and June) as a share of urban national per capita poverty and extreme poverty line. These bars have been calculated in the same way and are directly comparable to the bars in Figure 7. There are no pre-COVID bars because the transfers did not exist pre-COVID.[18]

Figure 9 indicates significant variation in the sufficiency of transfers to recipients of new cash transfers, varying both by country, as well as by whether the transfer is targeted at a child, at an adult, or at a household. In the programs where transfers are targeted at a household (and allow for just one transfer per household), the sufficiency of the transfer to a single-person household is mathematically simply four times the sufficiency it is for a household with four members, per member of household. Of course, single-person households have certain fixed costs, and the way we measure it here is just mathematical. In Argentina, Colombia, Ecuador and Peru, the transfer is targeted at one individual per household. In the case of Brazil, up to two adults per household can receive a transfer, and single mothers get two transfers. In Chile, the transfer is calculated per household member. In the Plurinational State of Bolivia, the transfer is, mostly, by person, and school children as well as qualifying adults aside from the parent who collects the child transfer, can all receive a transfer. In Costa Rica, the transfer is per working adult who has lost their job, and in Uruguay, the transfer is also per adult.

[18] Mexico is not included in Figure 9 because it did not create new cash transfer programs to informal households in response to COVID.

Figure 9
Per capita cash transfers post-COVID to three types of informal households for three months as a share of urban national per capita poverty and extreme poverty line.



Source: See Appendix I.
Note:For Argentina, the program is Ingreso Familiar de Emergencia (IFE); for Chile Bono de Emergencia COVID19, Ingreso Familiar de Emergencia (IFE) and IFE 2.0; for Peru, Bono "Yo me quedo en casa" OR Bono Universal Familiar; for the Plurinational State of Bolivia Bono Familiar and Bono Universal; for Brazil Auxílio Emergencial do Governo Federal; for Colombia Programa Ingreso Solidario; for Ecuador Bono de Proteccion Familiar por Emergencia, for Costa Rica Bono Proteger and for Uruguay Canasta de Emergencia Alimentaria

For a single person household, the sufficiency of the transfer is the highest in Costa Rica, at 1.5 times the national poverty line, and a full 3.4 times the extreme poverty line, and in Brazil, at 1.45 times the national poverty line, and 3.27 times the extreme poverty line. Argentina is not far behind, with the transfer meeting exactly the national poverty line, and reaching 2.5 times the extreme poverty line.

As discussed in section one, single-person households are quite rare among lower income quintiles and informal households, so they are not likely to represent a huge share of transfer recipients (although, we cannot be sure until we have more systematic data).

For our two types of households with children, the sufficiency is highest in Brazil, where the transfers meet 71% of the national poverty line, and 1.63 times the extreme poverty line, per household member. In Chile, the sufficiency for the two types of households reaches almost 60% of the national poverty line, and between 1.2 and 1.3 times the extreme poverty line, depending on household.[19] In Costa Rica, in a two-parent household where both adults receive the transfer, sufficiency is also relatively high at 74% of the national poverty line, and 1.7 times the extreme poverty line, per household member. This sufficiency drops for a single-parent household with three children, at 37% of the national poverty line, and 85% of the extreme poverty line, per household member. In Argentina, for both household types, sufficiency reaches one-quarter of the national poverty line, and 63% of the extreme poverty line, per household member.

In Peru, the sufficiency of the transfer reaches 20% of the national poverty line, and 44% of the extreme poverty line, per household member. In the Plurinational State of Bolivia, it reaches 15% of the national poverty line, and 29% of the extreme poverty line. It should be noted in the case of the

[19] As is discussed in the country study, the difference in Chile was eliminated in the Ingreso Familiar de Emergencia transfer (in both versions I, II, and III), creating a standard transfer per person.

Plurinational State of Bolivia that the calculation here includes the transfers to the children through the existing CCT program as they are compatible with the other transfer.

Next, the Colombian transfer reaches 13% of the national poverty line, and 27% of the extreme poverty line, per household member. In Ecuador, the transfer reaches 9% of the national poverty line, and 17% of the extreme poverty line, per household member.

Finally, and perhaps surprisingly, the sufficiency of the Uruguayan transfer, which comes in the form of a food voucher, is very low, at between 5% and 11% of the national poverty line and 12 and 24% of the extreme poverty line per household member, depending on household type. It should be noted here, though, that given Uruguay's existing very effective social protection programs, both contributory and non-contributory (where 59% of children are reached), in terms of numbers, there are likely not that many families with children in extreme poverty that fall into this group.

When both breadth and sufficiency are combined, we see distinct combinations of income protection transfers, for both existing CCT recipients, and for informal households. One country falls into the first category of high breadth and high sufficiency for both groups: Brazil. In Argentina, sufficiency for recipients in existing cash transfer programs is relatively high (over the extreme poverty line), and the breadth is high for informal households; for the latter, sufficiency declines to just 63% of the extreme poverty level in four-person households. For Chile, sufficiency is above extreme poverty for both groups of households with children; breadth is, to date (early August), moderate. It may expand, however, with the latest reform from late July, which allows for individual self-declarations of previous income, expanding eligibility.

Uruguay reaches its existing CCT recipients by providing an extreme poverty level transfer per household member. While the eligibility criteria is such that individuals who apply for the food voucher are only excluded if they are already part of the contributory or non-contributory social protection coverage, the transfer falls short on sufficiency, especially for informal households with children. Costa Rica stands out with a program that has (by early August) moderate reach but that penalizes existing cash transfer recipients, whose sufficiency is less than half the extreme poverty line per household member, while sufficiency for informal households is much higher.

The Plurinational State of Bolivia stands out with high breadth but lower sufficiency, at less than one-third the extreme poverty level per household member, and Peru at moderate breadth and a slightly higher but still quite low sufficiency for informal households with children, at below half of the extreme poverty level (44%) for each household member.

Colombia and Ecuador stand out with both low breadth and low sufficiency. The new cash transfers reach a recipient population only about one-fifth of the size of the pre-pandemic informal employed population, leaving a large protection gap, and sufficiency for even those who do receive a transfer is very low, between 17% and 27% of the extreme poverty line per household member.

Finally, in Mexico, both breadth and sufficiency are low, as transfers did not increase for existing recipients of CCTs, and no new transfers were created for the vast informal workforce in response to COVID-19. However, advance payments equal to four months of the Pension for the Well-being of Elderly People and the Pension for the Well-being of People with Permanent Disabilities were made in March and July.

The above discussion has focused on an assessment of coverage and sufficiency in the first three full months of the COVID-19 crisis. Of course, further duration of these transfers matters hugely for the material wellbeing of the households that receive them, as governments continue to grapple with high levels of COVID-19 infections, and collapsed economies will take many months to recover. We discuss the continued duration of the transfers in the country studies and conclusion.

III. Paths to post-COVID social protection: country responses

As discussed above, country policy responses are marked by clear differences. Here, we chronologically describe these policy responses, through a combination of government and newspaper reports. The paired country cases allow us to facilitate comparison by controlling for broadly similar levels of state capacity and social infrastructure, as we examine the speed, breadth and sufficiency of social protection responses to the three different groups: formal workers, recipients of CCTs, and informal households. The paired comparisons illuminate the varied, and often fragmented responses of governments in terms of income protection.

Both the Argentine and Chilean governments had existing unemployment insurance for formal sector employees who lost their jobs. Beyond this, both governments sought to protect formal sector employment, but through different strategies. The Argentine response was marked by its speed and by protections for formal sector workers. The government prohibited lay-offs by the end of March, and moved to subsidize employment for struggling companies, allowing for workers to retain a substantial share of their income during the quarantine. Chile gave employers more freedom by allowing for suspensions of the labor contracts without salary commitments on the part of employers, and allowing for lay-offs. The income drops were slightly cushioned by allowing workers to withdraw funds from their individual unemployment accounts, which the government bolstered. Both countries reached out to the self-employed in lower-income brackets, Argentina rapidly through its broad family emergency income program, and Chile through a separate program, and more slowly.

Argentina was also fast in establishing a basic income floor for households with no other income, while Chile's approach was more reactive and incremental, reaching higher levels of breadth and sufficiency only later; the most recent coverage extension was at the end of July. Both governments allowed for demand-driven mechanisms, where individuals or households could self-identify and apply for aid.

From very different levels of initial state capacity compared to their southern cone counterparts, both the Bolivian and Peruvian governments, with many hiccups along the road, sought to extend a basic income floor to their vast vulnerable populations.

In Peru and the Plurinational State of Bolivia, with 80% of the economically active population in the informal sector, the contours of the challenge were different. The one-fifth of the economically active population in the formal sector did not have unemployment insurance in either country, although both countries had indemnization for laid-off workers. Peru moved to subsidize low-paid formal sector employment in late March, and in April, despite resistance, like Chile, authorized work hour reductions and suspensions of labor contracts, with the stated aim of protecting formal sector employment. The government also authorized withdrawals from individual pension accounts to cushion income loss. The Plurinational State of Bolivia, on the other hand, prohibited lay-offs but did not allow for reductions in work hours and salaries, or suspensions. It offered credit but not subsidies to help companies pay their workers.

Both countries authorized cash assistance to existing recipients of non-contributory cash transfer programs by late March. The Plurinational State of Bolivia's more extensive existing non-contributory social protection coverage gave it a head start in more easily reaching over 60% of all Bolivian children. In April, as the dimensions of the economic fall-out became stark, both governments incrementally authorized transfers to a larger group of informal households, finally establishing what both governments referred to as universal transfers. Both governments faced challenges in delivery of the transfers; the Plurinational State of Bolivia relied on physical transfers while Peru also established electronic apps by late May. In both countries, while the government eventually recognized most informal households that had lost their income due to the pandemic and allowed for them to apply for aid, these households had to wait a good two months before receiving cash assistance from the government. In the case of Peru, due to the weakness of existing databases, delivery to the final 2.5 million eligible households only began on August 11th. Both governments at the end of July announced plans to provide a second transfer to vulnerable households; in the Plurinational State of Bolivia, a clear plan was hampered by executive-legislative conflict.

Brazil and Mexico are a study in contrasts when it comes to social protection responses, and represent cases of, respectively, high and low breadth and sufficiency of the social protection response. Brazil has unemployment insurance, although complications with the executive response to the pandemic slowed down delivery of benefits to eligible individuals. The government allowed for reduction of work hours and salaries and suspensions of the labor contract, and provided a variety of subsidies to cushion income loss for workers; however, breadth and speed of implementation was variable. Mexico's strategy, on the other hand, has been to reiterate worker rights as they apply in the Labor Code, and to continue with a campaign of austerity.

On non-contributory transfers, Brazil's response is marked by an opposition-led, speedy legislative initiative at the end of March, which established a broad and relatively sufficient emergency assistance floor to both recipients in the existing cash transfer program Bolsa Familia as well as low-income informal households. Effective implementation was slowed down by a centralization of the program without using the existing policy infrastructure, and related errors of inclusion and exclusion. Pressure from the legislature and civil society has pushed the government to extend the emergency assistance for two additional months, and at the end of July, the government was contemplating an additional extension. The Mexican government, on the other hand, has not established or expanded widespread cash assistance programs to informal households in response to the pandemic.

Both Colombia and Ecuador were slow to provide assistance to formal sector workers, whether through subsidizing employment (which Colombia did starting May, and Ecuador has not done as of July), or through activating unemployment insurance. With the latter, both countries have unemployment insurance for laid-off workers who meet certain eligibility requirements, but in both countries, actual

assistance to those eligible was slow to come. On non-contributory social assistance, both governments moved by the end of March to begin authorizing cash assistance to vulnerable households. In both countries, beneficiaries were strictly determined by the government on the basis of existing databases, without the opportunity for individuals or households to self-identify and apply for aid. In cash-strapped Ecuador, the President's Humanitarian Assistance Plan got derailed because of opposition in Congress, and by the time it was approved two months after it had been introduced, much of the humanitarian and assistance part had been stripped away.

Uruguay and Costa Rica both moved rapidly to extend assistance in response to the pandemic. The reach of Uruguay's existing social protection system and quick action by the executive to activate unemployment insurance for temporary suspensions and work hour reductions among formal workers cushioned the socio-economic impact of the crisis. A rapid top-up to CCT transfers, and food vouchers to the small number of informal workers and their dependents in between these two groups ensured a coherent, if not generous, social protection response. The Costa Rican program was regionally innovative in that it included both formal and informal workers in the same program of relatively sufficient transfers; however, it cut off eligibility for some of the families with children in the existing CCT programs. The program also ran into coverage roadblocks by May due to legislative opposition to further funding, reducing the breadth of coverage significantly during the first three months; authorization for further funds was granted in late July, and is reflected in breadth of coverage in Figure 7.

In sum, the policy responses of the governments analyzed in this report are marked by their variedness, in their policy efforts toward different groups; and in the speed, breadth and sufficiency of those efforts. As a general observation, however, it is fair to say that many governments were slow to extend basic social protections to everyone in need; once they recognized this need, they were hampered by delivery problems. The governments that did not allow for people to self-identify and apply for assistance, but restricted aid to pre-determined recipients, restricted the reach of aid. Moreover, sufficiency of transfers, in relation to countries' poverty and extreme poverty lines, varied significantly as well.

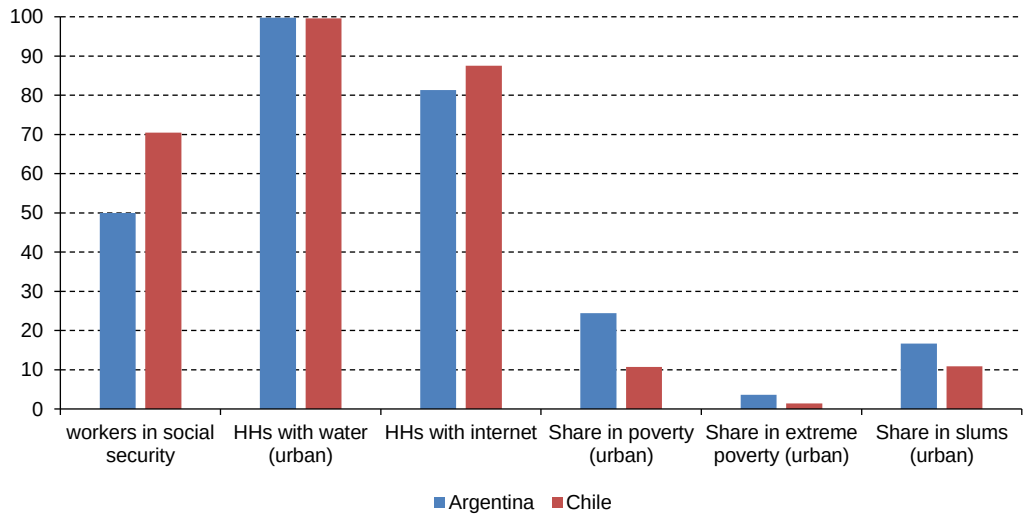
Below, we analyze the policy responses of the paired countries, first briefly providing information on a set of social indicators,[20] outlining existing contributory and non-contributory social protection systems, and summarizing social distancing measures by governments as well as the evolution of the pandemic in each country. We then move on to a more detailed analysis of the policy process on speed, breadth and sufficiency of social protection responses towards formal sector workers, recipients in existing cash transfer programs, and informal households.

A. Argentina and Chile

Both Argentina and Chile entered the crisis with relatively high levels of economic development, as per Figure 2. Figure 10 outlines social indicators in Argentina and Chile on a set of measures, including poverty, share of workers contributing to social security, access to water and the internet, and share of the population in poverty and extreme poverty.

[20] We do not include public social expenditure in the social indicators, because it is not directly comparable across the countries, due to changes in how it is measured by ECLAC since 2015.

Figure 10
Social indicators, Argentina and Chile
(Percentages)



Source: CEPALSTAT and IADB 2018 for workers in social security.
Notes: Workers in social security refers to total active workers contributing to social security (as a % of the employed population. For poverty and extreme poverty data, data corresponds to urban areas only; for the case of Chile corresponds to 2017. Data for urban population living in slums, informal settlements or inadequate housing corresponds to 2014. Households living in dwellings with access to water correspond only to urban areas, and for Chile refers to 2017. Percentage of households with Internet access at home corresponds to 2017. For Chile Total active workers contributing to social security corresponds to 2017.

As Figure 10 shows, Chile had a higher share of workers registered in social security, at 70% of the working population, while the share for Argentina was 50%. In Argentina, 17% of the urban population, and in Chile, 9% of the urban population, lived in slums. Close to 100% had access to water in their dwellings in urban areas, and between 80 and 90%, access to the internet. It's also worth noting that Argentina entered the crisis in a more difficult economic situation, with two consecutive years of economic contraction and the threat of debt default.

Both Chile and Argentina have an unemployment insurance system for eligible workers. Argentine workers have gradations of eligibility depending on number of contributions, covering between 2 and 12 months.[21] In practice, the transfer is equivalent to just 15% of worker salaries, and the ceiling for the monthly transfer pre-pandemic was 6,300 Argentine pesos.[22] In Chile, dependent workers have individual accounts funded through employer and employee contributions, to which workers with at least 12 contributions are eligible. It starts with 70% the first month and goes quickly down, to 30% the sixth month. While 70% of workers in Chile contribute to social security, the share of workers eligible for unemployment insurance is lower. Just over 50% of occupied people -4.7 million workers- contribute to and are eligible for unemployment insurance, and the share is higher among higher-income workers (Kremerman and Durán, 2020). The remaining share of workers in the formal sector are mostly comprised of own-account workers.

Both countries also have non-contributory social security programs. In Argentina, cash transfers to children, pre-pandemic, reached about four million children, covering, as indicated in Figure 5, 27%

[21] See [online] https://www.argentina.gob.ar/justicia/derechofacil/leysimple/seguro-por-desempleo and https://www.argentina.gob.ar/trabajo/seguropordesempleo.
[22] Clarín, 27.3.2020, available [online] https://www.clarin.com/economia/economia/coronavirus-argentina-extienden-vencimiento-subsidio-desempleo-31-mayo_0_pvqQ9IRFC.html.

of all children.[23] In Chile, the reach of the cash transfers programs was 2.1 million, reaching 42% of all children, as per Figure 5.

1. Physical distancing policies

Argentina registered its first case on March 3rd and the first death on March 7th. By March 15th the government had closed borders and suspended educational institutions at all levels. Two days later, on the 17th, public transport was suspended and on March 19th the general lockdown was decreed. The lockdown allowed only workers with essential activities to leave their homes, and the rest of the population could only do so for basic purchases (food and medicine). The lockdown was extended several times, with large cities such as Buenos Aires continuing with strong restrictions as some activities became more flexible in some regions of the country. In mid-July, the government announced the beginning of relaxations of the movement restrictions in order to reactivate the economy in Buenos Aires, despite the spike in infections.

Chile registered the first case on March 3rd and the first death on March 21st. It has been one of the few countries in Latin America that did not establish a mandatory quarantine nationally. By mid-March, the government closed its borders and suspended classes, and soon declared a "state of catastrophe'. On March 22nd, a night-time curfew was established, and in the next days, a mandatory quarantine was established in some parts of the capital Santiago. Almost a month later, on April 19th, the president initiated a gradual re-opening. On May 1st, the gradual reopening began; however, soon after cases began spiking in Santiago and by mid-May, the government had announced a total quarantine in the city and some other communities, which continued through June, and on June 20th, penalties for breaking the quarantine were increased, as COVID deaths continued to climb. On July 19th, the government announced the "Step by Step" plan, a gradual strategy to face the pandemic according to the health situation of each particular area of the country. There are five "steps": quarantine, transition, preparation, initial opening and advanced opening (with specific restrictions and obligations).

2. Social protection responses

The response of the Argentine and Chilean governments toward social protections of workers in the formal sector has taken different routes, in terms of speed, breadth and sufficiency, even if both have provided some form of income protections. In Argentina, the government moved rapidly, through executive decrees, to reinforce labor protections. On March 17th, the executive announced increased wage subsidies through an existing government program (REPRO) and measures to extend unemployment insurance for those whose benefits were about to expire. On the first of April, the government issued a decree to increase unemployment benefits to up to 10,000 pesos (US$ 137), retroactively effective from March 12th.[24] In the face of lay-offs and complaints of non-payment of salaries on the one hand, and business struggles on the other hand, the government met with both unions and business representatives, and on the first of April decreed a sixty-day prohibition on any lay-offs, and measures to pay part of employee salaries in firms of up to 100 workers, up to the minimum wage.[25] Later in April, the government extended further wage subsidies after negotiations with both business and labor representatives, agreeing to pay 50% of the salaries of employees who cannot work due to the lockdown, up to a certain amount, while employers agreed to pay 25% of salaries of those who are not working (up to a maximum of 33 750 pesos per employee/US$ 461), and employers agreed to pay 25%,

[23] 3.989.385 children, 75.160 pregnant women and 35.745 disabled people. The programs were AUH, AUE and AUHD. See Consejo Nacional de Coordinación de Políticas Sociales, 2019.

[24] Decree 332/2020 from April 1st; Decree 376/2020, from April 19th.

[25] Decree 332/2020.

and with the temporary elimination of payroll taxes, this enabled workers to retain 86% of their salaries over the next four months.[26]

By early May, the government had significantly increased financial assistance to formal sector workers (and their employers) and to unemployment insurance. Government statistics showed that 30,000 workers had been laid off in March, which was higher than during the same period the previous year, but still lower than it could have been without the government measures. On May 18th, the government decreed another two-month prohibition on lay-offs as it maintained the lockdown,[27] and in late July, it extended the prohibition again until the end of September.[28]

In Chile, the government pursued a different policy. Along with declaring the state of catastrophe, the president also announced an economic rescue package. It did not prohibit lay-offs, and instead focused most resources on providing expanded credit to businesses. Also, major policy was implemented through Congress rather than by executive decree, which distinguishes Chile from its regional counterparts more generally. The President submitted a bill directed at formal sector workers to Congress, and a week and a half later, on April 1st, signed it into law. In response to the emergency, it allowed for suspensions of worker salaries for up to six months, but maintain their labor relation, and for workers to draw from their individual unemployment insurance accounts during this time. The law also allowed for a 50% reduction of the labor relation, and concomitantly thus up to 25% of the salary through unemployment insurance. The government said it would bolster the unemployment insurance fund by up to US$ 2 billion to cover the costs of more claims. It also allowed for the termination of the labor relation for domestic workers, who simply gained access to their indemnization. Opposition parties criticized the bill for not doing enough to help workers.

The next day, the government announced an increase to the guaranteed minimum income for formal sector workers, that guaranteed a net income of 300,000 pesos monthly (US$ 375) to the 670 000 workers who earned the minimum wage.[29] By mid-April, close to 120 000 applications for unemployment insurance had been filed, a 21% increase from the same period the previous year, and a week later, on April 23rd, the government reported that about half a million (517 000) workers had had their labor contract suspended, making them eligible for unemployment insurance. Just over 6000 domestic workers had applied for access to their indemnization.[30] Some of the details of the changes in suspensions and unemployment were codified into law early May.[31]

At the end of April, the government presented a bill to Congress to cover the self-employed in the formal sector, who were not eligible for unemployment insurance. This plan provided cash transfers to independent workers in the formal sector, and it was to be funded through the workers' own contributions into individual accounts. The government would initially front the cash, to be repaid later through the worker contributions. The opposition criticized this plan for not being generous enough. A modified bill, which provided three monthly cash transfers (not loans) of up to 100,000 Chilean pesos (US$ 125) each to workers whose average monthly income was up to about 1.6 minimum wages (500 000 pesos/US$ 627) and a favorable loan of up to 650 000 pesos (US$ 815) for those who earned more, was finally

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[26] INFOBAE, "Oleada de suspensiones: más de 1.200.000 trabajadores tendrán un descuento salarial del 25% durante 60 días", 29.4.2020.

[27] La Nación, 18.5.2020, available [online] https://www.lanacion.com.ar/politica/coronavirus-argentina-extenderan-prohibicion-despidos-otros-dos-nid2366848.

[28] Infobae, 29.7.2020, available [online] https://www.infobae.com/politica/2020/07/29/el-gobierno-oficializo-la-prorroga-de-la-prohibicion-de-despidos-y-suspensiones/.

[29] See Ministerio de Desarrollo Social y Familia, available [online] https://www.ingresominimo.cl/#:~:text=%C2%BFQu%C3%A9%20es%3F,sueldo%20liquido%20de%20%24300.000%20pesos.

[30] Available [online] https://www.mintrab.gob.cl/66-mil-empresas-solicitaron-acceso-a-ley-de-proteccion-del-empleo-para-mas-de-516-mil-trabajadores/.

[31] Law N° 21.232 which, starting June 1st, modifies Law Nº 21.227.

promulgated on the 24th of June. The law, which is expected to reach around 1.2 million workers, has a budget of US$ 332 million.[32]

In July, another bill, called the "middle class bonus" and aimed at independent and dependent workers with a slightly higher income, but who had experienced a significant drop in income, was debated in Congress and promulgated on August 1st. Dependent and independent workers, whose monthly income in 2019 had been between 400,000 and 2 million pesos, and who could show a 30% decline in their income by mid-2020, were eligible for a one-time transfer of 500,000 pesos.[33] In the first 24 hours after promulgation (with an application mechanism already in place) 250,000 applications were made.[34]

Argentina and Chile also differed in the speed and breadth of social protections toward vulnerable households not included in formal social security. The Argentine government was more generous upfront; the income transfers announced by the Chilean government caught up by mid-June, and ultimately surpassed those of the Argentine government, as outlined in Figures 8 and 9.

In Argentina, the government announced on March 17th an extra payment to all those covered in Argentina's non-contributory social protection systems, including the Asignación Universal por Hijo, Asignación por Embarazo, the program for the disabled, and non-contributory pensions. The government also announced an increase in the amount provided through its 'food cards' (tarjeta alimentaria), that allow households with under-seven year olds to buy food, and reach 2.8 million households.[35] As the schools closed, and with 80% of public schools providing meals, food distribution was reorganized for pick-up at school. These measures reached three million students, and five million users of communal eateries.

A week later, on March 23rd, the government issued a decree that established the "Emergency Family Income" of 10,000 Argentine pesos (US$ 137), for a broad group of households, and suspended utilities cut-offs for half a year.[36] In addition to all those in existing non-contributory social security programs, the IFE included the unemployed, those in the informal sector, the self-employed in categories A and B, "monotributistas sociales" and domestic workers. Additionally, in assessing eligibility, the government took into account the family/household income, as stated by the Minister of Labor: "*What we want to do is define the universe through the family. If the family has any other income that provides a level of subsistence, the family will not receive the one-time allowance. We're working with families who don't have any other income*."[37] Priority was given to the woman in the household.

The government opened a website on which people could apply for the benefit, and had projected that the benefit would apply to 3.6 million households and cost just under $600 million Argentine pesos (US$ 8.2 million). By the first deadline of April 3rd, over 11 million people had applied for it. A week later, on April 10th, people found out if they qualified. Initially, the government had expected payments to go out by mid-April, but as the number of people who applied far exceeded expectations, payments went out starting April 21st. By end of April, over 7.8 million people had received the IFE transfer. The government announced that rejected applicants could appeal and be re-evaluated.

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[32] Law 21.242.

[33] Law 21.252.

[34] La Nación, 1.8.2020, available [online] http://www.lanacion.cl/bono-clase-media-hacienda-informa-de-225-mil-solicitudes-en-la-primera-noche/.

[35] Families receive 4,000 pesos for one child under seven, and 6,000 pesos for two or more children under seven. La Nación, 7.7.2020, available [online] https://www.lanacion.com.ar/economia/tarjeta-alimentar-julio-cuando-cuanto-quien-cobra-nid2392659.

[36] Decree 310/2020.

[37] See the press conference available [online] https://www.casarosada.gob.ar/slider-principal/46790-coronavirus-el-gobierno-anuncio-un-ingreso-familiar-de-emergencia-de-10-mil-pesos-para-los-sectores-mas-desprotegidos.

In May, the government also announced an increase of 6% to all regular transfers, which included pensions, reaching 16 million Argentines. It also announced that it planned to make a second payment of the IFE.

By late May, the total number of recipients was 8.2 million people, and the total reach by June was 8.9 million recipients. The delivery of the first transfers took, in all, eight weeks due to the difficulties in reaching beneficiaries without bank accounts.[38] About 2.4 million recipients did not have a bank account; some were not even included in government registries. The extension of the IFE also thus resulted in increased access to banking.[39] Delivery of the second transfer began on June 23rd and was completed later in July.[40]

The government had in June considered extending a third IFE just to the areas most affected by the pandemic, but by early July confirmed that all existing recipients would be included in a third IFE transfer.[41] A government report in the second week of July analyzed the recipient base, and indicated that the IFE had reached a vast sector of the population that would otherwise have fallen into poverty and extreme poverty. Every fifth Argentine received the transfer, which means that the share of households was much higher, likely well over half of the population. As Figure 7 indicates, the breadth of coverage into the informal workforce exceeded the size of the informal employed population in 2018, and these were not including the IFE recipients via the existing CCT recipients (which reached 29% of all children, as per Figure 6). Of the total IFE recipients, 56% were women. Of those in the AUH program (27% of the recipients), 95% were women. Among those who were not, 59% were men (although the application website said it prioritized women in the event of more than one applicant from the same household). Over half -52%- of under 25-year olds applied and received the IFE; the figure for 25 to 34-year olds was 44%, reflecting precariousness in labor market incorporation of this age group.[42]

On July 31st, the government issued a decree authorizing a third IFE transfer, with delivery slated to begin on August 10th.[43] At the beginning of August, the Minister of Economy reiterated the positive effect of the IFE, and that the executive was considering some form of more permanent universal income. He also indicated his support for a wealth tax.[44]

Notably, the Argentine government's response has taken into account vulnerable groups such as domestic workers, who were included in measures both toward the formal sector as well as the IFE. Officially, the lay-off prohibition applied to domestic workers as well who could not go to work but retained a salary, which was the responsibility for the employer. Given this, in late April, the 'housewives' Association complained that they should be included in the wage subsidies programs of the government along with other employers. Domestic workers were also explicitly included as beneficiaries of the IFE. On the other hand, migrants who were undocumented or who had legally resided in Argentina less than two years were not eligible for the IFE.

In Chile, the President announced on March 19th his plan to extend a one-time cash transfer of 50,000 pesos (US$ 62), called the Bono COVID, to existing recipients of non-contributory programs, including the over 2 million people who receive the family subsidy (Subsidio Único Familiar/SUF), the

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[38] Depor, "Anses Bono, IFE de $10.000 pesos: cronograma y todo sobre el refuerzo," 28.5.2020.

[39] Página12, 11.7.2020, available [online] https://www.pagina12.com.ar/277812-el-ife-llego-a-los-sectores-mas-sumergidos-e-invisibilizados.

[40] Unidiversidad, 21.6. 2020, available [online] http://www.unidiversidad.com.ar/se-pagara-esta-semana-la-segunda-ronda-del-ife.

[41] BAE Negocios, 8.7.2020, available [online] https://www.baenegocios.com/economia/El-tercer-IFE-sera-para-todo-el-pais-20200708-0100.html.

[42] Página12, 11.7.2020, available [online] https://www.pagina12.com.ar/277812-el-ife-llego-a-los-sectores-mas-sumergidos-e-invisibilizados.

[43] Decree 626/2020. La Nación, 31.7.2020, available [online] https://www.lanacion.com.ar/economia/ife-3-gobierno-oficializa-pago-tercera-ronda-nid2408324.

[44] La Crónica, 2.8.2020, available [online] https://www.cronica.com.ar/politica/Guzman-hablo-de-la-deuda-externa-el-IFE-el-ingreso-universal-y-el-impuesto-a-la-riqueza-20200802-0009.html.

100 000 families in the security and opportunities (Seguridades y Oportunidades) program, and those registered in the 60% most vulnerable households in the government's social registry of households database. The government expected that the transfers would benefit two million people, with about two transfers per household, as the family subsidy is assigned by dependency in a household (e.g. per child). The government submitted the bill to Congress on March 23rd, and on the last day of March, the President signed it into law, with a slightly increased cost of US$167 million and an expected reach of 2.8 million people. As with the unemployment bill, the opposition criticized it for not being broader and more generous.

In late March, with the class suspensions, JUNAEB continued to provide food to school children. The government also later established distribution of food baskets, focusing on the poorest municipalities. It also negotiated with utilities companies to avoid electricity cut-offs and to allow lower income households to postpone payments over the next year, and finally, the government also negotiated free access to the internet for 40% poorest households, and water subsidies for the poorest households as well. A broader, opposition-led legislative initiative to prohibit any cuts to basic services passed with broad majorities in both houses of Congress by the end of April, but was vetoed by the president. A watered-down version overrode the presidential veto, only on July 28th.[45]

In mid-April, the government began to deliver the Bono COVID-19 transfer. Of the 2.8 million recipients, 650 000 had been identified as part of the 60% most vulnerable households, and the rest formed part of the beneficiaries of existing programs. Those without bank accounts were able to pick the transfer up in person starting on April 20th, or, in rural areas, receive it electronically through a rural mobile electronic payment. In early May, the government announced a "winter bonus" of 64 500 pesos (US$ 81) to 1.3 million retirees on pensions less than half the minimum wage.[46]

During the second week of April, the government announced its plans for further cash transfers to a broader group of vulnerable families, to either distribute as such or, as the Minister of Economy suggested on a television program, to use them to subsidize employment "once the worst of the pandemic passes".[47] This was formalized in the government's proposed Family Emergency Income plan, announced on April 20th, with an expected reach of 1.78 million vulnerable families and around 4.5 million people. The criteria were more inclusive than before: in the words of the Minister of Social Development and the Family: "*In principle, everyone who does not have formal income, work contract, boleta, and belongs to a more vulnerable family, will receive this help*".[48] The government established detailed criteria and variable amounts, depending on whether the household was in the 40% or 60% most vulnerable category (100% or 67%) in the government social household registry, number of dependents in the household, and declining over the three-month duration (100%, 85%, 70%). As an example, a family of four with no other income, in the 40% most vulnerable, would receive 260 000 pesos (US$ 320) the first month. In the latter two payments, households with over 70 year-olds, on a solidarity pension and part of the 80% most vulnerable households in the government registry, were included.

The opposition, again, criticized the plan for being insufficient and not covering enough people, calling on the government to include the suffering middle classes as well, who to date were receiving little help, and to increase the amount above the poverty line. A standoff between the president and the opposition delayed approval, and a presidential veto finally resulted in Congressional approval the 13th

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45 Teletrece, 28.7.2020, available [online] https://www.t13.cl/noticia/politica/senado-rechaza-veto-presidencial-corte-servicios-basicos-28-07-2020.

46 Cost is $87 000 million pesos (USD 109 million). Available [online] https://prensa.presidencia.cl/comunicado.aspx?id=150865.

47 See more information available [online] https://chile.as.com/chile/2020/04/10/tikitakas/1586474557_164418.html https://prensa.presidencia.cl/comunicado.aspx?id=149692.

48 Ministerio de Desarrollo Social y Familia, 20.4.2020, available [online] http://www.desarrollosocialyfamilia.gob.cl/noticias/gobierno-anuncia-envio-de-proyecto-de-ingreso-familiar-de-emergencia.

of May, with the original amounts intact. The government argued that the amount offered was the maximum possible.[49]

Those who had received the initial Bono COVID-19 did not have to re-apply and received the IFE transfer during the last week of May. All others had to register and apply between May 20 and May 30,[50] and found out in mid-June if their application was successful.[51] This meant checking their status with the government social registry, and potentially applying to be included and updating relevant information. In the event of rejection, applicants had until July 2nd to file an appeal.[52] Recipients with bank accounts received an electronic transfer, and others had staggered pick-up dates up until June 22nd. The government estimated that the IFE would benefit about 4.9 million people.

Meanwhile, cases and deaths of COVID-19 were surging, and on May 17th the government announced a total quarantine in Santiago. Half a million jobs had reportedly been lost between March and April, exacerbating the economic pain. People in some poorer neighborhoods went to the streets to protest the lack of food and income, and the government promised to distribute 2.5 million food baskets to families in need. This was not deemed sufficient by wide sectors of society. As the health emergency escalated, the economic crisis deepened, and political dissatisfaction became more acute, the president finally called for a national dialogue and sat down with the opposition. As a result, in mid-June, the executive accepted an increase in the amount and the reach of the IFE transfer to 100,000 pesos (US$ 125) a person, and to the 80% most vulnerable, including parts of the middle classes, with an expected increase in reach to 2.1 and 5.6 million people and households, respectively, and with a fourth payment, and possibly more. The expected cost of the IFE in total was calculated at 1.3 billion US dollars.[53] The Chamber approved the revised bill on June 19th, with only one vote against.[54] Legal immigrant workers with a Chilean government ID were eligible to be included. Households that were not part of existing cash transfer programs, but had applied and received the first IFE, were required to re-apply, in order to adjust the new amounts correctly. They could do so until July 9th.[55]

The opposition found the existing criteria still too restrictive, and pushed for more changes in eligibility.[56] A new version was approved and promulgated at the end of July, relaxing the income cut-off to allow for self-declarations of reduced income and including the elderly on very low pensions.[57] With the final reform, all individuals who declare a very low or no income and are not included in existing social protections, should now become eligible.

In sum, in Argentina the government moved with speed and considerable policy effort to ensure social protection for the vast majority of the population. It implemented the policies entirely through

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49 El Mostrador, 11.5.2020, available [online] https://www.elmostrador.cl/dia/2020/05/11/mario-waissbluth-califica-de-extremadamente-miserable-la-actitud-del-gobierno-por-el-ingreso-familiar-de-emergencia/.

50 Televisión Universidad de Concepción, 20.5.2020, available [online] https://www.tvu.cl/prensa/2020/05/20/ingreso-familiar-de-emergencia-revisa-si-fuiste-seleccionado-para-el-beneficio.html.

51 Ministerio de Desarrollo y Familia, 20.5.2002, on twitter: https://twitter.com/MinDesarrollo/status/1263106248607588354?ref_src=twsrc%5Etfw%7Ctwcamp%5Etweetembed%7Ctwterm%5E1263106248607588354%7Ctwgr%5E&ref_url=https%3A%2F%2Fwww.tvu.cl%2Fprensa%2F2020%2F05%2F20%2Fingreso-familiar-de-emergencia-revisa-si-fuiste-seleccionado-para-el-beneficio.html.

52 See Chile Atiende, on twitter: https://twitter.com/ChileAtiende/status/1278715490320482307?ref_src=twsrc%5Etfw%7Ctwcamp%5Etweetembed%7Ctwterm%5E1278715490320482307%7Ctwgr%5E&ref_url=http%3A%2F%2Fbonoschile.com%2Fno-recibiste-el-ingreso-familiar-hasta-el-3-de-julio-tienes-plazo-para-apelar-al-primer-pago%2F2561%2F.

53 Meganoticias, 15.6.2020, available [online] https://www.meganoticias.cl/dato-util/304790-ingreso-familiar-de-emergencia-montos-pagos-revisar-con-el-rut-postular.html.

54 24 Horas, 19.6.2020, available [online] https://www.24horas.cl/coronavirus/camara-aprueba-y-despacha-a-ley-ingreso-familiar-de-emergencia-20-4268817.

55 El Gobierno, 25.6.2020, available [online] https://msgg.gob.cl/wp/2020/06/25/segundo-pago-del-ingreso-familiar-de-emergencia-ife-2-0-cual-es-el-monto-y-como-saber-quienes-lo-reciben/.

56 La Tercera, 24.7.2020, available [online] https://www.latercera.com/pulso/noticia/senadores-de-oposicion-piden-ampliar-cobertura-del-ife/6K3I6OREHVFUFI46IUEWV4SXKQ/.

57 Pauta, 31.7.2020, available [online] https://www.pauta.cl/economia/como-funciona-el-ife-3-reduccion-ingresos-formales-en-chile.

executive decree, although in negotiation with social actors, including labor and business. Overall, formal sector workers in particular were shielded from taking a major hit in the short term, with the government picking up the bill. Implementation of the IFE was slowed down by the massive number of applicants, and delivery was slowed down for those who were not part of the financial system. However, given the rapidity with which the government began the expansion of social protection, these groups were covered faster than in many other countries.

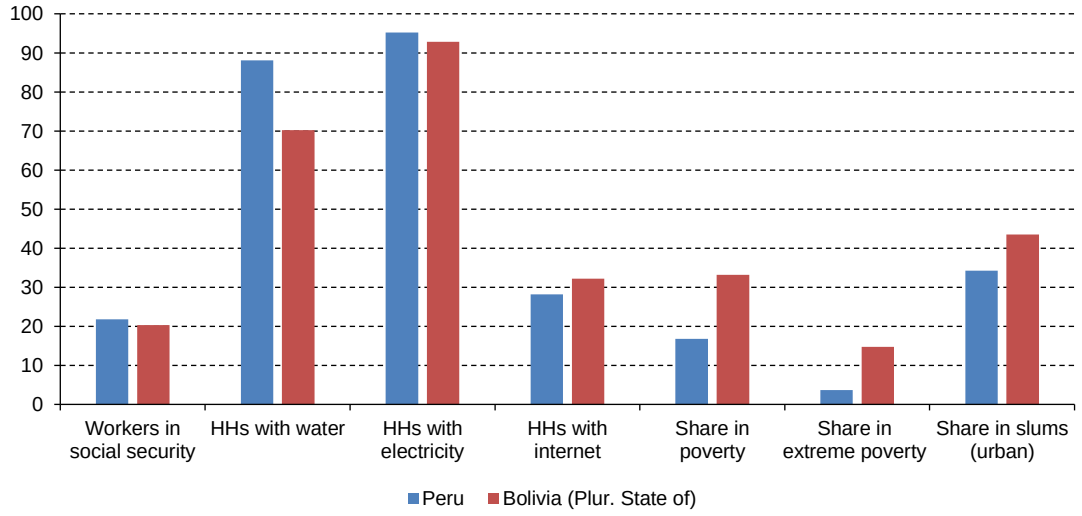
The Chilean government pursued a different route, with an initially less generous response to the lower-income population, whether in the formal or informal sector. The focus was on mitigating the impact of the crisis on the economy –especially businesses and employers– while formal sector workers were furloughed, and had to draw on their individual unemployment accounts. The government, even though it went through Congress, was unwilling to negotiate with the opposition for broader and more sufficient transfers. The worsening health situation and deepening social crisis finally led the government to the negotiating table, and a more inclusive and sufficient basic social protection floor was approved for Chileans first in mid-June, just over three months after the onset of the pandemic, and revised to include self-declarations of individuals, at the end of July. Separate transfers to independent workers, and the so-called middle class bonus, were approved in late June and on the 1st of August as well.

B. Peru and the Plurinational State of Bolivia

In comparison to Chile and Argentina, both Peru and the Plurinational State of Bolivia entered the crisis at lower levels of GDP per capita (Figure 2), and a much higher informal labor force.

Figure 11 outlines social indicators in Peru and the Plurinational State of Bolivia on a set of measures, including share of workers contributing to social security, access to water, electricity and the internet, and share of the population in poverty and extreme poverty.

Figure 11
Social indicators, Peru and Plurinational State of Bolivia
(Percentages)



Source: CEPALSTAT and IADB 2018 for the share of workers in social secuirity.
Notes: Data for Urban population living in slums, informal settlements or inadequate housing corresponds to 2014. Percentage of households with Internet access at home corresponds to 2017.

As Figure 11 indicates, the countries have almost the same share of workers registered in social security, just one-fifth of the employed population. The share of households with access to electricity is over 90% in both countries, while access to water in Peru is almost 90%, but in the Plurinational State of Bolivia only 70%. In both countries, less than one-third of households have access to the internet, although in the Plurinational State of Bolivia it is slightly higher (32%) than in Peru (28%). In Peru, one-third of the urban population lives in slums, while in the Plurinational State of Bolivia the share is 44%.

Neither country has unemployment insurance for the one-fifth of the employed population in the formal sector, although laid-off workers are eligible for indemnization. In Peru, non-contributory cash transfer programs are highly targeted to those in poverty or extreme poverty, with low coverage compared to the total population (although the school food program Qali Warma serves over four million children). The JUNTOS program for families with children in poverty (featured in Figures 5 and 6) reached only 15% of children in 2019.[58] The Plurinational State of Bolivia's program for children (Juancito Pinto) reached a higher share, at 48% of all children (Figure 5), even if the amount of the transfer, at US$ 26 per year, was minimal.

1. Physical distancing policies

In Peru, the first case was registered on March 6th, and the first death on the 19th. Peru was the first country in the region to enter a mandatory general quarantine, on March 15th. The government also decreed a state of sanitary emergency, ordered the closure of borders on the same date. Likewise, the start of the school year, which was scheduled for March 16th, was postponed, and schools are still shut. People were ordered to go out only for essential purposes, and toques de queda were decreed at different times for different cities.

Since then, the quarantine has been extended on successive occasions. On April 23rd the government announced the extension of the mandatory quarantine until June 30th, but with some flexibilizations, as the reopening of some activities such as hairdressing salons and homes with mobile applications. Cases and deaths surged in the country in June (see Appendix II). At the end of June, despite the health crisis, the government moved ahead with re-opening the country because of concerns of the massive economic fall-out. On July 31st, the president decreed the extension of the State of Emergency until August 31st. Considering the high rates of contagion and deaths, the government decided to continue with the emergency, but with a more flexible confinement. Sixty-three regions continue with a focused quarantine, as this is where the most cases are concentrated.

On March 10th, the first case of coronavirus was registered in the Plurinational State of Bolivia, and on March 12th the government announced the suspension of all classes, as well as restrictive measures for the movement of people, adjustments to working hours, restrictions on meetings, and concentrations. Direct flights to and from Europe were suspended on March 13th. On March 16th, limited quarantine was decreed. On March 22nd, measures were tightened with a mandatory quarantine, that included border closings and movement restrictions. After three days of quarantine with multiple incidents of non-compliance, the Bolivian government decided on March 25th to declare a state of sanitary emergency and tighten its measures to try to curb the spread of coronavirus. The government established different days to carry out essential activities such as shopping for food or medicine, according to the identity card number.

On May 11th, the Plurinational State of Bolivia entered into what they called "dynamic quarantine", a substantially more flexible phase. However, most of the country's departments decided to maintain the measures of confinement until the end of May, and coordinate the progressive opening from June. On June 1st, the reactivation of various economic activities started, as a flexibilization of the

[58] See also the Social Development Ministry's webpage available [online] http://sdv.midis.gob.pe/Infomidis/#/.

movement restriction The new decree established that people can circulate between five in the morning and six in the afternoon. The municipalities and governments have the power to decide which economic activities are authorized to operate. With an increase in the number of cases and deaths, the measures were tightened again. On July 31st, the authorities announced the extension of the "conditioned and dynamic" national quarantine until August 31st, in which restrictions can be relaxed or tightened depending on how the disease evolves in each municipality.

2. Social protection responses

As stated, Peru and the Plurinational State of Bolivia do not have unemployment insurance for the small share of formal sector workers in their economically active population. In both countries, once lockdowns were in force, both governments prohibited lay-offs during the health emergency. In both cases, lack of state capacity (in numbers of labor inspectors and such) made this more difficult to enforce in practice. In both countries, the media reported lay-offs; in both countries, governments threatened companies with legal claims and fines.

In Peru, at the end of March the government moved to subsidize formal sector employment, agreeing to pay up to 35% of the salaries of low-paid workers on permanent contracts (with salaries of up to S/ 1,500 per month/US$ 420) and a suspension of employee contributions to payroll taxes for the month of April.[59] In early April, the government announced, and on April 6th, Congress authorized, a program to provide a massive credit infusion for companies to maintain liquidity during the crisis.[60] By mid-April, and in the face of business pressure, the government issued an executive decree that allows companies to suspend workers without pay while maintaining the labor relation, for a maximum of 90 days initially (which has since been extended to early October). The policy was criticized by labor unions and former Labor Ministry officials as one-sided, subsidizing companies while placing the burden on workers. To compensate workers, the government allowed for one-time withdrawals from individual pension accounts, and for those with access, withdrawals from individual indemnization accounts equivalent to their monthly salary.[61] The government also extended a monthly subsidy of 760 soles/US$ 213 (for up to three months) to formal sector workers without access to indemnization,[62] and extended it to about 100,000 low-income workers in small and medium sized enterprises in late June.[63] At that time, the government announced that the transfer would become available the following week;[64] however, delivery only began on August 1st.[65] The stated goal of the government has been to preserve formal sector employment with these measures.

The Bolivian government proposed in mid-April a more modest program of providing low-interest loans to companies to help them pay salaries of formal sector workers for two months, up to two minimum wages for two months, as well as low-interest loans to micro, small and medium-sized enterprises.[66] In contrast to Peru, the Plurinational State of Bolivia did not allow for reduction of working

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[59] Gestión, 26.3.2020, available [online] https://gestion.pe/economia/ejecutivo-subsidiara-el-35-de-la-planilla-para-trabajadores-que-ganan-hasta-de-s-1500-al-mes-nndc-noticia/.

[60] Law 1455/2020.

[61] La República, 14.4.2020, available [online] https://larepublica.pe/economia/2020/04/14/martin-vizcarra-gobierno-concede-flexibilidad-laboral-a-las-empresas-cts-y-afp/.

[62] El Comercio, 5.6.2020, available [online] https://elcomercio.pe/economia/personal/ministerio-de-trabajo-que-es-la-suspension-perfecta-de-labores-coronavirus-peru-licencia-sin-goce-de-haber-sueldos-noticia/; El Comercio, "CTS", at https://elcomercio.pe/noticias/cts/.

[63] Decree 072/2020.

[64] El Peruano, 26.6.2020, available [online] https://elperuano.pe/noticia-suspension-perfecta-bono-760-soles-se-empezaria-a-pagar-proxima-semana-98807.aspx.

[65] El Peruano, 1.8.2020, available [online] https://elperuano.pe/noticia-trabajadores-podran-tramitar-desde-hoy-cobro-nuevo-bono-760-soles-100522.aspx.

[66] The government budgeted 2 billion bolivianos (USD 290 million) for the salary program, and 1.5 billion bolivianos (USD 217 million) for the other one. See [online] https://www.economiayfinanzas.gob.bo/gobierno-nacional-reglamenta-el-apoyo-a-la-micro-pequena-y-mediana-empresa-y-el-plan-de-emergencia-de-apoyo-al-empleo.html.

hours or temporary suspension of workers, receiving criticism from businesses and some labor experts. The business confederation of small and medium sized businesses stated that in the first month of the quarantine, 100 000 companies had had to close their doors, generating unemployment for more than 600 000 workers, while the Business Chamber stated that one-fifth of Bolivian companies were contemplating shutting down in the next months.[67] In early May, the President of the Central Bank projected that the credit program would help at least 450 000 formal sector workers. Also, on May 1st, the government promised to create 600 000 jobs directly and indirectly, and announced a plan in early June.[68] The financing of the plan ran into problems due to legislative opposition.[69] In late July, the government claimed that 18,000 jobs had been created so far,[70] through agreements with the private sector.[71]

Both countries also announced before the end of March additional assistance to recipients of existing non-contributory government cash transfer programs. In the Plurinational State of Bolivia, this included pre- and primary school students in the public education system; recipients of the existing cash transfer programs Renta Dignidad (for those over 60 years without other income) who have no other source of income; those in the Bono Juana Azurduy program (for pregnant mothers and children under one year); and those registered in the government's disability program. Before the end of March, the government had announced an additional cash transfer of between 400 and 500 bs (US$ 58 and US$ 72.50) to all of them, to be delivered in April.[72] On April 8th, the government extended the transfer to secondary school students, and also extended it to school children in private schools.[73] In total, these transfers reached 62% of children in the Plurinational State of Bolivia.

In Peru, the government announced an additional cash transfer of 380 soles (US$ 106) to the recipients of existing cash transfer programs, who were identified as living in poverty or extreme poverty, and reaching about 2.75 million families; as per Figure 6, through the Juntos Program, 15% of all children were reached. By April 3rd, the president announced that over half of the recipients -1.4 million families- had already received the transfer.[74] With the extension of the quarantine in April, the government doubled the amount of the transfer.[75] Given that only 43% of Peruvians have a bank account, deliveries to those without an account were slower. By the end of April, and as the government struggled to establish databases with which to reach out to and evaluate recipients, it announced that it would seek to extend delivery through electronic transfers as well, including cell phone apps.[76]

Both countries also announced measures to protect households' access to basic utilities. In mid-March, the Peruvian government prohibited suspensions to drinking water or telecommunications for lack of payments. Subsequently, an executive decree on April 4th allowed for the prorating of payments for basic services by vulnerable populations, including electricity and gas, and telecommunications, internet and cable, for up to between 12 and 24 months.

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67 La Razón, 22.4.2020, available [online]https://www.la-razon.com/economia/2020/04/22/amestegui-de-ser-insalvable-la-crisis-por-el-coronavirus-es-la-perfecta-bandera-de-fuerza-mayor-para-terminar-contratos-laborales/.

68 Periódico Bolivia, Gobierno impulsará Plan Trabajo para crear 600.000 empleos en el país, 4.6.2020, available [online] https://www.periodicobolivia.com.bo/gobierno-impulsara-plan-trabajo-para-crear-600-000-empleos-en-el-pais/.

69 Agencia Boliviana de Noticias, 6.7.2020, available [online] https://www1.abi.bo/abi_/?i=452284.

70 Agencia Boliviana de Noticias, 19.7.2020, available [online] https://www1.abi.bo/abi_/?i=452991.

71 Agencia Boliviana de Noticias, 21.7.2020, available [online] https://www1.abi.bo/abi_/?i=453090.

72 Bono Familia, 18.3.2020, Decree 4197; and Canasta Familia, 26/3.2020, Decree 4200, updated on 8.8.2020, Decree 4210.

73 La Razón, 8.4.2020, available [online] https://www.la-razon.com/nacional/2020/04/08/anez-amplia-el-pago-del-bono-familia-a-estudiantes-de-secundaria-y-confirma-pago-desde-el-15/.

74 La República, 4.4.2020, available [online] https://larepublica.pe/economia/2020/04/04/bono-380-soles-trabajadores-independientes-podran-cobrarlo-a-partir-del-martes-7-de-abril-ministerio-de-trabajo-atmp/.

75 10.4.2020, Decreto Supremo 064/2020; 21.4.2020, Decreto de Urgencia, 044/2020.

76 El Peruano, 26.4.2020, available [online] https://elperuano.pe/noticia-bono-familiar-universal-760-soles-esta-semana-completaran-padron-hogares-beneficiados-94997.aspx.; Andina, 28.4.2020, available [online] https://andina.pe/agencia/noticia-bono-s-380-hoy-se-inicia-pago-de-segunda-entrega-794810.aspx.

In the Plurinational State of Bolivia, a legal reform at the beginning of April established that all companies that provide basic services must guarantee their continuity regardless and defer payments without penalty.[77] Payments for water and gas were reduced by 50% during the pandemic, and households had three months afterwards to regularize these payments. Moreover, the government announced it would cover 100% of electricity payments for households with very low electricity consumption, in addition to discounts for other households.

Both countries faced higher challenges in reaching the informal households. As the quarantines were extended, and the media published reports of widespread job loss among those working informally, both governments mobilized to institute cash transfer programs to reach these households excluded from the existing benefits.

The Plurinational State of Bolivia moved on this need in mid-April, issuing an executive decree to create the Bono Universal, of 500 Bs (US$ 72.50), to cover all those with no source of income and who were not covered in existing transfers.[78] It was thus inclusive, and according to the government, with the different programs, almost 11 million Bolivians would be reached, over 90% of the total population. The recipient in these transfers is a person rather than the household. Given this, more than one person per household can be eligible for a transfer. For example, if the mother received a Bono Familia cash transfer for a child, the father was still eligible to apply for the Bono Universal.

The challenge has been speed of implementation, with delays related to technical hurdles and existing lack of state capacity. The cash transfers were all delivered for in-person pick-up, which led to long lines (an epidemiological risk) and delays, given the short opening hours of banks (which closed at noon). By the end of April, 3.2 million transfers had been made to the recipients of the existing programs, reaching 32% of Bolivians (although, again, a higher share of households).[79] 54% of the Bolivian population aged 15 and over hold a bank account at a financial institution or with a mobile-money-service provider.

For the Universal Bonus, the government cross-checked registries to establish a mechanism by which people qualified if they were not included in any other program and had no income, and set up a web page for people to consult to see if they qualified, and a mechanism to appeal if they did not. Technical issues delayed the start, and distribution of the UB began on May 5th, three and a half weeks after it was announced.[80] The government announced that it would be staggered until early June, by age group with the oldest first, to avoid lines at financial institutions.

Between April 1st and May 22nd, the government announced that 6.3 million transfers of all programs had been made, reaching over half of the Bolivian population of 13.2 million.[81] By June 19th, the government had completed 9.5 million transfers to the recipients of all the non-contributory cash transfer programs. Of these, 3.4 million were transfers via the Bono Universal program.[82] This also involved mobile units that delivered the transfers to rural areas without banking systems. The cross-checking of registries was important: close to half a million (450 000) applicants had been rejected on the basis that they had already received another transfer or were in the social security system.[83] It appears that all deliveries were for in-person pick-up. By July 3rd, the government announced that it had delivered 10.1 million non-contributory cash transfers in total since April 1st; of these, 3.5 million

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77 Law 1294, and its subsequent regulation through decree 4206 on 6.4.2020.
78 Executive decree 4215/2020.
79 Agencia Boliviana de Noticias, 30.4.2020, available [online] https://www1.abi.bo/abi_/?i=449101.
80 Agencia Boliviana de Noticias, 29.4.2020, available [online] https://www1.abi.bo/abi_/?i=449101.
81 Agencia Boliviana de Noticias, 22.5.2020, available [online] https://www1.abi.bo/abi_/?i=449525.
82 Agencia Boliviana de Noticias, 19.6.2020, available [online] https://www1.abi.bo/abi_/?i=451493.
83 Agencia Boliviana de Noticias, 9.6.2020, available [online] https://www1.abi.bo/abi_/?i=451038.

corresponded to the Bono Universal, 2.8 million to the Bono Familia; one million, to the Canasta Familiar, and 2.8 million to the Renta Dignidad.[84]

As Figures 6 and 7 indicate, the breadth of these transfers together was very high; the new transfer matched the side of the pre-pandemic informal employed population, and 62% of children were reached. As Figures 8 and 9 indicate, the sufficiency of these transfers was quite low, even when more than one person per household was eligible, reaching 29% of the extreme poverty line per household member, for an average four-person household, for a duration of three months.

Two weeks later, on July 19th, as the government faced resistance to its economic plan in the opposition-controlled legislature, the President announced a plan for an additional "Health Bonus" (Bono Salud), of B 500 (US$ 72.50) for the recipients of the Bono Universal. The next day, the presidential candidate of the opposition called for a more generous transfer of B 1000 US$ 145), "against Hunger".[85] As of early August, neither additional transfer had been approved due to executive-legislative conflict.

In Peru, the government announced a cash transfer for a group of workers in the informal sector before the end of March, on March 27th.[86] This transfer, however, was restricted to the 780,000 workers included in a Ministry of Labor registry, and the government announced that there would be no further applications for it.

It took several weeks for the government to extend transfers to a larger group of households. On April 21st, a survey was published that found that 42% of Peruvians had lost their job or income due to the quarantine, and that in the lower-income groups, 96% of households had lost income.[87] Two days later, the President announced a universal cash transfer program, seeking to reach 75% of households that, he said, had seen an income drop as a result of the quarantine. The President explained the government's change in logic: "We have decided to now not look for the most vulnerable families, who have the least, because we came up short. Now this [transfer] needs to be for all families, and exclude those who have a salary".[88]

The challenge for the government has been to identify these households, on the basis of existing data and registries, and this delayed implementation. The executive decree was issued on May 5th, two weeks later, and laid out the recipients as well as the institutions in charge of collecting and cross-checking the data. Those households that had not received other transfers, did not have members in social security, and did not have members earning over 3,000 soles a month, were eligible for this transfer.[89] The President promised that the government would deliver transfers to five million eligible households during the month of May.[90]

By mid-May, the government announced the responsible institutions had identified almost 600,000 urban recipients, and almost 840,000 rural recipients for the transfer. The responsibility was divided between the Ministry of Labor and the Ministry of Social Development. On May 20th the government began delivery to these recipients, encouraging them to sign up for electronic delivery, which the government had at this point established. As in the Plurinational State of Bolivia, the

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[84] Agencia Boliviana de Noticias, 5.7.2020, available [online] https://www1.abi.bo/abi_/?i=452254.

[85] Página Siete, 20.7.2020, available [online] https://www.paginasiete.bo/economia/2020/7/20/arce-anuncia-bono-de-bs-1000-no-de-500-como-planteo-anez-261902.html.

[86] Executive decree 33/2020.

[87] El Comercio, 21.4.2020, available [online] https://elcomercio.pe/economia/peru/covid-19-el-42-de-peruanos-estan-sin-trabajo-o-ya-no-perciben-ingresos-a-causa-de-la-cuarentena-por-el-coronavirus-desempleo-informales-trabajo-noticia/.

[88] EFE, 23.4.2002, reported [online] https://www.montevideo.com.uy/Noticias/Peru-anuncio-ayuda-economica-a-6-8-millones-de-familias-y-amplio-medidas-de-inmovilizacion-uc750928.

[89] Executive decree 52/2020.

[90] El Peruano, 8.5.2020, available [online] https://elperuano.pe/noticia-bono-760-soles-cinco-millones-hogares-recibiran-este-mes-subsidio-economico-95576.aspx.

government also set up mobile units for delivery in rural areas with no banking facilities. Importantly, the government also established a webpage for those who deemed themselves eligible for the transfer but who did not appear in the registry of recipients, and provided a ten-day window for individuals to register. On May 21st, 800 000 people managed to apply for the transfer, but due to the high volume of visitors -almost 16 million during the single day- the site crashed, and the window was extended to June 3rd. By then, 2.5 million people had applied for aid, and the government announced an expected start in delivery of June 8th.

On June 24th, the President announced that 5.3 million households had been reached so far, a total of approximately 15 million people.[91] According to the government, between 77% and 94% of various groups of recipients had been reached by June 22nd, except for expected recipients of the "rural bonus", where the figure was just 61%.[92] Finally, at the end of July, the government announced that it had identified the final group of 2.5 million households that were to receive the transfer, and once they had received it, the goal of 8.5 million households would be reached.[93] Delivery of the transfer to the final group began on August 11th.[94] At the end of July, the president also announced the government's plan for a second transfer of 760 soles to the 8.5 million households, to be delivered between August and October.[95]

Figure 7 indicates that even with the final coverage extension, just over 60% of the pre-pandemic informal employed population had been reached, still leaving a coverage gap. This may be partly explained by the fact that the transfer in Peru targeted households rather individuals (as in the Plurinational State of Bolivia), and only one individual per household was eligible. Many households likely have more than one person working informally. In sufficiency, this translates into not so different total amounts in Peru and the Plurinational State of Bolivia, for the four-member households we use as prototypes, as per Figures 8 and 9, although they are slightly higher in Peru.

In sum, both Bolivian and Peruvian govts, with hiccups, extended a basic income floor to groups 2 and 3, recipients of existing non-contributory social security programs, and informal households. Through April, both governments shifted from identifying households in need through existing government programs, to allowing for informal households left with no income due to the pandemic to seek and receive assistance as well. Both governments, and especially Peru, struggled with reaching all households in need. Recognizing the effort that the Peruvian government had to make to create the databases necessary to reach its population, an official in the Ministry of Development and Social Inclusion stated that this process would leave as a legacy for future interventions a better national registry of households.[96] While sufficiency was quite low in both countries, the reach of the programs in the Plurinational State of Bolivia was higher, partly due to better existing coverage and partly due to targeting the person rather than the household. Both governments at the end of July announced plans to provide a second transfer to vulnerable households; in the Plurinational State of Bolivia, a clear plan was hampered by executive-legislative conflict.

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91 El Peruano, 24.6.2020, available [online] https://elperuano.pe/noticia-bono-familiar-universal-s-760-mas-5-millones-hogares-recibieron-apoyo-economico-97724.aspx.

92 El Peruano, 22.6.2020, available [online] https://elperuano.pe/noticia-midis-entrega-bonos-deja-un-mejor-registro-y-mecanismos-bancarios-virtuales-para-futuras-intervenciones-97481.aspx.

93 El Peruano, 26.7.2020, available [online] https://elperuano.pe/noticia-mas-687000-hogares-rurales-recibiran-bono-universal-760-soles-100162.aspx.

94 El peruano, 11.8.2020, available [online] http://www.elperuano.pe/noticia-bono-familiar-universal-hoy-empezo-pago-760-soles-a-25-millones-hogares-100992.aspx.

95 El Peruano, 29.7.2020, available [online] https://elperuano.pe/noticia-otorgaran-nuevo-bono-s-760-a-familias-vulnerables-100326.aspx.

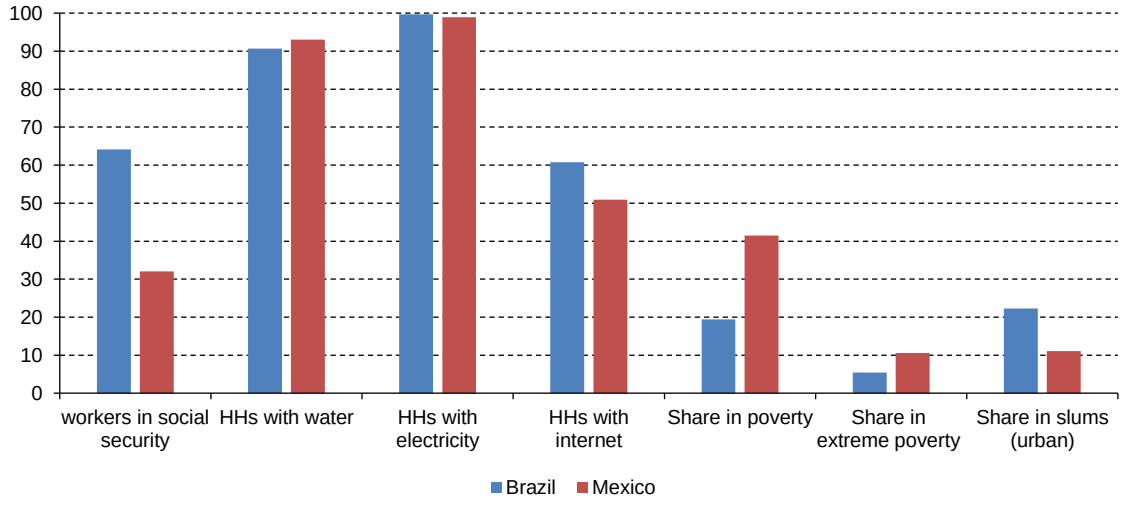
96 El Peruano, 22.6.2020, available [online] https://elperuano.pe/noticia-midis-entrega-bonos-deja-un-mejor-registro-y-mecanismos-bancarios-virtuales-para-futuras-intervenciones-97481.aspx.

C. Brazil and Mexico

Brazil and Mexico represent the two federal giants of the region. Below, we discuss the existing social infrastructure, physical distancing policies, and the social protection responses of both Brazil and Mexico. The Brazilian executive response has been strongly influenced by opposition pressures, while Mexico has not created new income protection programs in response to COVID-19.

Figure 12 outlines social indicators in Brazil and Mexico on a set of measures, including share of workers contributing to social security, access to water, electricity and the internet, and share of the population in poverty and extreme poverty.

Figure 12
Social indicators, Brazil and Mexico
(Percentages)



Source: CEPALSTAT and IADB 2018.
Note: Data for Urban population living in slums, informal settlements or inadequate housing corresponds to 2014. Percentage of households with Internet access at home corresponds to 2017.

As Figure 12 indicates, Brazil has exactly double the share of workers contributing to social security, at 64%, compared to Mexico's 32%. In both countries, almost all households had access to electricity, and access to water was slightly higher in Mexico, at 93%, compared to Brazil, at 91%. Internet coverage is higher in Brazil, at 61%, compared to Mexico's 51%. Mexico has a higher share of the population in poverty than Brazil, at 42% and 19%, respectively. Finally, the share of the urban population living in slums is higher in Brazil than Mexico, at 22 versus 11%, respectively.

Brazil has unemployment insurance for workers in the formal sector with a minimum number of contributions. It lasts between three to five months, with a benefit range from one minimum wage (R 1 045.00/US$ 193) to about 1.7 times the minimum wage (R 1 813.03/US$ 334).[97] As Figure 12 indicates, of the economically active population, 44% work in the informal sector, without social security and labor protections. At the time the pandemic hit, thirteen million households received the Bolsa Familia cash transfer, and additionally close to 29 million households are registered in the

[97] See [online] http://antigo.trabalho.gov.br/seguro-desemprego.

Cadastro Unico,[98] created in 2003, which serves as a point of departure for about twenty public policies. 90% of households in the registry have a per capita income of less than half the minimum wage.

Under the current president, in office since January 2019, social protection policies were not a priority before March 2020. The existing Bolsa Familia program had been successful in reaching a large share of children in poverty; as per Figure 5, about 48% of Brazilian children lived in households that were recipients of Bolsa Familia. Between January 2019 and January 2020, one million people were dropped from Bolsa Familia, and the number of families admitted to the program on a monthly basis decreased from an average of 275 000 a month to fewer than 2 500.[99] Moreover, coverage in the Northeast declined by 1.8% while it increased in the south between May 2019 and 2020.[100] This apparent discrimination led the Northeast states to file a claim in the Supreme Court, which ruled in their favor in mid-March. When the pandemic hit, 1.2 million people were on the waiting list for Bolsa Familia.

Mexico does not have federal unemployment insurance, although the Federal District of the City of Mexico does have a limited unemployment insurance program. Formal sector workers, 32% of employed workers, do have rights to severance pay upon dismissal. Mexico was one of the first Latin American countries to institute conditional cash transfer programs to families with children in poverty, in the 1990s, and by 2014, almost 24% of the population was covered in this program, renamed Oportunidades in 2001 and Prospera in 2014 (Non-contributory Social Protection Programs Database, ECLAC). Since the new President assumed office in December 2018, he has transformed this program, and others, creating the program Becas para el Bienestar Benito Juarez, to replace Prospera. As of Fall 2019, coverage was reported at 7.5 million students; as indicated in Figure 5, this includes 17% of all children in Mexico.

1. Physical distancing policies

Brazil presented the first case of coronavirus on February 26th, the first confirmed case in Latin America, and on March 16th, the first death in the country was confirmed. Although some recommendations for physical distancing were initially made by the federal government, no mandatory isolation measures have been enacted on the federal level, nor have educational establishments or public places been closed. However, several of the regional governments have decreed mandatory quarantine and suspended classes in their states. On March 17th, the state of Rio de Janeiro and the city of São Paulo declared a state of emergency, imposing restrictions on the operation of restaurants and public transportation. President Jair Bolsonaro, announced on March 19th the closure of Brazil's boundaries.

On March 20th, the Senate approved a resolution declaring the country to be in a "state of public calamity." The conflicts between the president and state governments have been highly visible in the pandemic crisis in Brazil. President Bolsonaro has publicly criticized the emergency measures adopted by some governors of the federal states that are limiting the massive events, the activity of schools, and the hours of establishments and shopping centers in the face of the advance of the coronavirus.[101] In June, COVID-deaths increased significantly, and toward the end of June, more than 50 000 deaths from COVID had been reported; this had increased to over 100 000 by early August. By mid-June, several cities and federal states began to relax measures of physical distancing, including São Paulo and Rio de Janeiro, despite the high reported cases and deaths.

In Mexico, the first case of COVID-19 was registered on February 28th. The first death was on March 18th. Mexico is among the few countries in Latin America in which quarantine has not been mandatory, having some of the mildest restrictions, and even keeping its borders open. On March 14th,

98 Folha de Sao Paulo, 18.3.2020.
99 The Economist, January 30, 2020.
100 Brasil Económico, 4.6.2020.
101 It should also be noted that during the April-May period, there have been three different public health ministers.

the suspension of classes from March 20th on was announced. On the same day, the government called for "healthy distancing" that includes the suspension of non-essential activities and the rescheduling of mass events. Federal health authorities proposed a "Healthy Distance Day" from March 23rd to April 19th, where non-essential activities were suspended and massive events rescheduled. Until now, the suspension of public transport has been ruled out.

On March 30th, Mexico entered a health emergency due to "force majeure", where non-essential activities were suspended and new measures against the coronavirus were announced. The suspension of activities in public spaces such as parks, shopping malls, beaches, or sports, and religious centers was maintained. On April 21st, Phase 3 was declared due to the increase in cases, which implied that certain indications of phase 2 persist, and adding new ones such as prolonging the Healthy Distancing Day, and dividing and geographically fixing mobility in the national territory. On June 1st, the government began to allow for a phase of re-opening of economic activities considered non-essential in some states and municipalities, using a national "stoplight" system that the government had created. During the months of June and July, cases and deaths continued to rise, so several cities and municipalities had to reinforce their restrictions and go back to the "red" stage.

2. Social protection responses

The Brazilian government, like many others, began to announce economic and social measures in response to the crisis in mid-March. The congressional granting of a 'state of emergency' on March 20th freed government spending from existing fiscal restrictions.

For workers in the formal sector, the government announced on March 18th that it would create an 'anti-unemployment program', with the goal of reducing labor costs during the pandemic while allowing for the labor relation to remain in place, thus reducing job losses. On March 22nd, the President signed an executive decree allowing labor contracts to be suspended for four months, without pay.[102] This contradicted statements by the Minister of Economy and, after a storm of criticism, the President withdrew it less than 24 hours later.

On March 27th, the government announced the establishment of a credit line for small and medium size companies to pay for worker salaries for two months, up to two minimum wages per month, with an initial expected reach of 12 million workers and 1.4 million companies. Participating companies were prohibited from laying off any workers during this time period. By May 7th, the program had reached 304,000 workers so was of much smaller scale than initially intended.[103] In mid-June, after revelations that less than 5% of the R 40 billion (US$ 7.4 billion) budget had been used, the Central Bank announced changes to the eligibility criteria, allowing any companies that had kept at least half of their workers to get access to the credit, and also allowing larger companies to participate.[104]

On April 1st, the government issued two decrees that allow, by mutual accord, for a three-month reduction of work hours or a two-month suspension of work, and establish an emergency benefit in lieu of salary. Workers are eligible irrespective of the duration of their employment relation, and the benefit is calculated on the basis of the unemployment benefit, with a floor of one minimum wage. The government budgeted Reais 51 billion for this measure, and expected the program to reach 24.5 million workers, including registered domestic workers. In smaller companies, the government covered the transfer entirely, and larger companies must continue to pay workers at least 30% of their wage. So-called "intermittent" workers in the formal sector, who number 143 000, were eligible to receive a

[102] We refer to the so-called Medidas Provisorias as executive decrees here. They are 'provisional' decrees that have the force of law for a renewable two-month period (so, altogether, four months) after which they must be approved in Congress or they expire.

[103] Medida Provisoria 944, available [online] https://www.aasp.org.br/noticias/medida-provisoria-no-944-programa-emergencial-de-suporte-a-empregos/; Correio Braziliense, 7.5.2020.

[104] Brasil Price, 18.6.2020.

transfer of R 600 (US$ 110) per month, for three months. Finally, on April 7th, the government also authorized a withdrawal worth one minimum wage from worker 'indemnization' (FGTS) accounts.[105] However, implementation was slow.[106] The withdrawals became available only starting at the end of June, and depending on the birth month of the recipient and whether the deposit would be electronic or for pick-up, was slated to continue until mid-November.[107]

The government moved more rapidly on the emergency benefit to maintain the labor relation. On April 6th, the government opened up a website to allow employers to register workers for the emergency benefit; by mid-April, 1.7 million workers had been registered; by May 1st, almost 4.8 million workers had been registered. On May 4th, the first payments to bank accounts were made. In mid-July, the Minister of Economy announced that almost 13 million workers had been reached. An executive decree extended the program to 120 days, for both suspensions and work hour reductions.[108]

During this same period, formal sector workers who were laid off were able to withdraw from their individual indemnization accounts (FGTS)[109] and also register for unemployment insurance if they met the minimum requirements. However, in practice, registering for unemployment had pandemic-induced bottle-necks. Even though unemployment went up in April, the number of applications for unemployment benefits actually declined by 14% from the same period last year, and numbered just 268 000. However, over 90% of government offices where such benefits could be filed in-person were closed during April, and therefore those without internet access and the technological sophistication were unable to file claims.[110] Moreover, there were widespread complaints about accessing the online registration; one man had spent over a month trying to access the site.[111] At the end of the month, the government decreed these offices as "essential services" and they re-opened. As a result, during the first two weeks of May, over 500 000 unemployment claims were filed, and the total number was a 76% increase from the same time in 2019. In early July, the government reported that the numbers for June declined by 32% compared to May.[112]

For those in the non-contributory Bolsa Familia program, the government announced on March 16th a Reais 3 billion (US$ 560 million) budget increase to allow for the 1.2 million people on the waiting list to be registered, followed by an executive decree to that effect on March 23rd, allowing for the total number of Bolsa Familia recipient households to increase to 14.3 million in April and May. No changes to the benefit levels for recipients (ranging from R 89 to 205 per family) or to other benefits, such as non-contributory pensions, were announced.

The government followed rapidly also with a plan for those in the informal sector. On March 18th, the government announced a cash transfer of R 200 (US$ 37) per month, for three months, for informal workers with no other sources of income or government transfers, with an expected reach of 15 to 20 million Brazilians, and an expected cost of R 15 billion (US$ 2.8 billion).[113]

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[105] Medida Provisoria 946 authorized the withdrawal from the FGTS-Fundo de Garantia do Tempo de Serviço.These are contributory individual worker indemnization accounts that allow for withdrawals in cases of major life events, including lay-offs.

[106] Valor Investe, 10.6.2020.

[107] O Globo, 27.7.2020, available [online] https://g1.globo.com/economia/noticia/2020/07/27/caixa-libera-novos-saques-do-fgts-para-trabalhadores-nascidos-em-maio-nesta-segunda-veja-calendario.ghtml.

[108] Governo do Brasil, 14.7.2020, available [online] https://www.gov.br/pt-br/noticias/trabalho-e-previdencia/2020/07/programa-emergencial-de-manutencao-do-emprego-e-prorrogado.

[109] See [online] http://antigo.trabalho.gov.br/fundo-de-garantia-do-tempo-de-servico-fgts.

[110] See [online] http://trabalho.gov.br/noticias/7388-solicitacoes-do-seguro-desemprego-pela-internet-chegam-a-90-do-total

[111] El País, 1.5.2020.

[112] R7, 9.7.2020, available [online] https://noticias.r7.com/economia/numero-de-pedidos-do-seguro-desemprego-cai-32-em-junho-09072020.

[113] See [online] https://www.gov.br/economia/pt-br/assuntos/noticias/2020/marco/confira-as-medidas-tomadas-pelo-ministerio-da-economia-em-funcao-do-covid-19-coronavirus.

The government proposal came under criticism as being insufficient, and it provoked a broad response from civil society and the political opposition. The Minister of Economy offered to increase the transfer to 300 reais, but by then a coalition of civil society actors and legislators had proposed a transfer of 600 reais (US$ 110), which was unanimously approved in Congress at the end of March. At this point, the government accepted the expansion, and the President signed it into law on April 1st. The Auxilio Emergencial transfer ("emergency aid"), from here on referred to as AE, was targeted toward low-income informal workers, the self-employed, and those already registered in Bolsa Familia, who are eligible to receive this transfer in lieu of their regular Bolsa Familia transfer. Those in other government cash transfer programs, such as disability or the old age pension, are not eligible. To receive the benefit, the applicant's per capita income must be at most half a minimum wage, with a household income no more than three minimum wages, and a cap on the declared income from the previous year. The benefit provides a basic minimum income of 600 reais per adult, which is the equivalent of the national urban per capita poverty line in 2018, and up to two adults per household can receive it. Single mothers are eligible for double, at 1200 reais (US$ 221). From initial government estimates of R 15 billion (March 18th), to R 45 billion (March 27th, when the bill passed Congress), by the end of March the Minister of Economy declared a budget of R 98 billion (US$ 18 billion), and an expected reach of 54 million Brazilians.

The challenge in Brazil has been implementation of the AE transfer. On April 6th, the government opened a website and an app for people to electronically apply for the AE, and declared that the entire process of applying for and receiving the transfer could (and should) be done electronically. Bolsa Familia recipients were automatically included in the AE and did not need to re-apply. The president promised quick delivery, starting on April 9th for the Bolsa Familia recipients, and starting April 14th for the others, and a second transfer already at the end of April (which it was unable to keep). The government centralized the evaluation and delivery process in two federal agencies -Dataprev, tasked with evaluating the applications and cross-checking with other databases- and the state-owned Federal Economic Bank (Caixa Econômica Federal) -from here on referred to as 'Caixa'- tasked with the delivery of the transfer.

By April 11th, the Caixa announced that 32.2 million Brazilians had already registered for the benefit, and that its website had received 272 million visits in the last four days. Two weeks later, by April 24th, the telephone hotline had received over 74 million calls, and the Caixa declared it had 46 million applications registered, of which 35 million had already been approved. The number of eligible applicants exceeded the government's expectations, and it increased the budget by R 25.7 billion, to a total of R 124 billion (US$ 23 billion).

In mid-May, the government reported that 50.5 million Brazilians had received the AE and 17 million were still "being evaluated".[114] Over 13 million applicants had apparently been rejected due to problems cross-checking their government identity numbers. Those without internet access sought to submit applications in person at overwhelmed locations with limited opening hours, producing long lines (IEA, 2020).

A report published in early May by the Institute of Advanced Studies pointed to problems in the government's implementation strategy. First, the government centralized delivery in two agencies, and did not collaborate with the different levels of government (in a federal country) or use the existing social infrastructure developed over the past twenty years, that could have helped identify eligible recipients and how to reach them. Second, its reliance on electronic applications and delivery resulted in the exclusion of at least 7.4 million eligible Brazilians who lacked access to the internet. This was particularly high in the Northeast, where over 30% of households lacked internet access. Finally, the report also took issue with the eligibility criteria themselves, pointing out that the caps on declared previous income potentially

[114] El Pais 25.4 Brasil Económico 13.5.2020.

excluded over 20 million workers that were vulnerable, and that the two-transfer limit per household negatively affected larger households, which tended to be poorer (IEA, 2020).

Another report in May highlighted errors of inclusion: it found that 190 000 active duty military personnel had received the AE, even though they received an income from the state. At the end of May, the government reported that of the 112.5 million Brazilians who had applied for the transfer during the month of April, to date, 59.3 million had been approved, 36.9 million had been rejected, and 16.5 million were still in evaluation. Another 8.6 million had submitted applications between the 1st and 24th of May.[115]

At the beginning of June, further reports of problems surfaced. First, on June 2nd the government withdrew R 84 million (US$ 15.5 million) from the Bolsa Familia budget for the Northeast, and transferred it to the publicity budget of another ministry. Immediately following the move, the state governments of the Northeast filed a claim with the Supreme Court to suspend the move.[116]

The next day, June 3rd, two reports came out: the Government Accountability Office (Tribunal de Contas da União) stated that 8.1 million Brazilians with higher incomes incorrectly received the AE, and called for Dataprev to do a more thorough cross-checking with other databases.[117] At the same time, a survey of 2000 people carried out at the end of May in 72 cities was published, which found that one-third of people in the top two income classes had applied for the AE, and that 69% of them had received it, while in the favelas, two-thirds had applied for the AE but only 61% had received it. The next day, the government itself admitted that 700,000 Bolsa Familia recipients, who should automatically have received the aid, had been rejected.

Meanwhile, the second transfer of the AE to beneficiaries began on May 30th, and continued over the next weeks. However, in early June, just over 11 million applicants were still waiting for evaluation, some for the second or third time. On June 5th, a government plan announced in mid-May came to fruition, to collaborate with the Brazilian post offices to provide in-person assistance to the eligible individuals who had not been able to yet apply for or receive the benefit, and published a calendar schedule by month of birth to stagger the visits over a period of time. By the end of June, according to the government, 64.3 million people were recipients of the AE;[118] this increased to almost 66 million by the end of July. The program cost about R 50 billion (US$ 9.2 billion) per month.[119] Not only was it the broadest and most sufficient income protection program in Latin America, it was also, given Brazil's size, by far the largest program of its kind.

At the same time, calls for a more permanent minimum income began to gain force, and the government responded by proposing two additional transfers of R 300 (US$ 55) each. The Minister of Economy also announced a plan to overhaul the existing non-contributory social protection scheme and launch a new program called "Income Brazil" ("Renda Brasil"). These debates took place throughout June, with opposition politicians and economists presenting more ambitious proposals, as reported cases and deaths in Brazil continued to surge. The President was opposed to extending the AE at its current value and threatened to veto any such bill. However, congressional opposition (and the constraints of the law, which only allowed the executive to authorize further transfers at the same amount; decreases had to be passed through Congress) led the executive to relent. On June 30th, the government issued an executive decree to extend the AE for two more months, with an additional transfer in July and in August. A government census data report published in July, showed that the

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115 Brasil Economico, 28.5.2020.

116 Brasil Economico, 5.6.2020.

117 Correio Braziliense, 4.6.2020.

118 Gazeta do Povo, 30.6.2020, available [online] https://www.gazetadopovo.com.br/republica/bolsonaro-anuncia-prorrogacao-do-auxilio-emergencial-por-mais-dois-meses/?ref=link-interno-materia.

119 Gazeta do Povo, 30.6.2020, available [online]https://www.gazetadopovo.com.br/republica/bolsonaro-anuncia-prorrogacao-do-auxilio-emergencial-por-mais-dois-meses/?ref=link-interno-materia.

income of the poorest households had actually increased as a result of the emergency transfer, effectively reducing extreme poverty.[120]

Through July, the executive continued to work on its own Renda Brasil proposal, with the goal of presenting it to Congress in August. By the end of July, recipients of the AE had already begun to receive the fourth transfer, with one left after this. The threat by congressional legislators to pass their own law establishing the AE transfer until the end of the year, meanwhile, pressured the government to consider a second extension of the AE transfer at the end of July.[121]

The Mexican government's response is marked by a less proactive strategy. On March 18th, the President announced that due to the crisis, pensions would be fronted by four months so the elderly would not have to leave their homes. On March 24th, the Health Ministry declared a set of preventive measures to confront COVID-19. This included granting permission for formal sector employees in risk groups –such as those over 65 years, pregnant women, and others– to not go to work but retain their salary.

On March 30th, the government declared a "health emergency due to 'force majeure'", which established that non-essential sectors and services move to non-presential work modes. This declaration explicitly avoided using the term "Contingencia Sanitaria" (Sanitary Contingency) which would have triggered the application of a law passed in 2012, specifically for health emergencies, and that would have allowed employers to suspend workers and pay them one month's worth of a minimum wage. The ambiguity of the declaration –the concept of a health emergency based on 'force majeure' does not explicitly exist in Mexican law[122]– caused confusion and uncertainty that lasted for weeks regarding the exact labor implications of the declaration, with lawyers debating the interpretation. With this declaration, the Ministry of Labor maintained that employers were not allowed to unilaterally lay off workers without just cause (and would face legal and financial consequences if they did so), and were required to pay the entirety of their salaries during the health emergency. In the event that employers felt they needed to lay someone off, there was a process of gaining permission from a Labor Board, in each individual case.[123]

On April 5th, the president announced his much-anticipated economic plan for the COVID-19 emergency. In it, he re-affirmed a commitment to austerity, with a promise to not increase either the debt or taxes, and to redirect government spending by measures such as cutting the salaries of high-level public officials. The plan did not provide subsidies for protecting formal sector employment, as other countries had done. The president did however promise to create two million new jobs over the next nine months. The details given were related to government public works projects: a promise to turn the jobs of 230,000 tree-planters permanent, and to hire a further 200,000 tree-planters; a promise to create 228,000 jobs in infrastructure projects in marginalized areas; and a promise to create additional jobs in the President's Maya Train and Dos Bocas refinery projects; and, finally, a promise of direct assistance to 190,000 fishers.[124] The plan did not specify additional social protections for those in non-contributory programs or in the informal sector, except a promise of credits to small family-owned businesses.[125]

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[120] IBGE, 23.7.2020, available [online]https://agenciadenoticias.ibge.gov.br/agencia-noticias/2012-agencia-de-noticias/noticias/28354-distribuicao-de-auxilio-emergencial-alcanca-29-4-milhoes-de-domicilios-em-junho.

[121] Gazeta do Povo, 27.7.2020, available [online] https://www.gazetadopovo.com.br/economia/auxilio-emergencial-governo-pode-prorrogar-pela-segunda-vez/.

[122] El Heraldo, 13.4.2020.

[123] See [online] https://procuraduriadigital.stps.gob.mx/?fbclid= and https://www.fortuneenespanol.com/opinion/opinion-implicaciones-laborales-de-la-crisis-del-covid-19/.

[124] El Financiero, 5.4.2020.

[125] A survey of 833 individuals conducted during the second week of April found that 55% of households reported food insecurity, and only 45% said they had sufficient income to adhere to the government's request to stay home until the end of the month. One-third of respondents reported severe anxiety, which was especially high among lower-income women. See La Ibero, "La Ibero presenta la encuesta de seguimiento de los efectos del COVID en el bienestar de los hogares mexicanos". Teruel and others [online] https://ibero.mx/sites/default/files/comunicado_encovid-19_completo.pdf.

On April 22nd, amid reports of the worsening economic situation, the president published his 11-point austerity plan, which involved cuts to various government activities, but promised that workers would not be fired, extended the suspension of workers with full salary up until 1st of August, reiterated his plan to create two million new jobs, and announced more details of his plan for whom he termed " the most vulnerable and middle classes".[126] This materialized into loans of 25,000 pesos (US$ 1,134) for one million individuals with small and medium size enterprises in the formal and informal sector. Recipients were determined by the government, on the basis of a database of five million people that the government had compiled. The loan had a pay-back period of three years, and eligible recipients were notified by telephone.[127]

In the face of federal inaction, state governments stepped in to provide some social protection; by mid-April, various state governments had created or extended programs related to unemployment assistance, food assistance, and coverage of basic utilities. Yucatán provided an unemployment insurance program for self-employed workers; Hidalgo emergency assistance for informal workers; Guanajuato created a temporary employment program; and Aguascalientes proposed 'virtual work funds'. Aguascalientes provided some assistance to cover food for vulnerable groups; Chihuahua and Puebla had food distribution programs; San Luis Potosí increased funds for school breakfasts; Mexico City and Tamaulipas distributed vouchers for meals in local establishments; Hidalgo, Yucatán, Campeche and Quintana Roo implemented various policies to help households cover basic utilities.[128] Mexico City also had a limited unemployment program that gave cash assistance for two months to just over 33,000 formal sector workers who lost their jobs. By the beginning of May, the program had run out of funds to cover more people.[129]

At the end of April, a report by Oxfam highlighted the gaps in social protection as Mexico was hit by the pandemic. The study pointed out that the president's new social programs, which focused on the young and the old, left tens of millions of informal workers and the unemployed unprotected (Oxfam, 2020).

Unemployment in Mexico has massively increased. Between March and April, the number of people working went down from 55.8 million to 43.3 million, with two million jobs lost in the formal economy, and 10 million jobs lost in the informal economy, according to data from the National Statistics Institute. These people have been left with no income given the lack of government cash transfers. In an interview in June, the economist analyzing the data, Daniela Castro, noted that "before we would see one or two people in the streets; now we see ten, in groups, trying to get some money to survive".[130] At the end of July, United Nations agencies expressed alarm over the inability of a large share of Mexican households, and especially children, to access adequate nutrition due to the COVID pandemic, and called on the government to direct resources to ensuring access to food.[131]

In sum, Brazil's and Mexico's social protection policy responses have been very different. In Brazil, the initial executive response, coming from the Minister of Economy, was quite proactive but not broad or sufficient; organized opposition in civil society, state-level governments and in Congress ensured a significant social protection response in early April. Since then, much of the challenge has been implementation and delivery, and continued congressional pressure has led the executive to extend emergency assistance. Mexico, by contrast, has pursued its pre-pandemic policies and has not created new cash transfer programs or expanded existing ones. Sub-national governments have sought to fill some of that gap.

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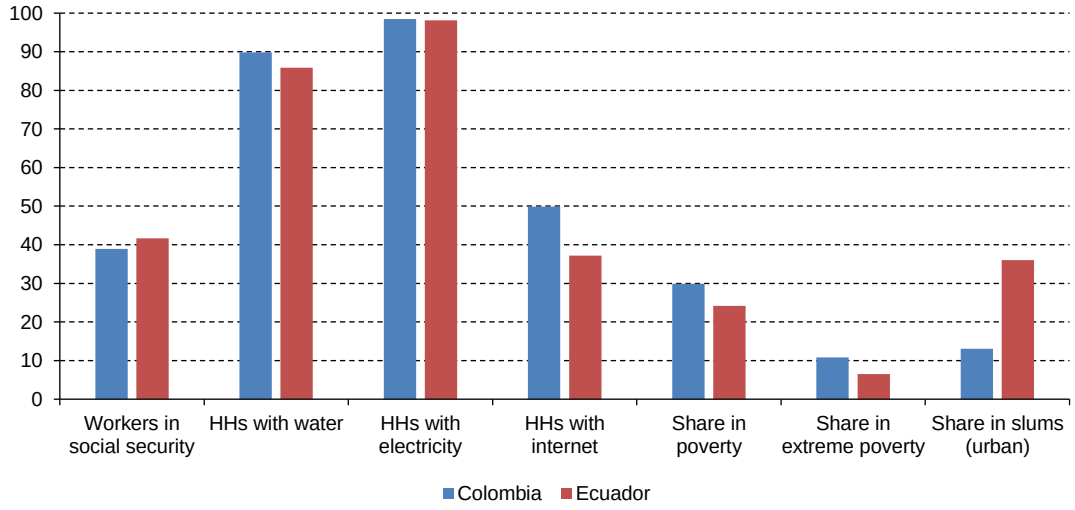
[126] See [online] https://www.milenio.com/politica/coronavirus-mexico-plan-economico-amlo-11-puntos.
[127] Marca Claro, 21.5.2020.
[128] See Sojo, Galíndez and de Remes, "Llamada a escena: las respuestas económicas de los estados a la pandemia", Nexos, 17.4.2020.
[129] See https://www.desempleocovid.cdmx.gob.mx/.
[130] Contralínea, 10.6.2020.
[131] Noticias ONU, 22.7.2020, see [online] https://news.un.org/es/story/2020/07/1477801.

D. Colombia and Ecuador

While Colombia is wealthier, pre-pandemic, Ecuador had a slightly higher share of workers in social security and slightly lower rates of poverty. Figure 13 outlines social indicators in Colombia and Ecuador on a set of measures, including share of workers contributing to social security, access to water, electricity and the internet, and share of the population in poverty and extreme poverty.

Figure 13
Social indicators in Colombia and Ecuador
(Percentages)



Source: CEPALSTAT and IADB (2018) for the share of workers in social security.
Notes Data for Urban population living in slums, informal settlements or inadequate housing corresponds to 2014.

As Figure 13 indicates, pre-pandemic, Colombia had 30% of the population in poverty, compared to Ecuador's 24%, and in extreme poverty, 11% compared to Ecuador's 7%. Colombia has 39% of its workers covered in social security, while Ecuador has 42%. The share of households with access to electricity is over 98% in both countries, while access to water in Ecuador is 86%, and in Colombia 90%. Exactly half of households in Colombia have access to internet, while in Ecuador the share is 37%. A higher share of the urban population in Ecuador lives in slums at 36%, compared to Colombia, at just 13%.

Colombia's family compensation funds (Cajas de Compensación Familiar) are privately funded, decentralized, and with limited resources. They cover nine million workers and, when family members are added, reach about 21 million Colombians, according to the President of the Family Compensation Fund Association, Asocajas.[132] Unemployment insurance was available to those in the formal sector with at least 12 social security contributions over the past five years.

Since 2016 Ecuador has unemployment insurance for dependent workers in the formal sector as well. Workers are eligible if they have contributed to social security at least 24 times, with the last six contributions consecutive. However, there is a wait period of 60 days before an unemployed worker can apply. The benefit provides a transfer for five months, equivalent to 70% of the minimum wage, that is, US$ 280 per month, and potentially an additional amount based on an individual savings account.[133]

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[132] La República, 12.5.2020, available [online] https://www.larepublica.co/empresas/cajas-han-dado-78000-subsidios-al-desempleo-durante-la-crisis-sanitaria-3004483.
[133] See [online] https://www.iess.gob.ec/es/web/afiliado/cesantia.

Colombia's non-contributory Familias en Acción program reaches, as per Figure 5,26% of all children. These families receive small cash transfers every second month. Other non-contributory programs cover 1.7 million elderly, low-income youth in educational institutions, and the disabled.

Ecuador also has several non-contributory cash transfer programs. The human development grant (Bono de Desarrollo Humano), directed at families in extreme poverty, with an additional transfer based on number of children, reached 16% of all children.[134] Other transfers targeted the elderly not included in social security and/or in extreme poverty, and the disabled.[135] It is also worth noting that to a greater extent than other countries, Ecuador entered the crisis fiscally constrained. With a dollarized economy, severe foreign debt and inability to borrow on the bond market, combined with a drop in oil prices, the government had little money at its disposal.

1. Physical distancing policies

In Colombia, the first COVID case was registered on March 6th, with the first death on March 21st. On March 15th, the government announced the closing of educational institutions, as was the closure of borders and the prohibition of international flights. On the 17th, a state of economic, social and ecologic emergency was also declared, as well as the preventive and compulsory isolation for inhabitants over 70 years of age. On March 22th, the general quarantine was decreed, which was extended until May 30. Since June 1st, the government has allowed gradual re-opening, including for shopping centers, museums, and libraries, hairdressing and beauty services, restaurant delivery or take away, and retail trade, among others, with compliance with biosafety protocols; in addition, children and adults have been allowed regular but limited outdoor time, depending on age. At the end of June, measures had been extended until August 1st, but with modifications for the recovery of productive life and new exceptions. Pilot plans to reopen restaurants, bars, and religious centers, among others, were allowed in municipalities with few or no cases. At the end of July, the goverment announced a new extension of restrictions until August 30th, after a record of more than 10.000 cases in less than 24 hours. Isolation as a general criterion was extended, but allowing for the gradual process of liberation of sectors in regions and cities without COVID-19.

In Ecuador, the first case was detected on February 29th, and the first death recorded on March 13th. On March 11th, the Ministry of Health declared a health emergency throughout the territory, mandating 14-day isolation for those who arrived from Spain, Italy, Iran, France, South Korea, and China. On March 16th, the government declar. d a state of emergency due to public calamity throughout the national territory. Due to the health emergency, classes in schools, colleges, and universities were suspended; businesses that do not offer essential products, medicines, or medical supplies had to close too. Mobility was restricted, and a general *toque de queda* applied every night from 9:00 p.m. to 5:00 a.m. This measure also empowered the military to safeguard control in cities and restrict some rights, such as assembly. Since March 25th, circulation from 14:00 and until 05:00 was prohibited, and failure to comply with the curfew was declared to be punishable by up to one to three years' imprisonment. Guayaquil, on the pacific coast fo Ecuador, experienced a dramatic spike in COVID- cases and deaths starting in late March, peaking in early April.

On April 24th, the arrival of a "new normal" in the country was announced, with the reactivation of some sectors of the economy starting on May 4th. The opening began with a system of traffic lights, with the aim of moving towards economic recovery. The "epidemiological traffic light" establishes differentiated restrictions on the mobility of people, the reopening of businesses and transport, according to the state of the situation in each area and the risk of contagion. On June 1st, the traffic

[134] See CEPAL, [online] https://dds.cepal.org/bpsnc/ptc; in 2019, the BDH had 418,898 recipients. See Primicias, 6.11.2020, [online] https://dds.cepal.org/bpsnc/ptc.

[135] See [online] https://www.inclusion.gob.ec/bono-de-desarrollo-humano1/.

light rules were updated, allowing new flexibilities for both the red and yellow zones. The state of exception has been extended until August 13th, continuing the traffic light system with updates. Starting on August 1st, a new *Toque de queda* was announced for Quito and the cantons of 18 provinces of Ecuador, as COVID-19 cases continued to rise; other less extensive movement restrictions were announced for those cantons in yellow.

2. Social protection responses

In Colombia, the government issued an executive decree on March 27th that allowed formal sector workers with salaries up to four minimum wages who lost their jobs due to the pandemic (starting March 13th) to apply for unemployment insurance. Only those with at least 12 social security contributions over the past five years were eligible for the transfer that was equivalent to two minimum ages over a period of three months. Eligible workers whose wages declined were also allowed to withdraw funds from their social security accounts to compensate for wage loss.[136] According to the Ministry of Labor, salary reductions were allowed based on mutual accord but not below the minimum wage.

By the end of April, almost half a million people (499 000) had submitted applications for this unemployment insurance, but only 144,000 of the applicants met the requirements, and only 47 000 had actually been approved for the transfer.[137] Meanwhile, just over 54,000 workers whose wages had declined had withdrawn funds from their social security account.[138]

Given insufficient resources, the government in early May promised to provide additional funds to Social Security and to increase the reach of the transfer. By mid-May, over 600,000 people had applied for unemployment insurance; only 26%, or, 160,000 of the applicants met the requirements, and only 78 000 individuals had to date received a transfer. The President of the Family Compensation Funds Association (Asocajas) claimed that many of the decentralized branches of the Family Compensation Funds Association had run out of funds, and that the government was looking into adding funds to bolster the accounts.[139] At the same time, the Ministry of Labor reported that during the month of March, 1.5 million workers left their jobs.[140]

By early June, the Family Compensation Funds Association declared it had the funds to cover a total of 150,000 unemployed workers.[141] By June 23rd, 754,000 applications had been received, of which 232,000 had been approved, and 109 000 people had been granted unemployment insurance. In early July, the Association declared that it would be able to cover up to 200 000 approved unemployed workers, an increase from initial estimates.[142]

Meanwhile, given the high number of unemployed workers who had applied for assistance, the government in early June extended eligibility for the non-contributory Ingreso Solidario (160 000 pesos, about US$ 40) to those on the waiting list for unemployment insurance who had made at least six

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[136] Decree 488/2020.

[137] El Tiempo, 29.4.2020, available [online] https://www.eltiempo.com/economia/sectores/por-que-se-esta-negando-el-subsidio-de-desempleo-en-colombia-490226.

[138] Ministerio de Trabajo, 1.5.2020, available [online]https://www.mintrabajo.gov.co/web/guest/prensa/comunicados/2020/mayo/efectivas-han-sido-las-medidas-implementadas-por-el-gobierno-para-proteger-el-empleo-en-colombia.

[139] La República, 12.5.2020, available [online] https://www.larepublica.co/empresas/cajas-han-dado-78000-subsidios-al-desempleo-durante-la-crisis-sanitaria-3004483.

[140] 14.5.2020, available [online] https://www.mintrabajo.gov.co/web/guest/prensa/comunicados/2020/los-derechos-de-los-trabajadores-no-son-negociables-ministro-angel-custodio-cabrera.

[141] Ministerio de Trabajo,4.6.2020, available [online] https://www.mintrabajo.gov.co/web/guest/prensa/comunicados/2020/junio/gobierno-nacional-presenta-nuevas-medidas-para-proteger-los-derechos-de-los-trabajadores-colombianos.

[142] La República, 1.7.2020, available [online] https://www.larepublica.co/empresas/cajas-de-compensacion-ampliaran-el-subsidio-al-desempleo-a-200000-personas-3025539. See also Decree 765/2020.

contributions to social security over the past five years. The expectation was that it would apply to about 600,000 people.[143]

Another group of workers were those who had had labor contracts temporarily suspended or who were on unpaid leave. Information about the number of such workers was not publicly available, but the government in early June also announced assistance to this group of workers. Here too, the amount pledged was the equivalent of the *Ingreso Solidario*.[144]

Aside from unemployed workers, the government also provided assistance for companies to maintain their workers, although here too it was quite slow to materialize. In April, the government announced credit to help small and medium sized companies to stay afloat and pay their workers' salaries. The head of the association for small and medium sized enterprises pushed back, asking for subsidies rather than credit given high levels of extant indebtedness, arguing that as providers of employment to 17.8 million people in Colombia, they should receive this help. In May, the government relented and issued a decree to subsidize worker wages for small and medium-sized companies, allowing them to apply for 40% of the minimum wage per worker in companies that had seen a 20% decrease in their income, for up to four months.[145] On June 9th, the President tweeted that 2.4 million Colombians had received their first transfer in this program.[146] The government also subsidized half of the mid-year bonus payment for minimum wage workers, an extra salary payment workers are legally entitled to. In early August, the president announced he was proposing to increase this subsidy until the end of 2020.[147]

In Ecuador, with the suspension of presential labor activities from March 17th on, the government issued two ministerial directives in mid and late March, to allow for changes in working hours, as well as a reduction of weekly work hours down to 30, for six months (and renewable for another six months), with a corresponding salary reduction. A suspension of both work hours and salary payments was also allowed, but in both cases with an expectation of payment and recuperation of the hours worked at a later point.[148] In early April, the government also announced a plan to reduce the waiting period for unemployment insurance from sixty to seven days, but this was finally only approved in a legal reform on June 19th (detailed below).

On April 10th, the President called for a national Humanitarian Assistance Accord, to confront the crisis. With the fiscal constraints, the government sought funding from multilateral organizations and from high-income earners in his own country. He called for 'solidarity contributions', which involved a 5% contribution from companies with profits higher than one million US$, while workers with salaries above 500 US$ would over the next nine months contribute a progressively higher share of their income as their salaries increased, bringing in US$ 1.4 billion.[149] With this financing, the government's plan was to establish a humanitarian fund, led by representatives from civil society, that would provide health, social and labor assistance.[150] The reform also reduced the waiting time for unemployment insurance, and broadened eligibility to affiliated independent workers, provided credit for small and medium

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143 Decree 801/2020 (June 4th).

144 Ministerio de Trabajo, 4.6.2020, available [online] https://www.mintrabajo.gov.co/web/guest/prensa/comunicados/2020/junio/gobierno-nacional-presenta-nuevas-medidas-para-proteger-los-derechos-de-los-trabajadores-colombianos.

145 Decrees 639/2020 (May 9th) and 677/2020 (May 19th).

146 See [online] https://twitter.com/infopresidencia/status/1270500173018431488.

147 El Dinero, 6.8.2020, available [online] https://www.dinero.com/economia/articulo/hasta-cuando-va-el-subsidio-a-la-nomina-de-los-trabajadores/295110.

148 Acuerdo ministerial 2020-077 (March 15th) and Acuerdo ministerial 2020-080 (March 28th). Primicias, 29.3.2020, available [online] https://www.primicias.ec/noticias/economia/ministerio-trabajo-acuerdo-recuperacion-jornada/.

149 This tax plan comes at the heels of a new tax law in effect since January, where large companies pay an additional tax of between 0.1 and 0.2% over three years, and which was to bring in a more modest USD 177 million this March. El Comercio, 11.4.2020, available [online] elcomercio.com/actualidad/reforma-desempleo-arriendo-pensiones-moreno.html.

150 El Universo, 10.4.2020, available [online] https://www.eluniverso.com/noticias/2020/04/10/nota/7810659/lenin-moreno-acuerdo-emergencia-ecuador-renegociar-deuda-reforma.

enterprises to stay afloat and pay their workers, and finally, it provided for the flexibilization of labor contracts, with the stated aim of maintaining employment.[151]

The government sent its plan to Congress in mid-April, where it met opposition from legislators, labor unions and business. Labor unions objected to any reductions in labor rights, and business and politicians objected to tax increases. Congress had thirty days to vote on the reform.

Meanwhile, through April, an increasing number of laid-off workers waited for access to unemployment insurance. A survey of 473 companies, by the Quito Chamber of Commerce, found that over 80% of companies were operating at between 0 and 30% of their capacity, 84% reported a reduction in sales compared to the previous year, and 35% had already reduced their labor force. Another survey of 129 companies found that 37% of companies were planning lay-offs due to the crisis.[152] The Social Security Institute reported a reduction of almost 112,000 affiliates during March and April, due to job loss.[153] People in precarious employment such as paid domestic workers, were especially vulnerable to the effects of the economic crisis and employers' sometimes arbitrary decisions on reducing pay or simply not paying at all.[154]

In mid-May, among other loans, the Inter-American Development Bank extended Ecuador US $94 million to help keep micro -and small enterprises afloat and maintain employment.[155] Due to congressional opposition, the executive finally eliminated both the solidarity taxes and the establishment of the humanitarian assistance fund from the so-called Humanitarian Assistance Accord, to get it approved. Congress voted on a revised version on May 15th, right before the deadline, with 74 votes in favor and 59 votes against.[156] The revised version allowed for flexibilization of labor contracts, including salary and work hour reductions, even below minimum wage, and the creation of more flexible temporary emergency labor contracts. At the same time, it had less social protection measures, for example, only a 10% discount in electricity payments for the most needy households, and a temporary prohibition of suspension of basic services. Both labor unions and the major indigenous organization, CONAIE, criticized the reform as benefiting employers and hurting workers.[157] The next days saw street protests against the reform, despite social distancing measures in effect.

Five days later, on May 20th, and under pressure from foreign lenders, the government announced a plan to cut US$ 4 billion from public expenditures, through executive decrees, including one-quarter of this from temporary reductions in work hours and salaries of public sector employees (with some exceptions),[158] as well as selling off public enterprises, reductions in investment, and US$ 1.3 billion through restructuring foreign debt.[159]

The numbers of unemployed continued to increase; for April and May, the Social Security Institute reported the loss of 240 000 contributing workers.[160] Meanwhile, the Congressional reform of

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151 El Comercio, 15.4.2020, available [online] https://www.elcomercio.com/actualidad/gobierno-reforma-laboral-coronavirus-ecuador.html.

152 El Comercio, 24.4.2020, available [online] https://www.elcomercio.com/actualidad/ecuador-empresas-desempleo-crisis-coronavirus.html.

153 El Relato, 9.5.2020, available [online] https://www.elrelatoec.com/2020/05/09/al-rededor-de-un-363-de-afiliados-menos-al-iess-a-causa-de-desempleos/.

154 El Comercio, 5.5.2020, available [online] https://www.elcomercio.com/actualidad/empleadas-domesticas-garantizar-movilizacion-seguridad.html.

155 El Comercio, 12.5.2020, available [online] https://www.elcomercio.com/actualidad/bid-micro-empresas-ecuador-credito.html.

156 El Comercio, 16.5.2020, available [online] https://www.elcomercio.com/actualidad/aprobacion-ley-humanitaria-contribuciones-especiales.html.

157 Infobae, 16.5.2020, available [online] https://www.infobae.com/america/agencias/2020/05/16/asamblea-de-ecuador-aprueba-reformas-laborales-por-pandemia-en-medio-de-criticas/.

158 Ministerio de Trabajo, 19.5.2020, available [online] http://www.pichinchacomunicaciones.com.ec/ministerio-de-trabajo-confirma-reduccion-del-16-66-en-los-salarios-de-servidores-publicos/.

159 La Diaria, Uruguay, 20.5.2020, available [online] https://ladiaria.com.uy/articulo/2020/5/gobierno-ecuatoriano-anuncia-nuevas-medidas-para-recortar-4000-millones-de-dolares-del-gasto-publico/.

160 El Universo, 5.7.2020, available [online] https://www.eluniverso.com/noticias/2020/07/04/nota/7894542/clase-media-pobreza-pandemia-covid-19-retroceso-ecuador-2020.

the Humanitarian Assistance Law waited for executive approval, and on June 9th, the government announced objections to a series of congressional revisions, including salary reductions to below the minimum wage.[161] The reform was finally signed into law on June 19th, allowing laid-off workers speedier access to unemployment insurance, maintaining a minimum wage floor, and prohibiting suspensions of basic utilities, including telecommunications and internet access, for a defined period of time.[162] Importantly, it allowed for much more flexibility in labor contracts.[163] At the end of July, the Social Security Institute webpage still listed a 60 -day wait period for unemployment insurance.[164]

Both countries, particularly Ecuador, were slow to provide assistance to formal sector workers, whether through subsidizing employment (which Colombia did starting May, and Ecuador has not done as of yet), or through activating unemployment insurance.

Both governments moved by the end of March to begin authorizing cash assistance to vulnerable households. In both countries, recipients were determined by the government on the basis of existing databases, without the opportunity for individuals or households to self-identify and apply for aid.

The Colombian government moved rapidly to increase assistance to recipients of existing non-contributory cash transfer programs. On March 18th the government announced, and on the 22nd, decreed an extra transfer of 145,000 pesos (US$ 39) to the regular end-of-March transfer, bringing the average transfer a household received to 334,000 pesos (US$ 86).[165] 90% of these families had bank accounts and received their transfers by the end of the month.[166] Additionally, the one million poorest households received another 70,000 pesos (US$ 17) per household in a value-added tax reimbursement. Finally, the government bolstered the regular cash transfer to 1.7 million elderly people to 240 000 pesos (US$ 64), and the youth program provided additional transfers to about 274,000 students.[167] In mid-May, the executive authorized another transfer, which had reached 85% of recipients by mid-June, and a third payment was authorized starting end of June.[168]

In terms of in-kind and basic utilities assistance, on March 24th, the Ministry of Education announced that recipients of the school nutrition program would continue to receive the food in their households during physical school closures, and the Colombian Institute of Family Wellbeing also announced it would deliver food baskets to one million households. The government also announced extended payment times and price discounts for basic utilities for low-income households, and reconnection of water to any vulnerable households that had had their water cut off.

At the end of March, the government also announced a program for households in the informal sector, called Solidarity Income (Ingreso Solidario; from here-on IS). The target group were poor and vulnerable households in the informal sector that were not included in existing cash transfer programs. An executive decree established the program on April 8th, with a reach of three million families. The government used existing databases to determine eligibility, drawing especially on the Sisbén database through which recipients of social programs are identified, but also drawing on the Ministries of Health,

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161 El Telegrafo, 9.6.2020, available [online] https://www.eltelegrafo.com.ec/noticias/politica/3/moreno-objecion-parcial-ley-apoyo-humanitario.

162 Asamblea Nacional, 19.6.2020, available [online] https://www.asambleanacional.gob.ec/es/leyes-aprobadas.

163 El Comercio, 24.6.2020, available [online] https://www.elcomercio.com/actualidad/beneficios-ley-humanitaria-aplicacion-acuerdos.html.

164 Instituto Ecuatoriano de Seguridad Social, accessed 31.7.2020, available [online] https://www.iess.gob.ec/es/seguro-de-desempleo.

165 The calculation of the regular transfers in the Familias en Acción program are complex, with different amounts for school attendance and health checks, by age and number of children as well as location of residence.

166 See [online] https://id.presidencia.gov.co/Paginas/prensa/2020/Gobierno-Nacional-acelera-entrega-apoyos-sociales-sectores-mas-vulnerables-ante-emergencia-por-coronavirus-COVID-19-200327.aspx.

167 Ibid.

168 Ministry of Social Prosperity, June 12, 2020, available [online]https://prosperidadsocial.gov.co/Noticias/segunda-entrega-de-transferencias-monetarias-no-condicionadas-ha-beneficiado-a-mas-de-27-millones-de-hogares/.

Education and Finance. While parameters were outlined, the exact formula for determining eligibility has not been published.

The government began delivery of the IS transfer in the second week of April, with the goal of reaching all recipients with bank accounts before the end of the month.[169] By April 22nd, just over one-third, 1 163 million households, had been reached. Meanwhile, in mid-April, protests broke out across cities in Colombia in response to lack of food, and opposition politicians called on the government to do more.[170] At the same time, reports of incorrect recipients and potential fraud surfaced, with an audit revealing 35,000 irregularities in registration for benefits.[171] In response, the government noted that 99.4% of the registrations were correct and that those that were not had been removed.[172]

From April 22nd on, the government began reaching out to recipients who did not have bank accounts, sending text messages on how to open a digital account and access the transfer. The government also announced an additional transfer as the quarantine was extended. By early May, the IS had reached almost 1.5 million households, about half of the intended reach of three million households.[173] By late May, as the government announced a third transfer, the number had reached two million households.[174] By the end of June, the government claimed that it had reached 2.5 million households, with a total of 480 000 pesos for the three-month period.[175] As per Figure 6, even assuming a total coverage of three million, this covered a small fraction, just 20%, of the pre-pandemic informal employed population.

The sufficiency of these transfers has been criticized. Indeed, as per Figures 8 and 9, the IS transfer of 160,000 pesos (US$ 40) per household, covers barely one-quarter of the extreme poverty line for each household member, in a family of four, and not much more for the existing CCT recipients. An analysis based on household surveys estimated that, even with the current emergency transfers, the poverty rate in Colombia by May had increased from 18 to 32% and extreme poverty from 4.5% to 16.7%, as a consequence of the loss of labor income to over four million informal workers (Sánchez and Chaparro, 2020).[176] Scholars, civil society actors and politicians have widely called for a more far-reaching and sufficient basic income. In June, legislators proposed a bill for a three-month universal basic income to reach nine million households, but the bill did not make it to a vote and as a result, dozens of politicians signed an open letter to the President calling for this basic income, highlighting 5.4 million jobs lost during the crisis and an increase in poverty. In response, the Minister of Finance declared that the government had already established nearly a universal basic income with its existing programs, and that the resources the government had "do not enable us to provide a minimum income to nine million households".[177] At the end of June, the government declared that it had extended the monthly transfer of 240 000 pesos per households in the IS program through to the end of the year.

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[169] Decree 570 from April 15th, 2020 included members of demobilized armed groups with no other income in the solidarity income; the total was only just under 3,200 people.

[170] 16.4.2020 ¿Por qué no están llegando alimentos a los barrios pobres de Colombia? available [online] https://www.semana.com/nacion/articulo/por-que-no-estan-llegando-alimentos-a-los-barrios-pobres-de-colombia/663866.

[171] 10.4. Semana Noticias, available [online]https://www.semana.com/semana-tv/semana-noticias/articulo/tras-escandalo-de-cedulas-permanece-deshabilitada-pagina-del-programa-ingreso-solidario/662859.

[172] Tras escándalo de cédulas, permanece deshabilitada página de Ingreso Solidario available [online] https://www.semana.com/nacion/articulo/los-problemas-enfrentados-por-el-programa-ingreso-solidario/664276.

[173] 1.482.690 households. 5.5. 2020, TeleMedellín, available [online] https://telemedellin.tv/ingreso-solidario-ha-sido-entregado-a-mas-de-1-4-millones-de-hogares/387705/.

[174] TeleMedellín, 23.5.2020, available [online] https://telemedellin.tv/gobierno-anuncia-tercer-pago-de-ingreso-solidario/390733/.

[175] Revista El Congreso, 25.6.2020, available [online] http://www.revistaelcongreso.com/gobierno/presidente-duque-anuncia-que-los-giros-de-ingreso-solidario-se-extenderan-hasta-diciembre-de-2020/.

[176] These figures are different from Figure 5 due to different measures of poverty. But what is central is the increase.

[177] El Heraldo, 9.6.2020, available [online] https://www.elheraldo.co/colombia/gobierno-asegura-que-no-le-alcanzan-los-recursos-para-la-renta-basica-733091.

The Colombian experience also highlights the problems with using restrictive criteria for identifying those in need of assistance, and the protection gap that resulted (Figure 7). While the government announced assistance relatively rapidly –before the end of March– and added transfers as the quarantine was extended -the way it determined recipients had a negative impact on reach. One report identified 1.9 million poor and vulnerable households that just missed the threshold for eligibility, but are in need of government assistance (Cárdenas and Martínez, 2020). Government officials have pointed to important achievements with the Sisbén database; for example, through receiving the IS transfer, 740 000 people now have bank accounts. However, problems with the database have slowed down the ability of the government to reach even all the intended recipients, let alone those in need of assistance who were not included: by the end of June, 600,000 people had still not been reached, for a variety of reasons, driving officials to go find the individuals in person at their homes, rather than through electronic means.[178]

The government was as of early July 2020 seeking to update and improve the database. At least part of the problem appears to be that prior to the pandemic, people had been hesitant to register updates in the Sisbén database due to fear of disqualifying for means-tested assistance.[179] However, as of the end of July there was no way for a person to self-identify and apply for the IS transfer assistance.[180] The only way for a person in need to be considered for inclusion was to apply to be evaluated for the Sisbén database, which requires a visit to the Sisbén municipal office and a request for an interview. The interviewer then goes to the applicant's home at an agreed-up time to conduct the interview.[181] Such a mechanism is unlikely to be fast or feasible during a pandemic-induced quarantine. Given the small amount of the transfer, and the pre-determined and restrictive reach, the program to date is neither inclusive nor sufficient.

Cities in Colombia have moved to fill in some of the gaps in national assistance. Bogotá provided additional cash and in-kind assistance to poor and vulnerable households, with the goal of enabling a family of four to meet their basic necessities during the quarantine. Such aid reached 337,000 households by late May, but here also the government determined the beneficiaries.[182] Medellín, on the other hand, created a mechanism by which people could themselves determine if they needed assistance, and electronically apply for aid.[183] By mid-April, 130 000 households had registered for and received aid this way, many of them not registered in any other government programs, and by mid-May, 300,000 households had received aid. Such a demand-driven approach was identified by the Mayor of Medellín as the most efficient way of identifying those in need and delivering assistance.[184]

Ecuador's government did not, unlike in other countries, use the existing non-contributory program to deliver additional cash assistance. It appears, though, that existing recipients continued to receive their regular monthly transfers.[185] The government instead announced on March 20th a cash transfer, the Family Protection Bonus, for 400,000 individuals and households with no income due to the pandemic. A week later, on March 27th, the bonus was formalized in an executive decree. It provided two US$ 60 transfers, for April and May, to 400 000 households affiliated with two government

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[178] El Dinero, 28.6.2020, available [online] https://www.dinero.com/pais/articulo/que-es-el-sisben-iv-y-cuando-quedara-listo-en-colombia/290386.

[179] Ibid.

[180] See [online] https://ingresosolidario.dnp.gov.co/#Info, accessed on 31.7.2020.

[181] See the Sisbén webpage, accessed on 6.7.2020, available [online] https://www2.sisben.gov.co/atencion-al-ciudadano/Paginas/Preguntas%20frecuentes.aspx.

[182] See [online] https://bogotasolidariaencasa.gov.co/#rendicion.

[183] See [online] https://www.medellin.gov.co/medellinmecuida.

[184] See two presentations by Medellin government officials, from 17.4.2020, available [online] https://www.youtube.com/watch?v=02pL9Vq8wzM and 17.5.2020, available [online] https://www.youtube.com/watch?v=dxdoAO1nWLQ.

[185] On July 11th, the government announced a new opportunity to apply for inclusion in the human development bonus, with in-home visits planned for September. See MIES, 11.7.2020, available [online] https://elyex.com/mies-bono-desarrollo-humano-inscripcion-ecuador-solidario/.

registries (rural social security and unpaid domestic work) and with a household income below minimum wage. Households that received any other government transfers (for example, the human development bonus) were ineligible.[186] The government pre-selected the recipients, and began distribution of these transfers on April 1st. Eligible individuals could check online to see if they were recipients but could not apply for it. By April 24th, 352,000 of the original recipients had collected the April transfer of US$ 60 dollars, and before mid-May, the number had reached over 400,000, of whom 88% were women, according to government data.[187]

On April 10th, the government announced an additional 550,000 recipients for this two-time cash transfer, increasing the total reach to 950 000 individuals. This expansion was financed by the Inter-American Development Bank. Given the extremely limited fiscal space, the President at the same time announced his solidarity tax plan, to temporarily tax profits and high-income earners, and with which he planned to broaden social assistance, including extending the Family Protection transfer to an additional one million people, thus altogether reaching two million people.[188] The solidarity tax raised strong opposition, and failed in Congress, as mentioned above.

The extension of the IADB-financed Family Protection Bonus was formalized in an executive decree on April 24th.[189] The recipients for this extension were selected based on the government's social registry and an inter-ministerial committee.[190] To avoid additional movement and lines during the pandemic, the government established a one-time transfer of US$ 120 dollars for this group. The plan was to extend this transfer to all recipients between May 1st and June 30th.

At the end of April, the government provided a webpage where people could check to see if they had been selected as recipients. On May 14th, two weeks behind schedule, the government announced that the distribution of the 120-dollar transfer to the second group of recipients would begin. Recipients could collect their transfer on dates determined by the last number of their identity card; moreover, recipients were divided into two groups: the first could collect starting May 15th, and the second group, starting June 1st.[191] No information was reported on how many had received the transfer by the end of July, but the government webpage still listed locations at which recipients could collect it at.[192] As per Figures 6 to 9, the breadth and sufficiency of transfer in Ecuador are low.

Meanwhile, at the end of April, the government announced a plan to deliver several million food baskets to families, to reach eight million people in need.[193] Again, beneficiaries were predetermined, targeting people with disabilities, catastrophic illnesses, and vulnerable children. More specific eligibility criteria were not publicly available but again, people could check online to see if they were recipients. The government delivered this aid through schools, neighborhood stores, and home delivery. The package for children, for example, included food for 17 breakfasts.[194] A private initiative also provided 1.2 million food baskets to vulnerable families.[195]

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[186] Decree 1022/2020.

[187] Ministry of Social Development document, available [online] https://drive.google.com/file/d/1iBFxpjBPPyb_Z9v7aTmsx6swFYxNROZ2/view.

[188] El Universo, 10.4.2020, available [online] https://www.eluniverso.com/noticias/2020/04/10/nota/7809672/bono-60-dolares-coronavirus-emergencia-ecuador.

[189] Executive decree 1026/2020.

[190] Primicias, 24.4.2020, available [online] https://www.eluniverso.com/noticias/2020/04/10/nota/7809672/bono-60-dolares-coronavirus-emergencia-ecuador.

[191] El Comercio, 14.5.2020, available [online] https://www.elcomercio.com/actualidad/pago-bono-segunda-fase-covid19.html.

[192] See the government webpage, accessed 31.7.2020, available [online] https://www.inclusion.gob.ec/puntos-de-pago-del-bono-de-proteccion-familiar-por-la-emergencia/.

[193] Metro Ecuador, 30.4.2020, available [online] https://www.metroecuador.com.ec/ec/noticias/2020/04/30/canasta-solidaria-conoce-beneficiario-donde-retirarla.html.

[194] Tikitakas, 8.5.2020, available [online] https://as.com/diarioas/2020/05/07/actualidad/1588885299_332005.html.

[195] See [online] https://www.inclusion.gob.ec/dar-una-mano-sin-dar-la-mano-sobrepaso-la-meta-planteada-y-recaudo-mas-de-1-millon-200-mil-kits-alimenticios-para-las-familias-mas-vulnerables-durante-la-crisis-sanitaria/ and https://www.darunamanoecuador.com/.

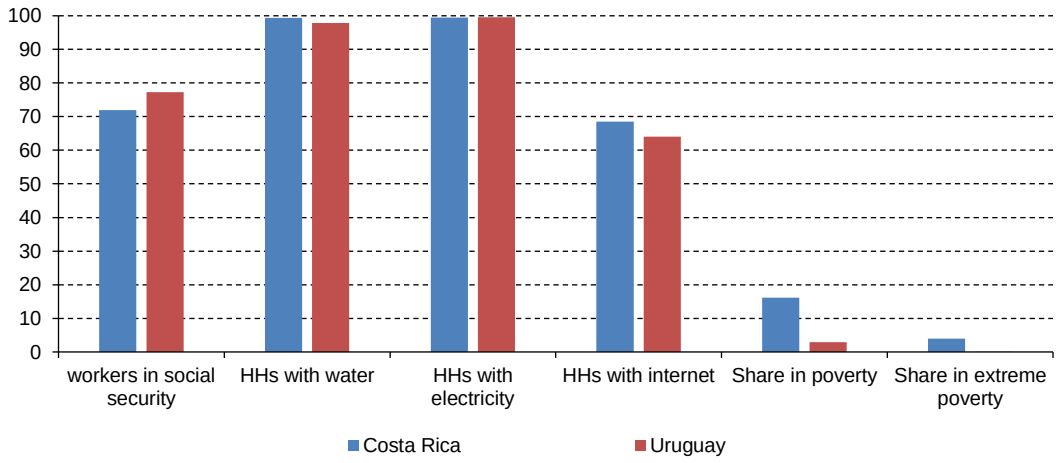
The socio-economic effects in Ecuador have been devastating. One expert, the ex-Director of the National Statistics Institute, projected in early July that poverty in Ecuador would increase from 25% to 40%, due not just to the economic slowdown but also due to government policies of expenditure cuts and low levels of social assistance.[196]

In sum, while both Colombia and Ecuador extended assistance to households that they had identified as poor and vulnerable, the programs were restricted in their breadth and slow to deliver assistance to all recipients. In both countries, the parameters and identification of recipients was determined through pre-existing databases of the government and by the government; people could only check to see if they qualified. There is no doubt that these mechanisms led to errors of exclusion, as the new transfers covered a population the size of only 20% of the pre-pandemic informal employed population. Moreover, in both countries sufficiency of the transfer was low, just a fraction of the extreme poverty line.

E. Uruguay and Costa Rica

Uruguay and Costa Rica are two examples of some of the most robust welfare states in the region (Cecchini, Filgueira and Robles, 2014). Figure 14 outlines social indicators in Uruguay and Costa Rica on a set of measures, including share of workers contributing to social security, access to water, electricity and the internet, and share of the population in poverty and extreme poverty.

Figure 14
Social indicators, Costa Rica and Uruguay
(Percentages)



Source: CEPALSTAT and IADB 2018 for the share of workers in social secuirity.
Notes: Data for Urban population living in slums, informal settlements or inadequate housing corresponds to 2014. Data refering to Percentage of households with Internet access at home corresponds to 2017.

Uruguay has the highest rates of formalization of the labor force in Latin America, reaching 77% of the employed population, and Costa Rica is close at 72%. Both countries have near-universal access to water and electricity, with internet access between 60% and 70% of households. Uruguay's poverty

[196] Interview of Byron Villacís, ex-Director of the Instituto Nacional de Estadística y Censos (INEC) and co-Founder of the Observatorio Latinoamericano de Censos de Población, in El Universo, 5.7.2020, available [online] https://www.eluniverso.com/noticias/2020/07/04/nota/7894542/clase-media-pobreza-pandemia-covid-19-retroceso-ecuador-2020.

rate is at a very low 3%, and extreme poverty is at 0.1%. Costa Rica's poverty rate is higher at 16%; extreme poverty is very low, at 4%.

Uruguay has unemployment insurance for both salaried and self-employed workers in the formal sector. Workers are eligible if they have contributed at least 180 days of the previous 12 months, and 150 working days for day laborers. Unemployment insurance covers six months, starting at 66% replacement rate for the first month, progressively down to 40% for the last month.[197] Aside from this, non-contributory programs reached the elderly, disabled, and households and children in poverty. The Social Uruguay program (Tarjeta Uruguay Social-TUS) provides cash assistance to households that are socio-economically extremely vulnerable, to cover basic necessities. It covers 87,000 households, and the amounts vary according to the number of children in household and the level of socio-economically vulnerability, from 1.201 (US$ 28) to 6.460 (US$ 154) per household.[198] The Family Allowances in the Equity Plan (Plan Equidad) cover 195,000 households, with transfers that vary by household composition and a child's age, but a general transfer is 1757 pesos (US$ 42) for a child up to secondary school.[199] All households with children in the Social Uruguay Program are also part of the Equity Plan. As Figure 5 shows, coverage of children in these transfer programs is high; 59% of children are covered, showing that likely those who need it are reached, but it also reveals that children in Uruguay are particularly vulnerable to poverty.

Costa Rica does not have unemployment insurance, but, like other countries, does have indemnization for laid-off workers. With prior authorization by the Ministry of Labor, companies can temporarily suspend workers. Costa Rica has non-contributory cash transfer programs for the elderly and disabled, as well as two conditional cash transfer programs directed at children: Avancemos, for secondary school children in poverty, and the new Crecemos (established in July 2019), directed at pre- and primary school children in poverty.[200] The monthly cash transfers of Avancemos range between C30,000 and C40,000, depending on school grade;[201] and for Crecemos is a fixed amount of C 18.000 per child. Together, they now reach over 400 000 children, 29% of all children.[202]

1. Physical distancing policies

In Uruguay, the first case was confirmed on March 13th. That same day, the Uruguayan government declared the country in a state of sanitary emergency. On March 14th classes were suspended at all public and private educational levels. Although the government exhorted the population to practice social isolation, it was one of the few countries of the region that did not decree mandatory quarantine. On March 16th, the Government decided to completely close the borders with Argentina. The total suspension of flights from Europe was announced on March 20th, except for humanitarian flights for returnees. On March 23rd, the land borders with Brazil were closed, while the airlines announced the cessation of their flights between Brazil and Uruguay until further notice. On the 17th, the government called for the preventive closure of large premises, except for pharmacies and shops selling food.

The first death was on March 28th. The construction sector in Uruguay was suspended on March 24th, but the sector was reactivated on April 13th. Also, on April 22nd, 542 rural schools were reopened, with classes three times a week at limited hours. In late April, the use of face was declared mandatory

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197 Banco de Previsión Social, available [online] https://www.bps.gub.uy/4802/subsidio-por-desempleo.html.

198 Banco de Previsión Social, available [online] https://www.gub.uy/ministerio-desarrollo-social/politicas-y-gestion/programas/tarjeta-uruguay-social.

199 The more children a household has, the less is the transfer on average for each child. See Banco de Previsión Social, available [online] https://www.bps.gub.uy/3540/plan-de-equidad.html.

200 Instituto Mixto de Ayuda Social, [online] https://www.imas.go.cr/sites/default/files/content/Lo-que-usted-tiene-que-saber-del-programa-Crecemos.pdf.

201 See Presidencia, 4.9.2019, [online] https://www.presidencia.go.cr/comunicados/2019/09/exito-en-segundo-deposito-y-mayor-control-robustece-programa-crecemos/.

202 El Periódico, 11.1.2019, available [online] https://elperiodicocr.com/beneficiarios-de-imas-y-avancemos-reciben-dineros-adeudados-de-diciembre/.

in supermarkets and banks. Since the end of April, businesses began to reopen, as well as restaurants and other non-essential services. On May 5th, workers of the public administration dependencies were able to get back to their workplaces, under new hygiene protocols. On May 21st, the President announced the gradual return of education in three stages: June 1st, 15th, and 29th. The back-to-school plan has been successful, and mostly all the students have returned to school, although still with less hours than usual. Although some activities continue to be suspended, such as theaters, cinemas, night clubs, among other, most of the economic activity has been reactivated.

The first case in Costa Rica was registered on March 6th, and the first death on March 18th. On March 15th, the closing of bars and restaurants, and on March 16th, a state of national emergency was declared, schools were closed as well as national parks. On March 18th, theaters and cinemas were closed for the weekend. On March 23rd, the Ministry of Health orders to close businesses at 8 pm on weekends. On March 24th, the government order to prohibit the circulation of vehicles from Monday to Thursday from 10 pm to 5 am, and from Friday to Sunday from 8 pm to 5 am, except for those in charge of deliveries of medicines and food. Total closure of beaches until further notice. As of May 1st, and due to the decrease in the curve of active cases, the Government had begun to reopen some activities such as gyms, beauty salons, mechanical workshops with limitations. On May 12th, began to reopen. On the 1st of July, when the country was in phase 3 of this plan, the government had to go back on some restrictions due to increasing infections. In the last weeks, the authorities have been applying restrictions, closings and opening of activities by districts or cantons.

2. Social protection responses

The new Uruguayan government, which had just been sworn in in early March, moved rapidly. On March 19th, the Ministry of Labor announced that the government would make unemployment insurance available on a partial basis, for workers who experienced a reduction of work hours to at least half, or for a period shorter than a month. Initially it was established for 30 days, but it has been extended several times, most recently (July 17th) up until September 30th.The government also announced other economic measures such as credit and tax relief.

On March 25th, the government issued an executive decree to provide leave to all the over 65-year olds in the workforce, with a sick leave subsidy that covers 70% of their wages, with a cap. It was expected to reach 55 000 people.[203] It was also established initially for a month, but was in effect until July 30th.

In early May, the government eased the eligibility requirements on unemployment insurance, allowing workers with just three to five months of contributions, and daily contractors with just 75 to 149 days, to access unemployment insurance.[204] In total, for the months of March, April and May, 259 000 applications for unemployment insurance were processed, which included the temporary suspensions and work hour reductions.[205] The vast majority were for temporary suspensions.[206] In 2019, the average number of applications per month was 11 700.[207]

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[203] Banco de Previsión Social, available [online] https://www.bps.gub.uy/16976/subsidio-por-enfermedad-para-mayores-de-65-anos.html.

[204] Banco de Previsión Social, available [online] https://www.bps.gub.uy/17260/flexibilidad-en-el-acceso-al-subsidio-por-desempleo.html.

[205] El Observador, 2.6.2020, available [online] https://www.elobservador.com.uy/nota/solicitudes-de-seguro-de-paro-bajaron-en-mayo-pero-aumento-porcentaje-de-despidos-2020611760.

[206] La Diaria, 16.4.2020, available [online] https://ladiaria.com.uy/trabajo/articulo/2020/4/47332-solicitudes-de-desempleo-en-los-primeros-13-dias-de-abril/; La República, 8.5.2020, available [online] https://www.republica.com.uy/176-159-trabajadores-fueron-enviados-al-seguro-de-desempleo-id764699/.

[207] El Observador, 2.6.2020, available [online] https://www.elobservador.com.uy/nota/solicitudes-de-seguro-de-paro-bajaron-en-mayo-pero-aumento-porcentaje-de-despidos-2020611760.

On the first of July, the government issued a decree to subsidize reactivation of employment, with a monthly transfer of 5 000 pesos (US$ 118) for three months, for every worker that companies reintegrate suspended workers, or for new hiring's in those companies that did not have any worker on the unemployment insurance.[208]

Toward recipients of non-contributory cash transfer programs, the Social Development Ministry announced on March 24th that it would double the amount of the transfer in the "Social Uruguay" program (Tarjeta Uruguay Social), targeted at households that are socio-economically extremely vulnerable, and deliver it in two payments: one at the end of March and the other at the end of April. Three days later, on March 27th, the government announced a doubling of the Family Allowances transfer as well, for those that are not beneficiaries of Tarjeta Uruguay Social (approximately 120,000 households). At the end of May, the government announced an additional doubling of the transfer, in two payments again, one in June and one in July.

On March 26th, the government announced the creation of the Coronavirus Fund, to help cover social and health needs in the face of the pandemic, financed with utilities from public companies, contributions from highly paid civil servants and public officials, and credits from International Organizations.[209] The Minister of Economy estimated that the cost of the social protection measures, including unemployment and sick leave, and the transfers from the Ministry of Social Development, would cost approximately US$ 400 million, and be partly covered by the coronavirus fund.[210] On April 2nd, Congress unanimously approved the establishment of the Fund. However, the majority reduced the duration of the contributions/temporary taxes.[211]

On April 2nd, the government announced cash transfers to 10 000 self-employed workers in a social program for vulnerable households,[212] for two months, at 6 800 pesos (US$ 160) per month,[213] that in June was extended for two more months. On the same day, the Minister of Economy announced soft loans of 12 000 pesos (US$ 282) per month for self-employed workers and micro-enterprises of up to two people, reaching approximately 67 thousand companies.[214]The government also announced some measures related to postponement and flexibilizations of consumer and housing debt.

For informal workers, the government announced on April 4th the creation of a voucher with which to acquire basic necessities for 1 200 pesos (US$ 28), to people in the informal sector that are not covered through any existing programs. Eligibility was determined by whether an individual was in a pre-existing contributory or non-contributory program; if not, they were eligible for the voucher. People could fill an online application and receive the voucher -to be used in a broad range of supermarkets and local food stores- through a cell phone App about a week later; if they did not have a cell phone, they could call a number to receive a physical food basket.[215] The transfer was targeted at individuals, not

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[208] Banco de Previsión Social, available [online] https://www.bps.gub.uy/17388/incentivos-economicos-para-empresas-que-reintegren-o-incorporen-trabajadores.html#:~:text=El%20beneficio%20alcanza%20a%20las,0%20que%20contraten%20nuevos%20empleados.&text=El%20aporte%20consiste%20en%20un,la%20empresa%20reincorpore%200%20contrate.

[209] Government Official Page, 27.3.2020, available [online] https://www.presidencia.gub.uy/comunicacion/comunicacionnoticias/fondo-coronavirus-conferencia.

[210] En Perspectiva, 2.4.2020, available [online] https://www.enperspectiva.net/en-perspectiva-programa/titulares/noticias-del-jueves-02-abril-2020/.

[211] Montevideo Portal, 1.4.2020, available [online] https://www.montevideo.com.uy/Noticias/Por-unanimidad-el-Senado-aprobo-el-proyecto-de-ley-crea-el-Fondo-Coronavirus-uc748874.

[212] See Ministerio de Desarrollo Social, available [online] http://monotributo.mides.gub.uy/innovaportal/file/18810/1/monotributo_digital_2019.pdf.

[213] Montevideo Portal, 2.4.2020, available [online] https://www.montevideo.com.uy/Noticias/Lacalle-anuncio-subsidio-de-6-800-por-mes-durante-dos-meses-a-monotributistas-del-Mides-uc748991.

[214] El Observador, 2.4.2020, available [online] https://www.elobservador.com.uy/nota/mides-otorgara-un-subsidio-mensual-de-6-800-para-monotributistas--20204221330.

[215] See: https://www.gub.uy/tramites/solicitud-canasta-emergencia-alimentaria.

households, allowing for more than one person per household to receive it.[216] Ten days later, on April 14th, the government announced that they had received 150,000 applications for the voucher, 75 000 were accepted, and about 30,000 had already used them.[217] By the end of April, 110 000 vouchers had been delivered, of which 75% had been used.[218] By the end of May, the vouchers had 220 000 recipients. The transfer was extended for May, June and July as well, and each beneficiary automatically receives the credit recharge 30 days after receiving the previous transfer.

In early April, the government also issued two decrees exhorting the electricity and telecommunications companies not to cut services; the public water services had already passed such a resolution two weeks earlier.[219] Moreover, subsidies for low-income households were provided for electricity.[220]

The speed of the Uruguayan response compares well regionally, and the breadth of the existing social protection system is high. Therefore, a large share of Uruguayan households were reached through activating these existing mechanisms. While the government created a relatively speedy mechanism for informal households to get food assistance as well, reaching them by the end of April, the sufficiency was very low.

In Costa Rica, the government declared a state of national emergency on March 16th, suspending all classes in educational institutions. Cash transfers for children were maintained and food services were transformed for home consumption. The government also signed a directive prohibiting cuts to water services.[221]

At the same time, the government announced tax relief and exhorted companies to anticipate vacations before requesting suspensions.[222] On March 19th, the government announced a one billion colón Protection Plan (Plan Proteger), equivalent to 3% of GDP, to, among other measures, provide income support to workers who were laid off, suspended, or had their work hours reduced, including the self-employed. In contrast to the measures taken by other countries, this plan included support to formal, informal, and self-employed workers in the same package. Elements of the plan required congressional authorization. On March 21st, Congress approved a law that authorized the reduction of work hours and a corresponding reduction of salaries, up to 50% for companies with a decrease of 20% in their income compared to the previous year, and up to 75% for companies with a decrease of 60% in their income, for three months, and extendable twice.[223] The Social Security Institute also reduced and postponed social security payments for workers with a reduction in hours.[224] Labor unions expressed their disconformity with the reform, arguing it benefited companies over workers.

To compensate for these reductions or contract suspensions, in early April Congress also authorized changes in the criteria to access the fund for severance payments.[225] By mid-April,

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[216] El Observador, 15.4.2020, available [online] https://www.elobservador.com.uy/nota/canastas-del-mides-para-trabajadores-informales-cuantas-llevan-entregadas-y-como-pedirla-20204151948 28.

[217] El Observador 15.4.2020, available [online] https://www.elobservador.com.uy/nota/canastas-del-mides-para-trabajadores-informales-cuantas-llevan-entregadas-y-como-pedirla-20204151948 28

[218] El País, 28.4.2020, available [online] https://www.elpais.com.uy/informacion/servicios/canastas-mides-canjearon-habian-asignado.html.

[219] El Observador, 8.4.2020, available [online] https://www.presidencia.go.cr/comunicados/2020/03/emitida-directriz-para-detener-cortes-de-agua-por-morosidad-y-restablecer-servicios-suspendidos-por-impago/.

[220] UTE, 4.5.2020, available [online] https://www.ute.com.uy/comunicados/ute-no-ha-realizado-cortes-y-adopta-medidas-en-beneficio-de-sectores-afectados.

[221] Presidencia, 20.3.2020, available [online] https://www.presidencia.go.cr/comunicados/2020/03/emitida-directriz-para-detener-cortes-de-agua-por-morosidad-y-restablecer-servicios-suspendidos-por-impago/.

[222] Congress approved a fiscal relief law on March 19th, providing relief in taxes (Law 9830/2020).

[223] Law 9832/2020.

[224] La República, 20.3.2020, available [online] https://www.larepublica.net/noticia/trabajadores-cuyo-salario-sea-rebajado-contribuiran-con-el-nuevo-monto.

[225] Law 9839/2020.

companies had submitted 75 000 requests for work reductions or suspensions, of which 25% had already been processed, and of these, over 98% had been approved.[226]

The Costa Rican government, uniquely for the region, formulated an income protection package that included formal and informal workers on equal terms. On March 27th, the president announced the government's intention to present to Congress a plan -and a budgetary request- to provide economic assistance for three months to 375 000 families who had lost labor income.[227] The government proposed a solidarity tax for those with higher incomes to help with the financing of this plan, but met with legislative opposition.[228]

On April 9th, the government announced the exact parameters of the assistance, called "Bono Proteger": workers who were laid off, suspended or with a work hours reduction of 50% or more, would receive C 125 000 (US$ 203) per month for three months. Those who saw their work hours reduced by less than 50% would receive half of that amount, C 62 500 per month. Importantly, self-employed and informal workers were eligible to apply for the benefit as well, as well as legal migrants.[229] Those who received a salary or other government transfers higher than C 50 000 (US$ 84) per month were ineligible, although one household can receive more than one Bono Proteger. The plan was to spend ₡296 billion (US$ 498 million) and to reach in total 680 000 people.[230]

The government issued an executive decree on April 17th, and immediately began to implement the program. To extend its reach to 400,000 people, however, the executive needed congressional authorization for a larger budget, which Congress authorized on April 24th.[231] By the end of April, 562,000 applications had been submitted to the online platform, and 70,000 people had received the transfer.[232]

Parallel to the Bono Proteger, the government announced a one-time transfer of C125 000 (US$ 203) to 33 000 families in poverty, as identified by the Social Assistance Institute (Instituto Mixto de Ayuda Social-IMAS), but with no labor relation, and who were not recipients of any other government transfers higher than C 50 000 (US$ 84) per month. The intended recipients were female-headed households with dependents - elderly, disabled, or children-to care for. Those eligible did not apply for the benefit, but the government notified them. Of these, 41% did not have bank accounts and were to pick up the transfer in person.[233] Another one-time transfer of C100 000 (US$ 168) for these recipients was authorized in June.

In terms of coverage, in both programs, households that receive more than 50 000 colones per month in state transfers were ineligible, which excluded many poor households with children.[234] Thus, it left these households without access to this new transfer, which in terms of sufficiency, was much greater than what they received regularly. For example, a household with three children the ages of eight, ten and twelve, would receive C18 000 (US$ 30) for each child in primary school, and C 30 000 (US$ 50) per child in basic secondary school, to a total of C 66,000 (US$ 111) per month. This would make them ineligible for either the Bono Proteger or the IMAS Subsidy, since the monthly amount received

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[226] El Observador, 13.4.2020, available [online] https://observador.cr/noticia/75-000-trabajadores-tendrian-contratos-suspendidos-o-reducidos-por-emergencia-de-coronavirus/.

[227] Presidencia 27.3.2020, available [online] https://www.presidencia.go.cr/comunicados/2020/03/gobierno-propone-presupuesto-extraordinario-para-ayudar-a-375-mil-familias-afectadas-economicamente-por-covid-19/.

[228] El Faro, 30.3.2020, available [online] https://elfaro.net/es/202003/centroamerica/24203/Costa-Rica-estudia-impuesto-a-salarios-de-m%C3%A1s-de-$1900-para-enfrentar-el-COVID-19.htm.

[229] By far the largest group of immigrants in Costa Rica are Nicaraguans, who number about 300,000. Many of them do not have legal migratory status, although information on a specific share is not available (Mora and Guzmán 2018).

[230] Presidencia, 9.4.2020, available [online] https://www.presidencia.go.cr/comunicados/2020/04/gobierno-lanza-bono-proteger-para-personas-trabajadoras-afectadas-por-covid-19/.

[231] Law 9840/2020.

[232] Presidencia,30.4.2020, available [online] https://www.presidencia.go.cr/comunicados/2020/04/gobierno-inicia-gestiones-de-pago-para-304-mil-bonos-proteger/.

[233] Instituto Mixto de Ayuda Social, 20.4.2020, available [online] https://www.imas.go.cr/es/comunicado/imas-realizo-deposito-extraordinario-para-familias-no-atendidas-por-otros-programas.

[234] Communication by authors with Juliana Martínez Franzoni, 29.7.2020.

by the state exceeds 50 000 colones. However, both are much more sufficient than their monthly transfer; Bono Proteger is almost double. On the other hand, in a household with two children (one in primary school and one in basic secondary), the amount received in regular transfers would be C 48 000 (US$ 81), so they would be eligible to apply for either the Bono Proteger or the IMAS Subsidy, and receive a much more sufficient monthly transfer.

In early May, the government announced an economic recovery plan, providing US $1.5 billion in credit to the private sector.[235] Meanwhile, applications for the Bono Proteger expanded rapidly. By May 5th, 599 000 people had applied, and over 188,000 people had received it. By May 12th, 711 000 people had applied and 296 000 deposits had been made.[236] The government also made provisions for 36 000 people without a bank account to pick up the transfer in person.[237]

The government, however, was running out of funds to approve more transfers. The Minister of Labor called for more funds to fulfill the government's goal of reaching 790 000 people, at a cost of C 250 000 million (US$ 423 million).[238] In mid-May, Congress approved a one-time transfer from the National Insurance Institute of C 75 000 million (US$ 127 million) to fund the Bono Proteger.[239] However, this transfer formed part of a larger executive request for congressional budget authorization, which was rejected by Congress on June 11th,[240] with opposed legislators citing insufficient cuts to public expenditure. The government argued that this would not allow the government to expand coverage to the 200,000 people they were supposed to cover with the INS funds.

On June 15th, a two-month assessment of the Bono Proteger reported that during the first two months (from April 9th to June 8th), a total of 941,000 people had applied for the transfer, and 535 000 had been approved, that is, 57%. Of those approved, 99.5% had received the first transfer, and 36% had also already received the second transfer. In total, 409 000 people were registered in the system as having applied and waiting for a result. Of these, 34% had applied in April, 58% in May, and the remainder during the first eight days of June. In terms of the profile of all the applicants, 38% identified as self-employed, 23% as informal workers, 22% as laid-off formal workers, 10% with a reduction in work hours, and 6% with a suspension of their labor contract.[241] According to the Minister of Labor, while no applications had officially been rejected, approval was based on prioritization of those deemed to be "most vulnerable", such as applicants with zero income, or female-headed households with children, disabled or dependent elderly, rather than on a first-come-first-served model.[242]

Due to lack of congressional budget authorization, further approvals were frozen in early June. In mid-July, the government statistics agency reported an increase in unemployment during the second trimester (April, May, June), from 11% in 2019 to 20% in 2020, with the rate for women at 26% and men at 16%.[243] Finally, at the end of July, Congress authorized the funds to cover 200,000 additional Bono

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[235] C 900,000,000,000. Presidencia, 8.5.2020, available [online] https://www.presidencia.go.cr/comunicados/2020/05/gobierno-inyecta-%e2%82%a1900-mil-millones-en-creditos-al-sector-productivo-para-la-recuperacion-del-pais/.

[236] Interview of the Minister of Labor, Columbia, 13.5.2020, available [online] https://www.columbia.co.cr/noticias/economia/17507-ministra-de-trabajo-advierte-que-requieren-mas-fondos-para-el-plan-proteger.

[237] Columbia, 10.5.2020, available [online] https://www.columbia.co.cr/noticias/coronavirus-covid-19/17363-banco-popular-anuncia-plan-para-entregar-el-bono-proteger-a-36-mil-personas-sin-cuenta-bancaria.

[238] Columbia, 13.5.2020, available [online] https://www.columbia.co.cr/noticias/economia/17507-ministra-de-trabajo-advierte-que-requieren-mas-fondos-para-el-plan-proteger.

[239] Presidencia, 20.5.2020, [online] https://www.presidencia.go.cr/comunicados/2020/05/ins-hace-efectivo-traslado-de-%c2%a275-mil-millones-equivalentes-a-200-mil-bonos-proteger/.

[240] Teletica, 11.6.2020, available [online] https://observador.cr/noticia/75-000-trabajadores-tendrian-contratos-suspendidos-o-reducidos-por-emergencia-de-coronavirus/.

[241] Presidencia, 15.6.2020, available [online] https://www.presidencia.go.cr/comunicados/2020/06/mtss-e-imas-presentan-informe-del-segundo-mes-del-bono-proteger/.

[242] Amelia Rueda, 7.7.2020, available [online] https://www.ameliarueda.com/nota/esperan-bono-proteger-desde-abril-entrega-no-se-hace-por-fecha-solicitud.

[243] El Financiero, 16.7.2020, available [online] https://www.elfinancierocr.com/economia-y-politica/tasa-de-desempleo-alcanza-un-historico-nivel-del/5XZFNO4IOFCMBNZPNVZYNVT4T4/story/.

Proteger recipients, with a vote of 49 to 1.[244] The breadth of coverage reported in Figure 7 includes this coverage extension; based on government reporting, workers in the formal sector have been deducted from the share shown; based on this, the new cash transfers reached a population the size of 61% of the pre-pandemic informal employed population.

Uruguay and Costa Rica both moved rapidly to extend assistance in response to the pandemic. A large share of Uruguayan households were rapidly reached through the existing contributory and non-contributory social protection programs. While the government created a relatively speedy mechanism for informal households to assistance as well, reaching them by the end of April, the sufficiency was very low. The Costa Rican program to integrate formal and informal workers into one plan, with a relatively sufficient transfer, was both coherent and ambitious. However, it has had to date two severe limitations: ineligibility of families with children in existing cash transfer programs; and delays in coverage extensions due to legislative opposition to the budget. The latter were partially resolved with an authorization for increased funding at the end of July.

[244] El Mundo, 28.7.2020, available [online] https://www.elmundo.cr/costa-rica/aprueban-en-segundo-debate-presupuesto-extraordinario-con-fondos-para-bono-proteger/.

IV. Moving forward: conclusions and lessons for the medium term

The enormity of the challenges that Latin American governments have faced since March should not be understated. We have sought to make an initial assessment of their policy responses on social protection policies specifically, toward those in the contributory social security system, those in non-contributory programs, and informal households. Given that almost half of the children in the region lived in poverty pre-pandemic, and most in informal households, our analysis paid particular attention to social protections toward informal households and households with children. These families, with the sudden halt to economic activities in mid-March, faced humanitarian catastrophe. In this conclusion, we recap our findings, and offer initial, tentative recommendations of best practices for the medium term that can help guide Latin American governments moving forward.

Since mid-March, governments have gone through a marked but varied policy expansion in social protection measures in compressed time. We have assessed the responses in terms of speed, breadth and sufficiency, focusing especially on income protection measures, to the three main groups of households: those in contributory programs, those in non-contributory programs, and informal households. *By the end of March*, seven out of the ten Latin American governments had pledged additional cash assistance to households they considered particularly vulnerable, as identified through existing cash transfer programs. All governments also sought to establish some form of labor and/or income protections to those in the formal sector, although responses varied quite dramatically. *By the end of April*, as it became clear that the crisis would not abate any time soon, nine out of ten governments had also pledged some form of emergency income assistance to the broad sector of informal households, whose labor or other private income had collapsed due to the pandemic. Of these nine, seven eventually established more inclusive, 'demand-driven' mechanisms where individuals who had lost their income could self-identify and apply (although they would still be evaluated by a government agency). Two -Ecuador and Colombia- maintained restrictive eligibility criteria that did not allow individuals to apply, and Mexico did not institute a new national-level income assistance program at all. Even many of the demand-driven models were slow to evaluate applicants and deliver aid, and

also grappled with errors of exclusion. ***By mid-June***, governments that had pledged aid had managed to deliver at least some of it to the majority of intended recipients. Delays were caused by a variety of factors, including slow recognition by executives of the extent of need; congressional reticence in authorizing massive budget increases; and implementation challenges related to technical and state capacity problems. It was a long wait for many vulnerable households, which also led to epidemiological risks as people who could not cover their basic needs were forced out of their houses in search of income and assistance.

By early August, vast differences in breadth and sufficiency had emerged across the countries examined, documented in Figures 6, 7, 8, and 9. Focusing especially on recipients of CCTs for households with children and informal households we see policy responses that range from high breadth and sufficiency -ie meeting households' basic needs- to minimal breadth and very low sufficiency. The governments that allowed for and established demand-driven mechanisms to identify recipients came much closer to closing the protection gap for informal households. Assuming no major errors of inclusion or exclusion, Brazil, Argentina and the Plurinational State of Bolivia managed to eliminate the protection gap in coverage; the first two countries also provided transfers that were sufficient enough (especially Brazil) that initial reports indicate that extreme poverty actually declined in response to COVID-19. The Bolivian transfers, while broad, were far less sufficient. Chile, Costa Rica and Peru, incrementally, made major progress over the past months in narrowing the protection gap, reaching a recipient population about 60% the size of the pre-pandemic informal employed population, although Costa Rica's exclusion of some recipients of existing cash transfer programs hurt especially families with more than one child.[245] In Chile and Costa Rica, delays were driven by political factors, and in Peru, by weaknesses in state capacity in reaching populations in need. The Chilean and Costa Rican transfers were relatively sufficient in covering households' basic needs; the Peruvian transfer remained far below that.

The challenge that Uruguay faced in terms of social protection was much less daunting to begin with. With almost 80% of the employed population in social security and with access to unemployment insurance, and a broad-reaching CCT program for children, the government activated the unemployment insurance program to allow for temporary suspensions and work hour reduction, and increased the amount of transfers going to vulnerable groups. A food voucher system to any who were left out of these protection programs was made available, even if it was not very generous.

Ecuador and Colombia, with a pre-determined pool of recipients, reached just 20% of their informal populations, leaving a sizeable protection gap in both countries. In addition, the low sufficiency of both the existing transfers to households with children and the new emergency transfers have likely contributed to the rise in poverty and extreme poverty in both countries since March. Finally, Mexico's strategy of continuing with its pre-existing programs but increasing neither coverage nor the amount of transfers, and not creating new cash transfer programs in response to COVID-19, has left many informal households in Mexico without any income protections. A recent United Nations report found children suffering from lack of access to adequate nutrition.

This policy expansion took place through ministerial resolutions, executive decrees, and/or congressional laws, depending on each country, each policy area, and existing laws and political culture. While bypassing Congress can be a speedier way to implement new policies, what has been most crucial in extending broad and sufficient income protections has been executive-legislative consensus on these protections as a priority. In some cases, the executive drove this goal; in other cases, this goal came from the legislature. In either case, the counterpart can act in a collaborative or conflictual way. In Argentina, the speedy response was implemented through executive decree, although it took place against the backdrop of considerable national unity, at least initially, as well as consultation with social

[245] As noted before, differences in targeting also influence how each recipient is counted; Chile and Peru, in different ways, targeted the family unit, while Bolivia targeted the person.

actors, including labor and business; the Uruguayan response also exhibited broad-based executive-legislative and societal cooperation, as did the Peruvian response initially (although conflict emerged with time). In Chile and Brazil, it was congressional opposition and civil society pressure that led to more inclusive and sufficient policy responses. Brazil is a story of rapid, mobilized opposition that through a unanimous vote in Congress already at the end of March brought about a broad emergency assistance benefit to vulnerable households. Effective implementation was initially slowed down by the executive's choice to centralize without using the existing policy infrastructure, and related errors of inclusion and exclusion, but has now achieved broad coverage. In Chile, the process was more incremental, where the opposition kept pushing for more in the face of executive resistance, producing repeated congressional votes in May, June and July to further expand income protections. In Colombia, legislative calls for broader and more sufficient funding have to date met with executive opposition. In the Plurinational State of Bolivia, executive-legislative conflict since July has hampered further extension of aid that both sides agree is necessary.

The lack of executive-legislative cooperation in times of crisis can be hugely detrimental to speedy enactment of broad and sufficient income protections. In Ecuador, the president's Humanitarian Assistance Plan got derailed because of opposition in Congress, and by the time it was approved two months after it had been introduced, much of the humanitarian and assistance part had been stripped away, limiting the breadth of income protection coverage. In Costa Rica, the government's efforts to extend the breadth of the social protection plan were delayed by Congressional opposition to authorize more funds until late July. In both countries, this left significant sectors of the population without much-needed assistance.

These political conflicts also took valuable time away from the often urgent practical problems of figuring out how to best reach informal households, a population that was by definition more difficult to reach. Almost every country ran into some technical delivery problems when establishing these new programs with such compressed, urgent timelines, and for some countries, these delays were so extensive that some eligible households were still waiting for aid in early August.

We have assessed speed, coverage and sufficiency of income protections up to early August. With the pandemic still not under control, and continued economic fallout into the foreseeable future, a key question now is also the continued *duration* of the income protections. Almost all governments have announced over the past month additional payments of the emergency transfers. In several countries, the debate is now about the establishment of more permanent forms of income protection floors.

Moving forward, we recommend that governments build on the efforts they have made to establish social protection floors to wide sectors of vulnerable populations in the region. This process has already increased state capacity. As a Peruvian government official noted in late June, the process of extending income protections has resulted in a more comprehensive, updated government registry, that can now be used for future social programs.[246]

In countries where coverage is still limited, we recommend that governments establish inclusive criteria to close the existing protection gaps. The most effective way to do this is by, first, establishing demand-driven mechanisms, allowing individuals to self-identify and apply for assistance. Second, in adjudicating this assistance, a principle of inclusion should apply. The Peruvian President in April stated well the government's change in logic: "We have decided to now

[246] El Peruano, 22.6.2020, available [online] https://elperuano.pe/noticia-midis-entrega-bonos-deja-un-mejor-registro-y-mecanismos-bancarios-virtuales-para-futuras-intervenciones-97481.aspx.

not look for the most vulnerable families, who have the least, because we came up short. Now this [transfer] needs to be for all families, *and exclude those who have a salary*".[247]

In countries where governments have succeeded in establishing high breadth of coverage, we recommend ensuring sufficiency to at least the extreme poverty level per household member for the duration of the economic fall-out from the pandemic. This will ensure that households can meet their basic needs. It will also ensure that children do not unnecessarily suffer, which could have long-term consequences for their continued development. We also call for more information on targeting and the selection process with the new cash transfers. Existing research has shown that targeting women, mothers and children has particularly beneficial effects for family wellbeing. Given the higher labor force participation rates of men than women, especially in lower-income households, it would be helpful to know whether, first, transfers targeted to informal workers went more to men, and second, whether who the money went to made a difference in family wellbeing. These are all questions that we hope more systematic data will be collected on and that we can answer in the future, to enhance best practices.

More broadly, we recommend using the opportunity of these extensive policy expansion efforts -and concomitant database updates that these have required- to build a more permanent, universal social protection floor, for the medium and long term. A broad income protection floor should be a priority for both intrinsic and instrumental reasons, and will ensure that countries are better equipped to meet the next pandemic or crisis. As other studies have shown, establishing universal coverage to meet the extreme poverty level is not that expensive (ECLAC, 2020b; Blofield and Filgueira, 2020). Moreover, it is fully in line with ECLAC's regional agenda to build more equitable and sustainable societies (ECLAC, 2020a).

[247] Italics ours. EFE, 23.4.2002, reported [online] https://www.montevideo.com.uy/Noticias/Peru-anuncio-ayuda-economica-a-6-8-millones-de-familias-y-amplio-medidas-de-inmovilizacion-uc750928.

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Appendix

Appendix 1 : Tables

Table A.I

Pre-COVID population in non-contributory cash transfer programs for households with children. Recipients (children) as percentage of total population under 18 years; and people who live in recipients households as total population between 0 and 64 years.

Country	Pre-existing CCT beneficiaries	Total population 0-18 years	Percentages	People who live in recipient households	Total population 0-64 years	Percentages	Sources and notes on calculations
Argentina	3 994 424.00	14 583 177.00	27.39	11 880 376.51	40 059 000.00	29.66	Own elaboration based on Non-contributory social protection programmes in Latin America and the Caribbean database, Social Development Division, ECLAC and CEPALSTAT 2020.
Bolivia (Plurinational State of)	2 220 000.00	4 662 280.00	47.62	6 082 800.00	10 799 000.00	56.33	Own elaboration based on Non-contributory social protection programmes in Latin America and the Caribbean database, Social Development Division, ECLAC and CEPALSTAT 2020.
Brazil	25 851 551.32	60 237 359.00	42.92	53 229 082.78	192 170 000.00	27.70	Own elaboration based on Non-contributory social protection programmes in Latin America and the Caribbean database, Social Development Division, ECLAC and CEPALSTAT 2020. Calculations on number of children beneficiaries are based on ratios of children per beneficiaries household available on Camargo and others (2013). Perfil socioeconómico dos beneficiários do programa Bolsa Família. IPEA. Programa Bolsa Família: uma década de inclusão e cidadania. Brasília: Governo Federal.
Chile	2 081 541.00	4 921 953.00	42.29	3 511 858.62	16 776 000.00	20.93	Own elaboration based on Non-contributory social protection programmes in Latin America and the Caribbean database, Social Development Division, ECLAC and CEPALSTAT 2020.
Colombia	4 103 663.00	15 534 034.00	26.42	10 548 119.40	46 273 000.00	22.80	Own elaboration based on Non-contributory social protection programmes in Latin America and the Caribbean database, Social Development Division, ECLAC and CEPALSTAT 2020.
Costa Rica	412 631.00	1 424 436.00	28.97	896 385.19	4 572 000.00	19.61	Own elaboration based on Non-contributory social protection programmes in Latin America and the Caribbean database, Social Development Division, ECLAC and CEPALSTAT 2020.
Ecuador	1 003 716.00	6 393 711.00	15.70	2 079 902	16 304 000.00	12.76	Own elaboration based on Non-contributory social protection programmes in Latin America and the Caribbean database, Social Development Division, ECLAC and CEPALSTAT 2020.
Mexico	7 455 527.00	44 519 713.00	16.75	35 732 842.35	119 110 522	30.00	Own elaboration based on Non-contributory social protection programmes in Latin America and the Caribbean database, Social Development Division, ECLAC and CEPALSTAT 2020.
Peru	1 561 292.00	10 580 007.00	14.76	3 520 729.18	30 095 000.00	11.70	Own elaboration based on Non-contributory social protection programmes in Latin America and the Caribbean database, Social Development Division, ECLAC and CEPALSTAT 2020.

Country	Pre-existing CCT beneficiaries	Total population 0-18 years	Percentages	People who live in recipient households	Total population 0-64 years	Percentages	Sources and notes on calculations
Uruguay	558 900.00	952 000.00	58.71	993 600.00	2 950 000.00	33.68	Own elaboration based on Non-contributory social protection programmes in Latin America and the Caribbean database, Social Development Division, ECLAC ; CEPALSTAT 2020; Ministry of Social Development Official Data (https://www.presidencia.gub.uy/comunicacion/comunicacionnoticias/conferencia-delgado-bartol-paganini-aplicacion-celulares-coronavirus-emergencia). Calculations on number of children beneficiaries and total persons living in beneficiaries households are based on the ratios available on latest data available on Non-contributory social protection programmes in Latin America and the Caribbean database, Social Development Division, ECLAC.

Source: Own elaboration.

Table A2
Post-COVID population in non-contributory cash transfer programs for households with children: Recipients (children) as percentage of total population under 18 years

Country	Beneficiaries (children) as % of total population under 18	Total population 0-18	Percentages	Sources and notes on calculations
Argentina	4 300 000.00	14 583 177.00	29.5	CEPALSTAT 2020; Data on children beneficiaries of AUH and AUE available [online]: http://observatorio.anses.gob.ar/archivos/documentos/Boletin%20IFE%20I-2020.pdf
Bolivia (Plurinational State of)	2 905 422.00	4 662 280.00	62.3	CEPALSTAT 2020; Data on children beneficiaries available [online] :https://www.boliviasegura.gob.bo/index.php
Brazil	37 632 000.00	60 237 359.00	62.5	CEPALSTAT 2020; Data on households beneficiaries available on https://www.gov.br/casacivil/pt-br/assuntos/noticias/2020/agosto/auxilio-emergencial-beneficio-do-governo-federal-supera-os-r-150-bilhoes-em-investimentos Calculations on number of children beneficiaries are based on ratios of children per beneficiaries household available on Camargo and others (2013). Perfil socioeconómico dos beneficiários do programa Bolsa Família. IPEA. Programa Bolsa Família: uma década de inclusão e cidadania. Brasília: Governo Federal.
Chile	2 081 541.00	4 921 953.00	42.3	CEPALSTAT 2020; Non-contributory social protection programmes in Latin America and the Caribbean database, Social Development Division, ECLAC
Colombia	4 309 206.55	15 534 034.00	27.7	CEPALSTAT 2020; Data on households beneficiaries available on:https://prosperidadsocial.gov.co/asi-vamos-contra-el-covid-19/. Calculations of number of children beneficiaries are based on ratios of children per beneficiaries household available on: Non-contributory social protection programmes in Latin America and the Caribbean database, Social Development Division, ECLAC
Costa Rica	412 631.00	1 424 436.00	29.0	CEPALSTAT 2020; Non-contributory social protection programmes in Latin America and the Caribbean database, Social Development Division, ECLAC
Ecuador	1 003 716.00	6 393 711.00	15.7	CEPALSTAT 2020; Non-contributory social protection programmes in Latin America and the Caribbean database, Social Development Division, ECLAC
Mexico	7 455 527.00	44 519 713.00	16.7	CEPALSTAT 2020; Non-contributory social protection programmes in Latin America and the Caribbean database, Social Development Division, ECLAC
Peru	1 561 292.00	10 580 007.00	14.8	CEPALSTAT 2020; Non-contributory social protection programmes in Latin America and the Caribbean database, Social Development Division, ECLAC
Uruguay	558 900.00	952 000.00	58.7	CEPALSTAT 2020; Data on households beneficiaries available[online] https://www.presidencia.gub.uy/comunicacion/comunicacionnoticias/conferencia-delgado-bartol-paganini-aplicacion-celulares-coronavirus-emergencia. Calculations of number of children beneficiaries are based on ratios of children per beneficiaries household available on: Non-contributory social protection programmes in Latin America and the Caribbean database, Social Development Division, ECLAC

Source: Own elaboration.

Table A.3
Recipients of new cash transfer programs, as share of pre-pandemic total employed population, in relation to size of informal employed population

Country	Informal beneficiaries	Total occupied	Percentages	Sources	Notes on calculations
Argentina	6 500 000.00	11 300 000.00	57.52	Inter-American Development Bank, 2020 . The Labor Markets and Social Security Information System (The SIMS); Data on IFE beneficiaries available[online] http://observatorio.anses.gob.ar/archivos/documentos/Boletin%20IFE%20I-2020.pdf	Computed as informal beneficiaries all IFE beneficiaries reported, that are not AUH or AUE beneficiaries.
Bolivia (Plurinational State of)	3 613 165.00	4 781 778.00	75.56	Inter-American Development Bank, 2020 . The Labor Markets and Social Security Information System (The SIMS); Data on Bono Universal beneficiaries available[online] https://www.boliviasegura.gob.bo/index.php	Computed as informal the total amount of beneficiaries of Bono Universal
Brasil	46 700 000.00	89 000 000.00	52.47	Inter-American Development Bank, 2020 . The Labor Markets and Social Security Information System (The SIMS); Data on Auxilio Emergencial beneficiaries available[online] https//www.gov.br/casacivil/pt-br/assuntos/noticias/2020/agosto/auxilio-emergencial-beneficio-do-governo-federal-supera-os-r-150-bilhoes-em-investimentos	Computed as informal beneficiaries the amount of beneficiaries of Auxilio Emergencial that are not beneficiaries of Bolsa Familia.
Chile	928 201.00	7 375 900.00	12.58	Inter-American Development Bank, 2020. The Labor Markets and Social Security Information System (The SIMS); Data on IFE 2.0 beneficiaries available[online] https://www.latercera.com/pulso/noticia/las-claves-para-entender-el-nuevo-ife-20/VVDH3P5LIBAYHGPFAFLDKJUXSY/;	Computed as informal beneficiaries the amount of beneficiaries of IFE 2.0 that are not beneficiaries of SUF or beneficiaries of Pension Básica Solidaria older than 69 years old. Data for calculating SUF and Pension Básica Solidaria beneficiaries available [online] https://www.meganoticias.cl/dato-util/309978-ingreso-familiar-de-emergencia-postular-beneficiarios-como-cobrar-tercer-pago-fsx11.html and Non-contributory social protection programmes in Latin America and the Caribbean database, Social Development Division, ECLAC
Colombia	2 616 744.00	21 300 000.00	12.29	Inter-American Development Bank, 2020. The Labor Markets and Social Security Information System (The SIMS); Data on Ingreso Solidario beneficiaries available[online] https://ingresosolidario.dnp.gov.co	Computed as informal beneficiaries the total amount of beneficiaries of Ingreso Solidario

Country	Informal beneficiaries	Total occupied	Percentages	Sources	Notes on calculations
Costa Rica	344 631.00	2 031 626.00	16.96	Inter-American Development Bank, 2020. The Labor Markets and Social Security Information System (The SIMS) ; Data on beneficiaries of Bono Proteger and Bono Extraordinario IMAS available [online] http://www.mtss.go.cr/elministerio/despacho/covid-19-mtss/plan_proteger/archivos/segundo_informe_proteger.pdf andhttps://www.imas.go.cr/es/comunicado/imas-realizo-deposito-extraordinario-para-familias-no-atendidas-por-otros-programas.	Computed as informal beneficiaries all beneficiaries of Bono Extraordinario IMAS, and beneficiaries of Bono Proteger reported as informals or temporary workers (23% of beneficiaries), plus the 51% of the independent workers beneficiaries (38% of total), as an estimation of informals independent workers beneficiaries based on data of Inter-American Development Bank, 2020. The Labor Markets and Social Security Information System (The SIMS).
Ecuador	950 000.00	7 121 226.00	13.34	Inter-American Development Bank, 2020. The Labor Markets and Social Security Information System (The SIMS); Data on beneficiaries of Bono de Protección Familiar available [online[:https://www.inclusion.gob.ec/segunda-fase-del-bono-de-proteccion-familiar-por-la-emergencia-inicia-en-mayo-con-550-mil-beneficiarios-mas/	Computed as informal beneficiaries the total amount of beneficiaries of Bono de Protección Familiar.
Peru	7 261 818.00	15 200 000.00	47.78	Inter-American Development Bank, 2020. The Labor Markets and Social Security Information System (The SIMS); Data on beneficiaries of Bono Yo Me Quedo en Casa, Independiente, Rural and Bono Familiar available[online] http://www.elperuano.pe/noticia-otorgaran-nuevo-bono-s-760-a-familias-vulnerables-100326.aspx	Computed as informal beneficiaries the amount of beneficiaries of Bono Yo me Quedo en Casa + Bono Independiente + Bono Rural + Bono Familiar Universal that are not beneficiaries of JUNTOS of Pension65 . Data used for calculating beneficiaries of JUNTOS and Pension65 is available[online] Non-contributory social protection programmes in Latin America and the Caribbean database, Social Development Division, ECLAC
Uruguay	210 000.00	1 563 336.00	13.43	Inter-American Development Bank, 2020. The Labor Markets and Social Security Information System (The SIMS); Data on beneficiaries of Canasta de Emergencia Alimentaria available[online] https://www.presidencia.gub.uy/comunicacion/comunicacionnoticias/mides-acuerdo-ministerial-27-mayo	

Source: Own elaboration.

Table A.4
Pre-COVID cash transfers to recipients in existing non-contributory cash transfer programs, monthly transfer per household, as a share of the 2018 urban national per capita poverty and extreme poverty line[a]

		Two parents and two kids household				One parent and three kids household			
Country	Program	Amount in local currency (per household)	Amount in local currency (per capita)	Proportion of per capita poverty line (ECLAC 2018)	Proportion of per capita extreme-poverty line (ECLAC 2018)	Amount in local currency (per household)	Amount in local currency (per capita)	Proportion of per capita poverty line (ECLAC 2018)	Proportion of per capita extreme-poverty line (ECLAC 2018)
Argentina	AUH	4 920	1 230	0.19	0.46	7 380	1 845	0.29	0.69
Bolivia (Plurinational State of)	Bono Juancito Pino	33.4	8.35	0.01	0.02	50.1	12 525	0.01	0.03
Brazil	Bolsa Familia	164	41	0.10	0.22	164	41	0.1	0.22
Chile	Subsidio Único Familiar (SUF)	26 310	6 577.5	0.06	0.13	39 465	9 866.25	0.09	0.19
Colombia	Familias en Acción	57 875	14 468.75	0.05	0.10	77 200	19 300	0.07	0.13
Costa Rica	Avancemos and Crecemos	48 000	12 000	0.14	0.33	66 000	16 500	0.20	0.45
Ecuador	Bono de Desarrollo Humano	69	17.25	0.16	0.30	77	19.25	0.18	0.33
Mexico	Beca Benito Juárez	1 600	400	0.16	0.34	2 400	600	0.23	0.50
Peru	JUNTOS	100	25	0.08	0.17	100	25	0.08	0.17
Uruguay	TUS doble + AFAM-PE	7 061	1 765.25	0.32	0.70	8 787	2 196.75	0.40	0.87
	Tus simple + AFAM-PE	5 238	1 309.5	0.24	0.52	6 469	1 617.25	0.29	0.64
	AFAM – PE	3415	853.75	0.16	0.34	4 151	1 037.75	0.19	0.41

Source: Own elaboration based on official information of each country

[a] In order to calculate the proportion of the per capita poverty line we divided the total amount of the monthly cash transfer by the number of persons living in the household.

Table A.5
Post-COVID cash transfers to different types of households, as a share of the 2018 urban national per capita poverty and extreme poverty line (based on three months calculations)

			Two parents and two kids household				One parent and three kids household				One person household			
		Program	Amount in LC (per household) Three months	Amount in local currency (per capita) Monthly average	Proportion of per capita poverty line (ECLAC 2018)	Proportion of per capita extreme-poverty line (ECLAC 2018)	Amount in local currency (per household) Three months	Amount in local currency (per capita) Monthly average	Proportion of per capita poverty line (ECLAC 2018)	Proportion of per capita extreme-poverty line (ECLAC 2018)	Amount in local currency (per household) Three months	Amount in local currency (per capita) Monthly average	Proportion of per capita poverty line (ECLAC 2018)	Proportion of per capita extreme-poverty line (ECLAC 2018)
Argentina	Argentina pesos	AUH** + Ingreso Familiar de Emergencia	38 061	3 172	0.49	1.19	45 591	3 799	0.59	1.43	-	-	-	-
		Ingreso Familia de Emergencia	20 000	1 667	0.26	0.63	20 000	1 667	0.26	0.63	20 000	6 666	1.04	2.51
Bolivia (Plurinational State of)	Bolivianos	Bono Familia and Bono Universal	1 500	125	0.15	0.29	1 500	125	0.15	0.29	500	166	0.20	0.38
Brazil	Reais	Auxílio Emergencial do Governo Federal	3 600	300	0.71	1.63	3 600	300	0.71	1.63	1 800	600	1.43	3.27
Chile*	Chilean pesos	Subsidio Familiar (SUF) + Bono de Emergencia COVID19 / Ingreso Familiar de Emergencia (IFE) // IFE 2.0	838 930	69 911	0.61	1.36	928 395	77 366	0.68	1.51	-	-	-	-
		Bono de Emergencia COVID19 / Ingreso Familiar de Emergencia (IFE) // IFE 2.0	760 000	63 333	0.56	1.23	810 000	67 500	0.59	1.32	215 000	71 666	0.63	1.40
Colombia	Colombian Pesos	Familias en Acción	671 500	55 958	0.19	0.38	748 800	62 400	0.21	0.42	-	-	-	-
		Programa Ingreso Solidario	480 000	40 000	0.13	0.27	480 000	40 000	0.13	0.27	480 000	160 000	0.54	1.09

			Two parents and two kids household				One parent and three kids household				One person household			
		Program	Amount in LC (per household) Three months	Amount in local currency (per capita) Monthly average	Proportion of per capita poverty line (ECLAC 2018)	Proportion of per capita extreme-poverty line (ECLAC 2018)	Amount in local currency (per household) Three months	Amount in local currency (per capita) Monthly average	Proportion of per capita poverty line (ECLAC 2018)	Proportion of per capita extreme-poverty line (ECLAC 2018)	Amount in local currency (per household) Three months	Amount in local currency (per capita) Monthly average	Proportion of per capita poverty line (ECLAC 2018)	Proportion of per capita extreme-poverty line (ECLAC 2018)
Costa Rica	Colones	Avancemos and Crecemos	144 000	12 000	0.14	0.33	198 000	16 500	0.20	0.45	-	-	-	-
		Bono Proteger + Avancemos and Crecemos	894 000	74 500	0.89	2.02	-	-	-	-	-	-	-	-
		Bono Proteger	750 000	62 500	0.74	1.70	375 000	31 250	0.37	0.85	375 000	125 000	1.49	3.40
		Subsidio de Emergencia IMAS	225 000	18 750	0.22	0.51	225 000	18 750	0.22	0.51	-	-	-	-
		Subsidio de Emergencia IMAS + Avancemos and Crecemos	369 000	30 750	0.37	0.84	-	-	-	-	-	-	-	-
Ecuador	US$	Bono de Desarrollo Humano	207	17	0.16	0.30	231	19	0.18	0.33	-	-	-	-
		Bono de Proteccion Familiar por Emergencia	120	10	0.09	0.17	120	10	0.09	0.17	120	40.00	0.38	0.69
Peru	Soles	JUNTOS + Bono "Yo me quedo en casa" OR Bono Universal Familiar	1 160	97	0.31	0.67	1160	97	0.31	0.67	-	-	-	-
		Bono "Yo me quedo en casa" OR Bono Universal Familiar	760	63	0.20	0.44	760	63	0.20	0.44	760	253	0.80	1.75

			Two parents and two kids household				One parent and three kids household				One person household			
		Program	Amount in LC (per household) Three months	Amount in local currency (per capita) Monthly average	Proportion of per capita poverty line (ECLAC 2018)	Proportion of per capita extreme-poverty line (ECLAC 2018)	Amount in local currency (per household) Three months	Amount in local currency (per capita) Monthly average	Proportion of per capita poverty line (ECLAC 2018)	Proportion of per capita extreme-poverty line (ECLAC 2018)	Amount in local currency (per household) Three months	Amount in local currency (per capita) Monthly average	Proportion of per capita poverty line (ECLAC 2018)	Proportion of per capita extreme-poverty line (ECLAC 2018)
Uruguay	Pesos	Tarjeta Uruguay Social Doble (TUS)	16 407	1 367	0.25	0.54	20 862	1 739	0.32	0.69	10 809	3 603	0.66	1.43
		Tarjeta Uruguay Social Simple(TUS)	8 204	684	0.12	0.27	10 431	869	0.16	0.35	5 405	1 802	0.33	0.72
		TUS Doble + AFAM PE	26 652	2 221	0.41	0.88	33 315	2 776	0.51	1.10	-	-	-	-
		TUS + AFAM PE	18 449	1 537	0.28	0.61	22 884	1 907	0.35	0.76	-	-	-	-
		Asignación Familiar - Plan de Equidad (AFAM-PE)	15 368	1 281	0.23	0.51	18 680	1 557	0.28	0.62	-	-	-	-
		Canasta de Emergencia TuApp	7 200	600	0.11	0.24	3 600	300	0.05	0.12	3 600	1 200	0.22	0.48

Source: Own elaboration based on official information of each country

Notes:

- Calculations for Peru include "Programa Juntos" (400 Soles per household), considering that Juntos was authorized to advance the monetary transfers corresponding to the two months II (March-April) and III (May-June) of 2020, carried out in April and May. It also includes the "Yo me quedo en casa" and "Bono Universal Familiar" (which cannot be received simultaneously) and consists of two transfers of 380 soles per household (760 soles).
- The calculation for Plurinational State of Bolivia includes the "Bono Familia" and "Bono Universal". "Bono Familia" consists of a transfer of 500 bolivianos per child; while the "Bono Universal" is a transfer of the same amount for unemployed workers between 18 and 60 years of age. Although the same person cannot be a beneficiary of both transfers, in the case of two-parent families, one may be in charge of the "Bono Familia" and the other of the "Bono Universal", which is not possible for single-parent families.
- The calculation for Argentina includes the AUH for the three months included in the analysis (with an increase of 6.16% for June); the "Ingreso Familiar de Emergencia (IFE)" (which has been delivered twice between April and June, 10.000 pesos each month); and the extraordinary bonus for AUH beneficiaries (3,000 pesos) that was delivered only once in April.
- The calculation for Chile includes the "Subsidio Familiar (SUF)"; and the three types of transfers created by the government in the response to of the pandemic: BONO COVID; IFE, IFE2.0, each one corresponding to one of the three months analyzed (April, May, and June).
- The calculation for Brazil is based on the "Auxílio Emergencial do Governo Federal", in this case, the benefit of the Bolsa Familia program is replaced by the new amount assigned. The benefit corresponds to $600 reais for three months, for up to two people from the same family. For families where the woman is a single mother, the monthly amount paid will be $1,200. Source: https://auxilio.caixa.gov.br/#/inicio
- The calculation for Ecuador includes the "Bono de Desarrollo Humano" (which remained unchanged during the pandemic) and the "Bono de Protección Familia por emergencia", created in response to the health crisis for those citizens in vulnerable situations who will not receive other transfers (both transfers are incompatible).
- Calculations for Colombia are based on "Familias en Acción", considering for a two-parent family one child studying between 1st and 5th grade, and another between 6th and 8th grade. For single-parent family, two children studying between 1st and 5th, and one between 6th and 8th. There is no corresponding health bonus when assuming that neither of the two types of homes has children under 6 years of age, and the calculations are made on the amounts corresponding to SISBEN or UNIDOS beneficiaries, not indigenous or displaced. It also includes the two extra transfers per household of 145,000, and the two deductions from VAT, which consist of the return of 75,000 each per household.
- The calculations for Costa Rica are based on the programs "Crecemos" and "Avancemos", considering for a two-parent family one child studying in primary school (Crecemos Program, ₡18.000), and another in lower secondary school (Avancemos Program; ₡30.000). For single-parent families, two children studying in primary school (Crecemos Program, ₡36.000), and one in lower secondary school (Avancemos Program; ₡30.000). There are two types of cash transfers created by the government in response to the Pandemic: "Bono Proteger" and Subsidio de Emergencia from the IMAS. Those households that receive ₡50.000 or more in cash transfers from the State are not eligible either for the Bono Proteger or the IMAS Subsidy. With our household types (and ages of children) only the two-parent two-child household is therefore eligible for either transfer. In the case of the single-parent three-child household, the extant transfers from the programs "Crecemos" and "Avancemos" go up to ₡66.000, making this household ineligible. For calculation of Bono Proteger, we input two cash transfers per month for the two-parent household (one per each adult); and one per household for the other two household types; all with the maximum amount of ₡125.000 per month for three months. For the case of "Subsidio de Emergencia IMAS", the benefit consists of two extra bonuses per household (₡125.000 in April, and ₡100.000 in June).
- Calculations for Uruguay are based on the programs "Tarjeta Uruguay Social" (both ways: TUS Simple OR TUS Doble) and/or AFAM-PE. Amounts depend on the composition of the household, as in previous cases we calculated for one primary student and one lower secondary student in the two-parent household; and two primary students and one lower secondary student for single-parent households. Also, it is considered the two duplications of the cash transfers made as a response to the pandemic, but as they were paid in two times each, in the three analyzed months it was paid one and a half duplication. The other program, for those who do not receive any cash transfer from the State, includes 1.200 pesos by month per adult in the household, for 3 months.

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