

Phase II: COVID-19 Crisis Through a Migration Lens

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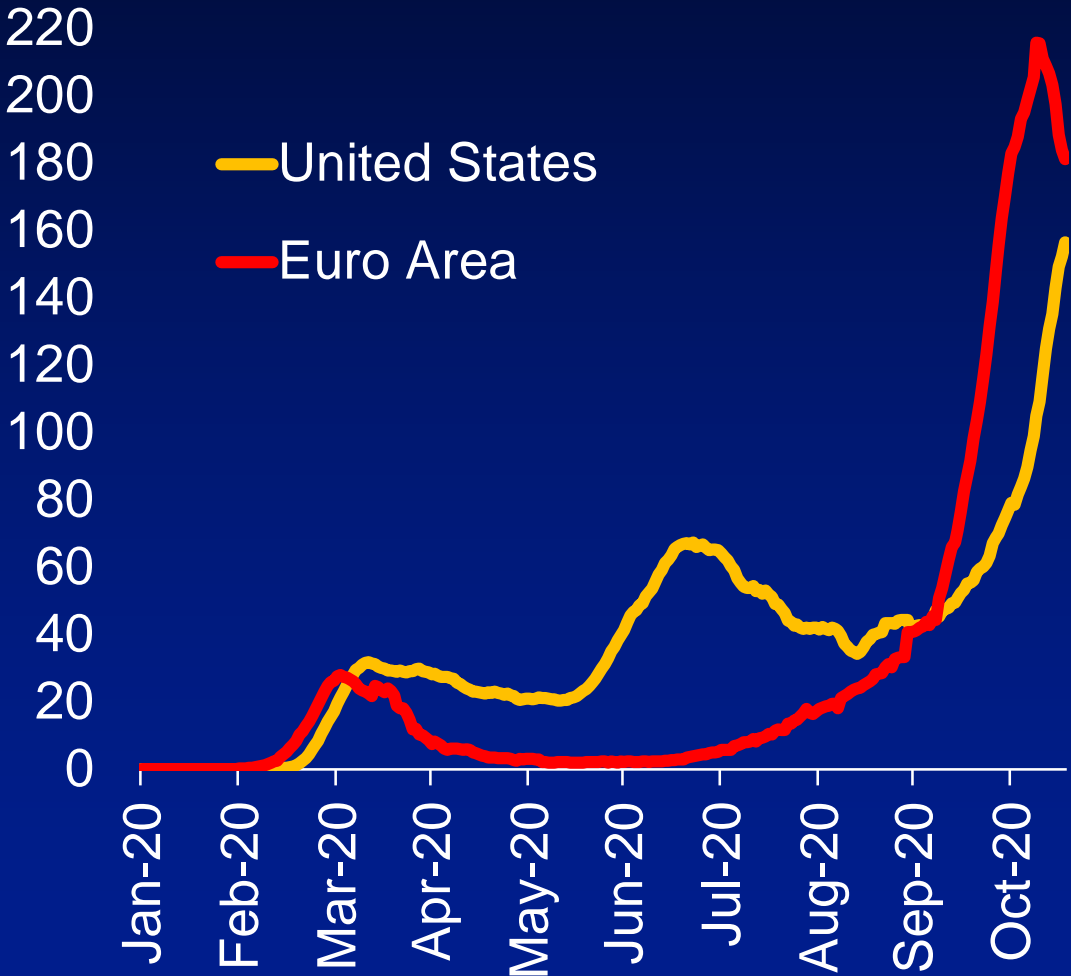
Migration and Remittances Team

World Bank

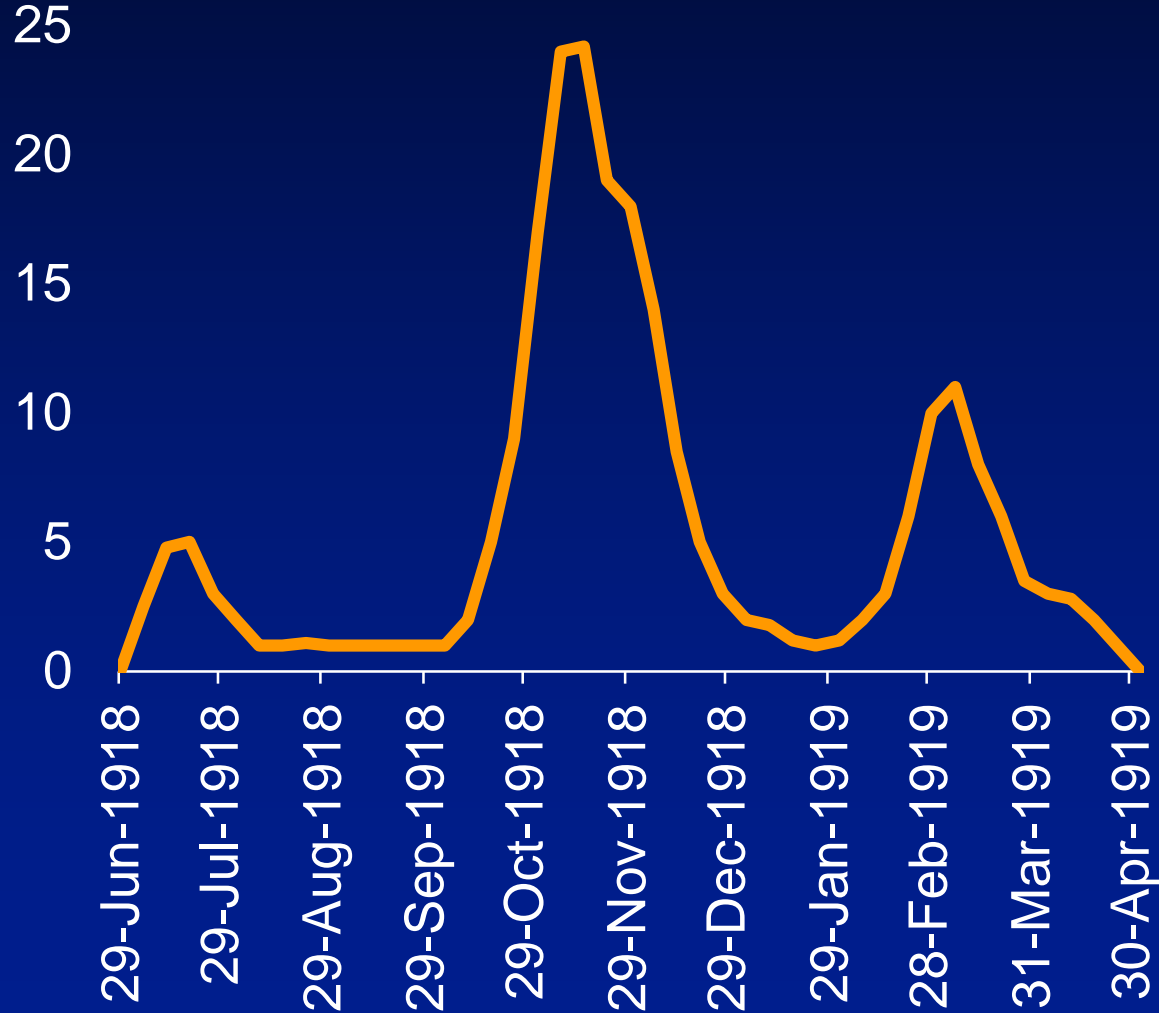
November 24, 2020

COVID-19 pandemic could follow a similar pattern of the so-called Spanish flu of 1918-20

7-day moving average of daily new COVID Cases (thousand)



Spanish Flu: Deaths per 1,000 persons, United Kingdom



Source: Johns Hopkins University COVID Resource Center and World Bank-KNOMAD

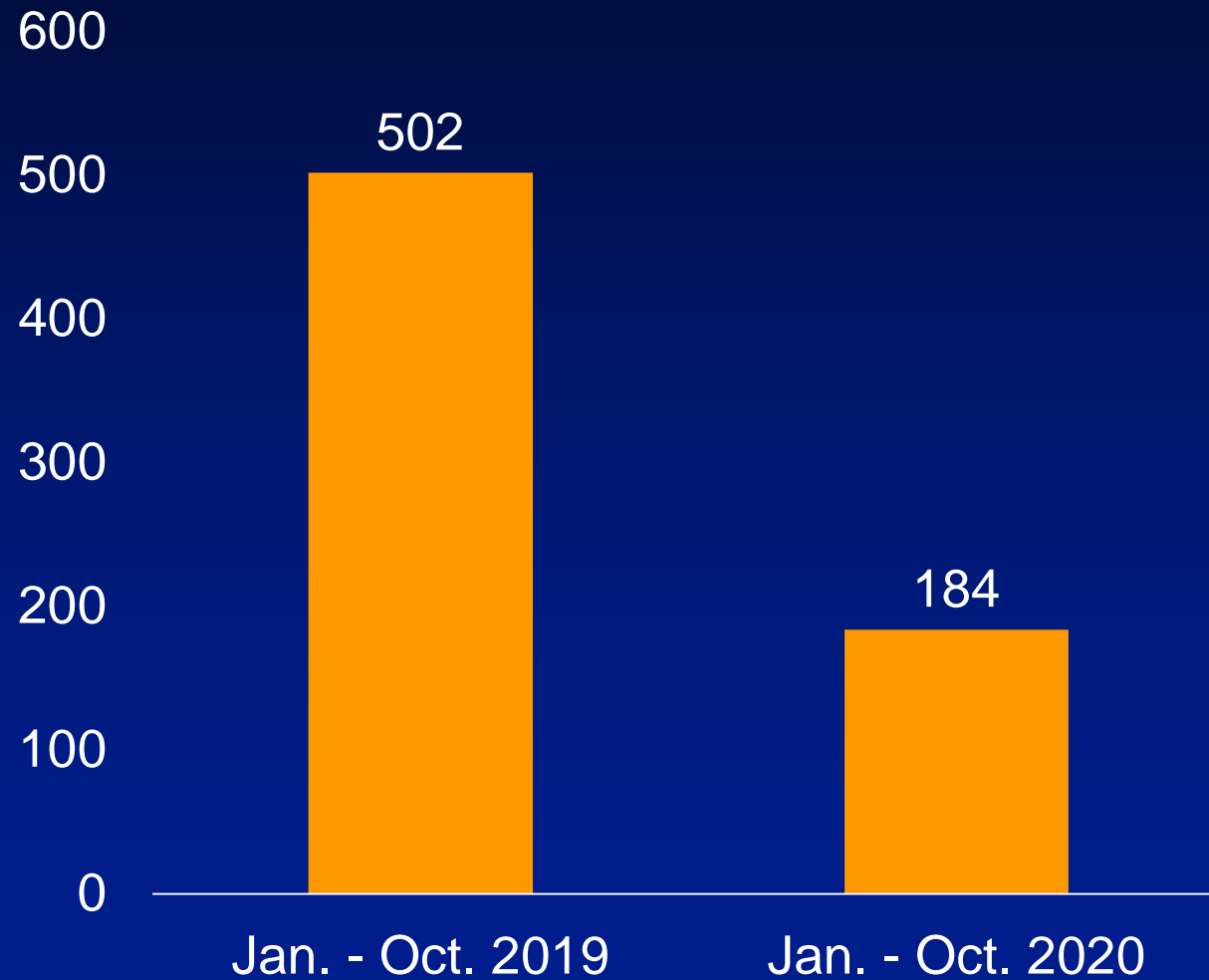
Source: Data are based on Taubenberger and Morens (2006: 15).

International migration stock to fall in 2020

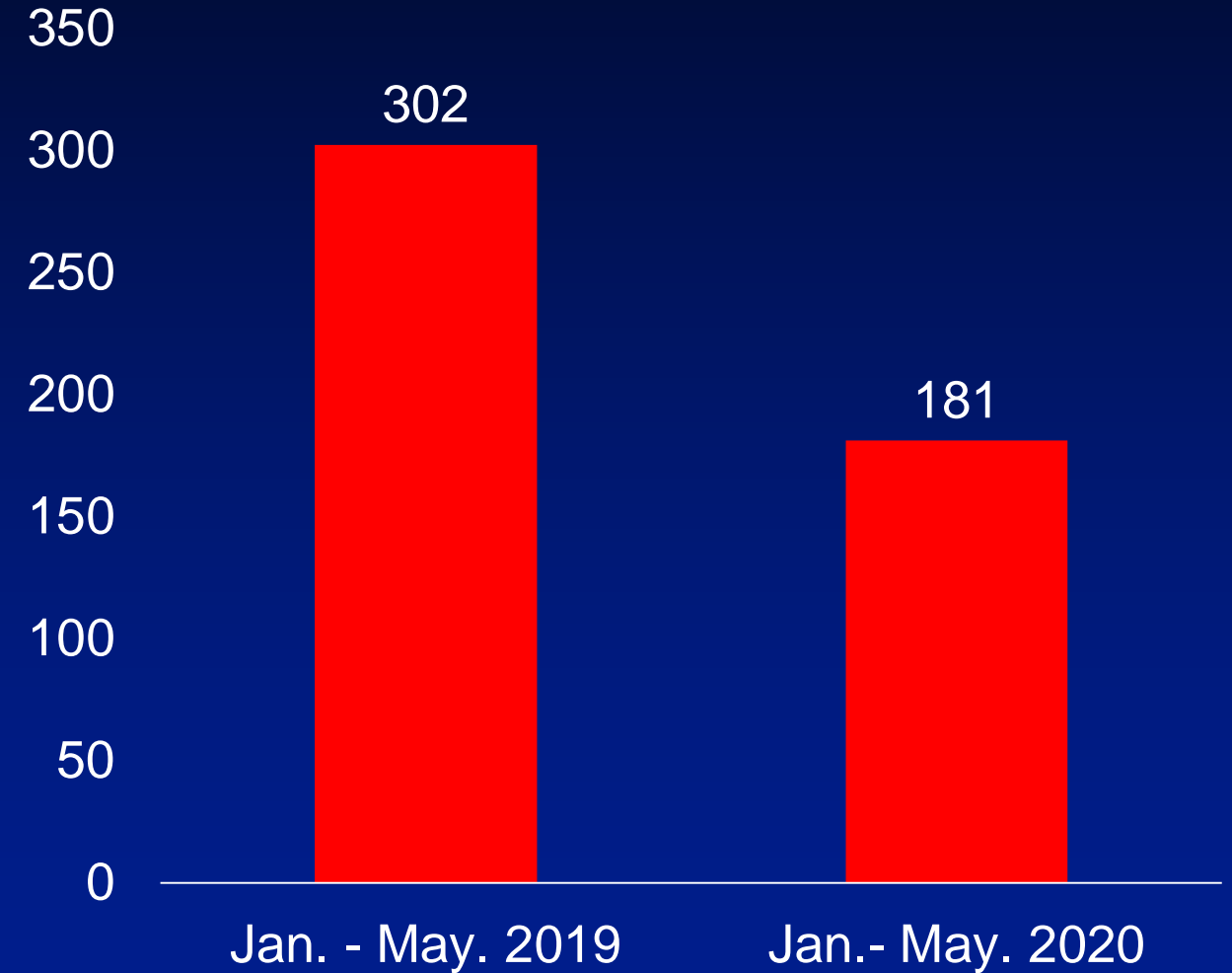
- New migration flow slowing
- Return migration rising

The number of emigrants from Bangladesh and Pakistan fell sharply this year

The number of Pakistani emigrants (thousands)



The number of Bangladeshi emigrants (thousands)

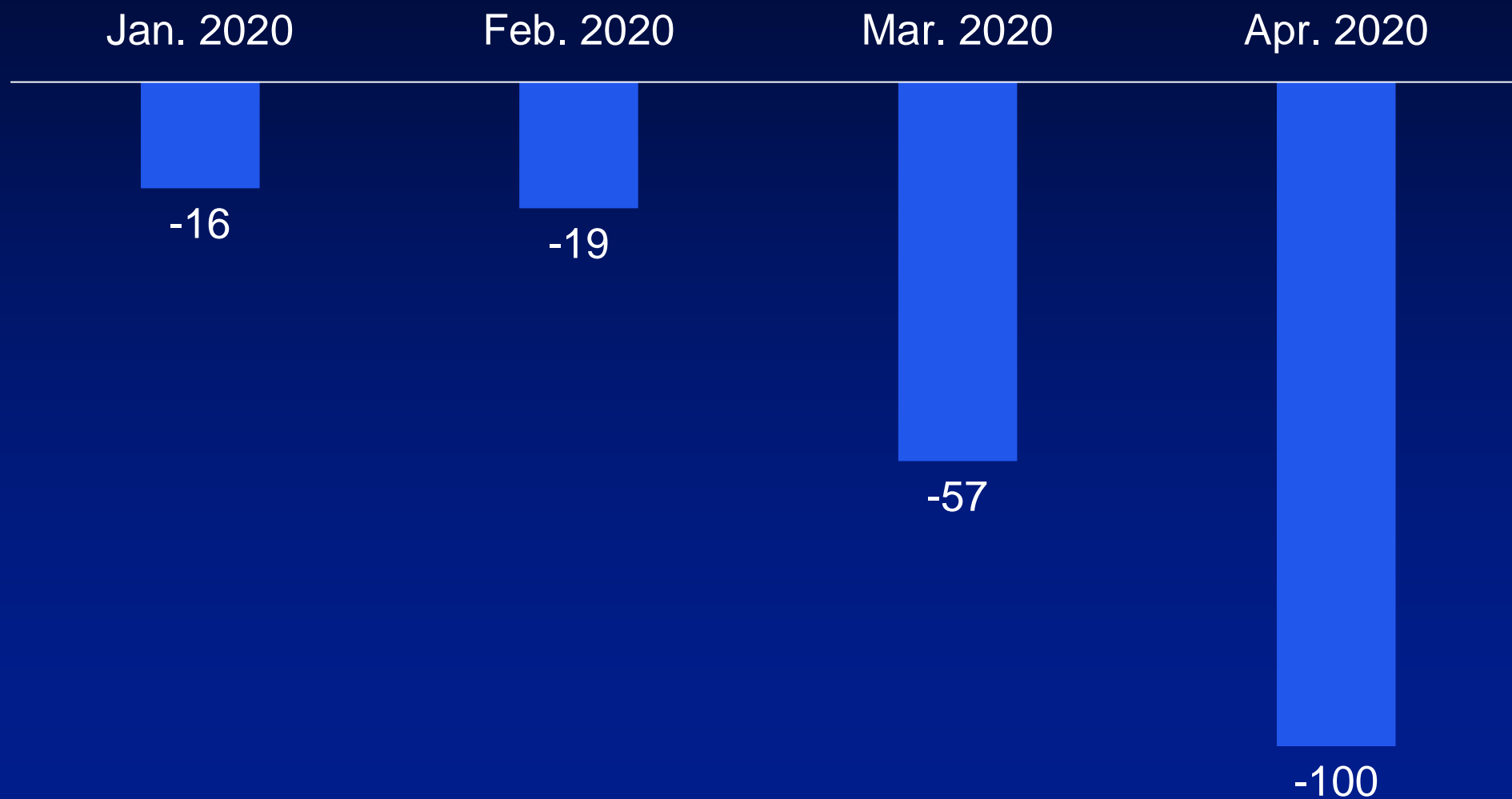


Source: Bureau of Emigration and Overseas Employment

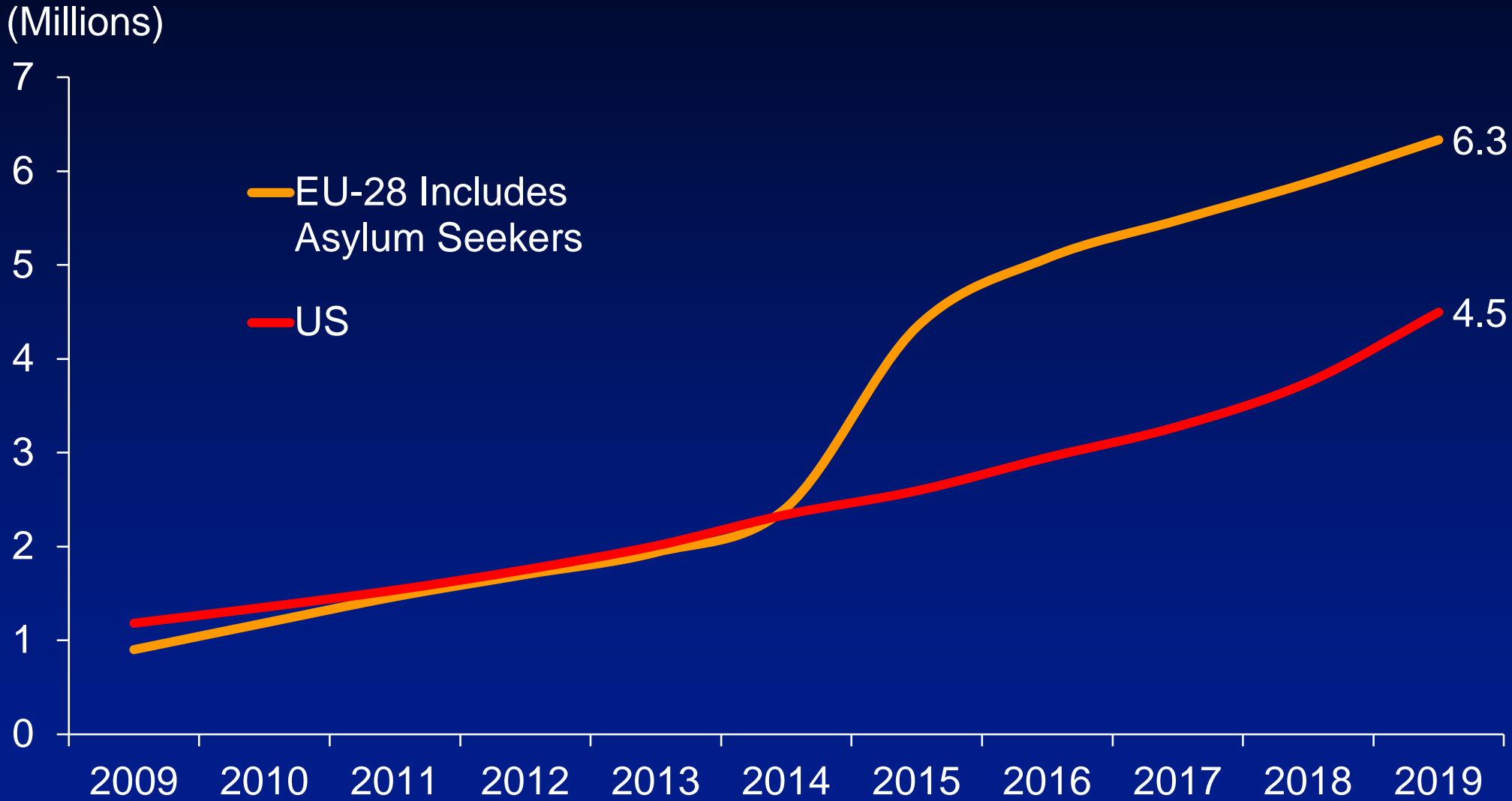
Source: Bureau of Manpower, Employment, and Training

Deployment of overseas Filipino workers collapsed in April 2020

Change in the number of overseas Filipino workers (YoY, percent)

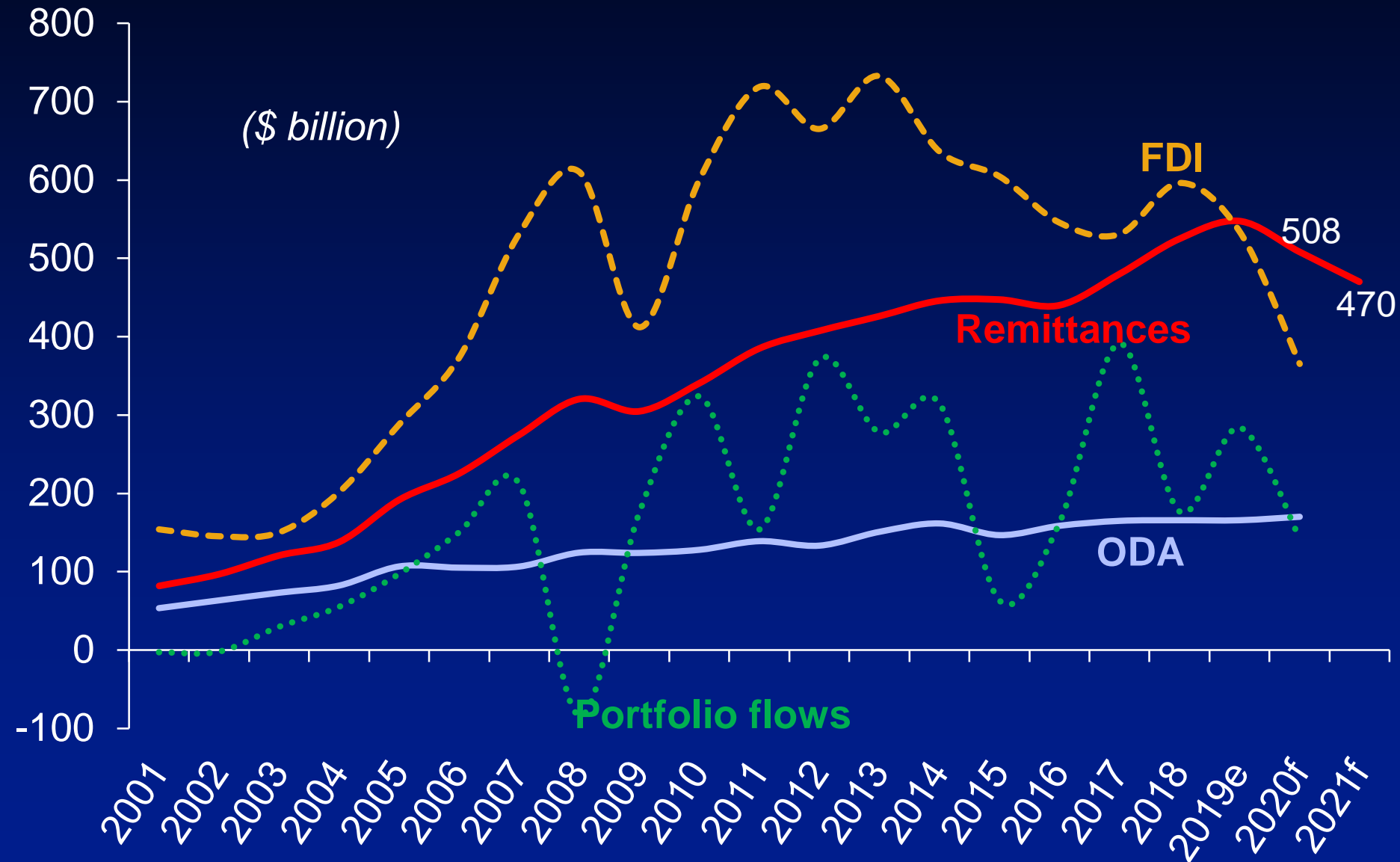


Number of migrants with rejected visa or asylum application increased in the European Union and United States



Source: Calculations using data from Eurostat and Department of Homeland Security.

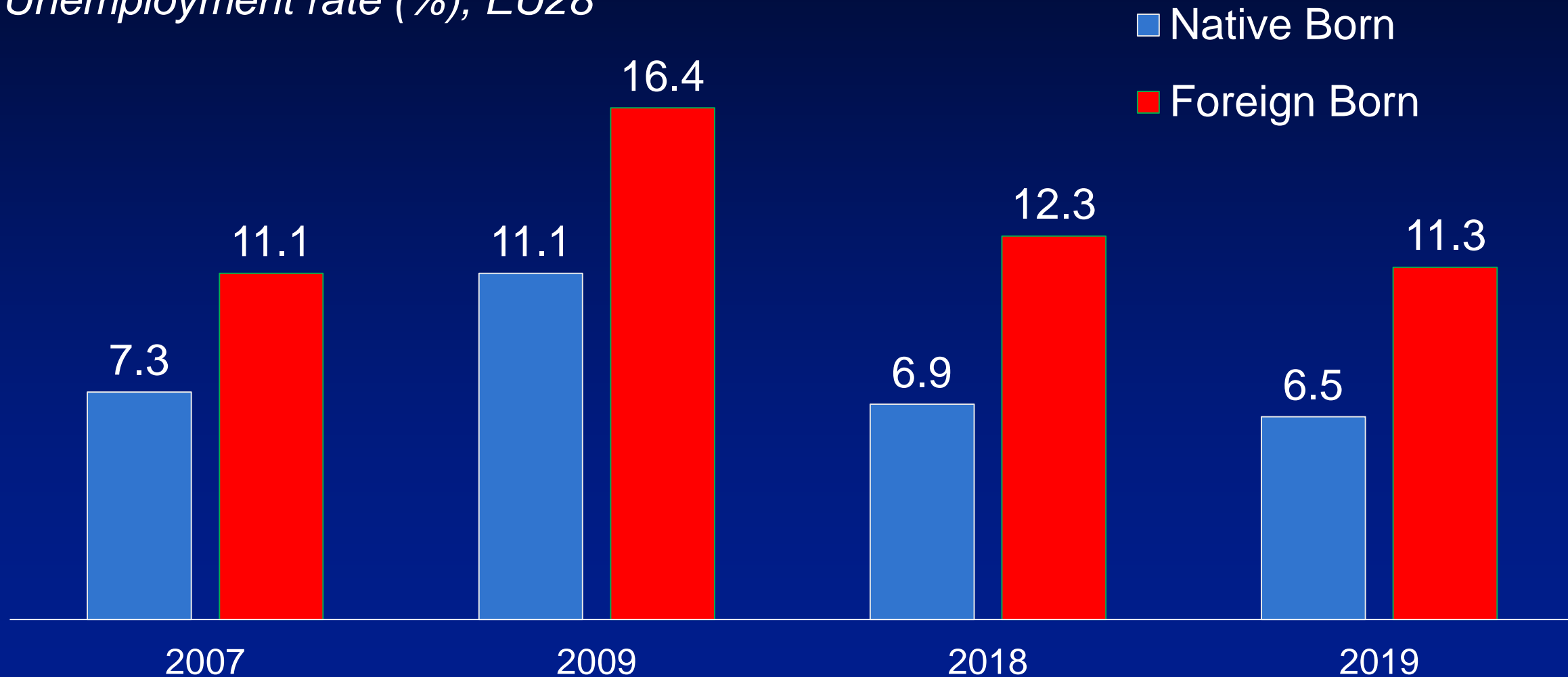
Remittances to decline 7.2% in 2020, and again, 7.5% in 2021



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

Migrants tend to be more vulnerable to unemployment risks for years after a crisis. After 2009 global recession, unemployment rate for foreign born has not recovered to 2007 levels.

Unemployment rate (%), EU28

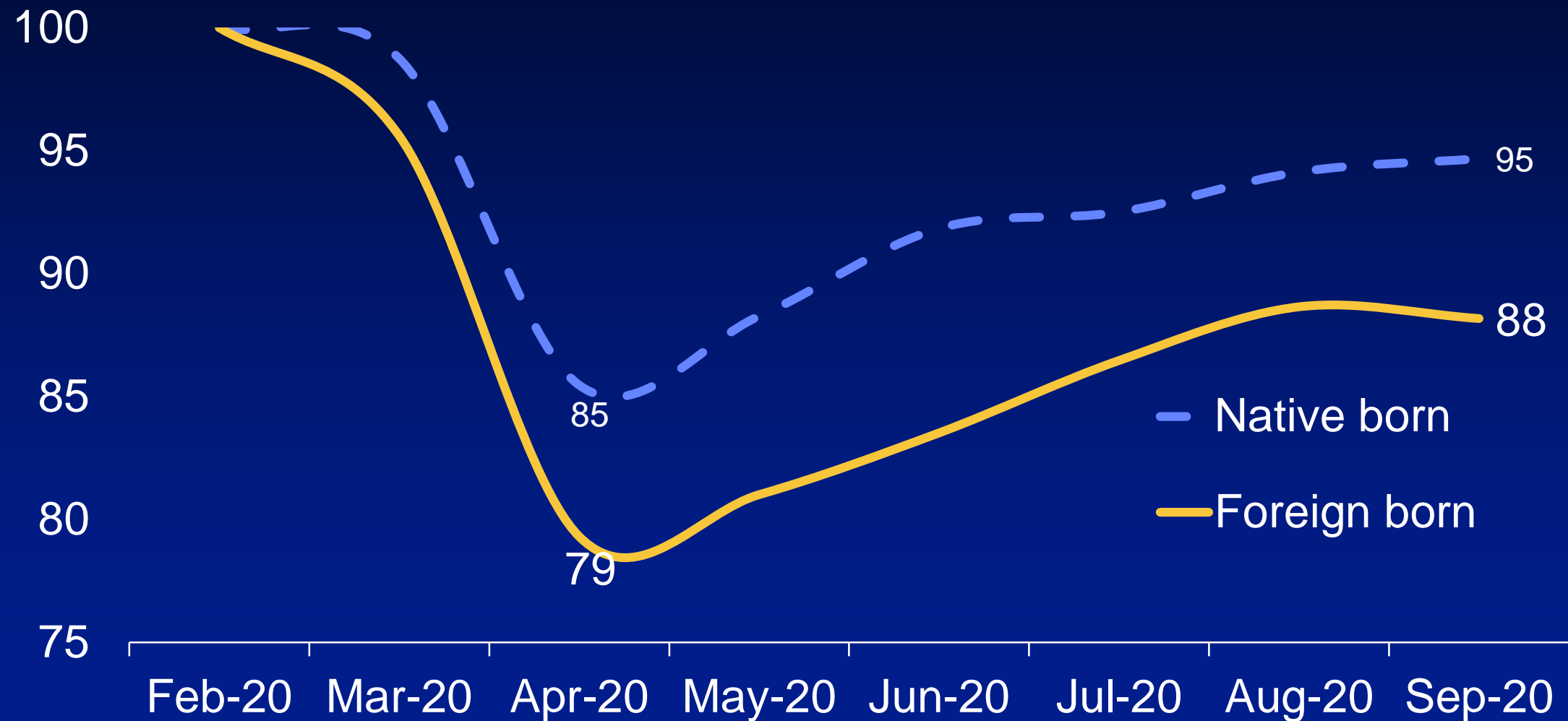


Note: EU = European Union

Source: Eurostat

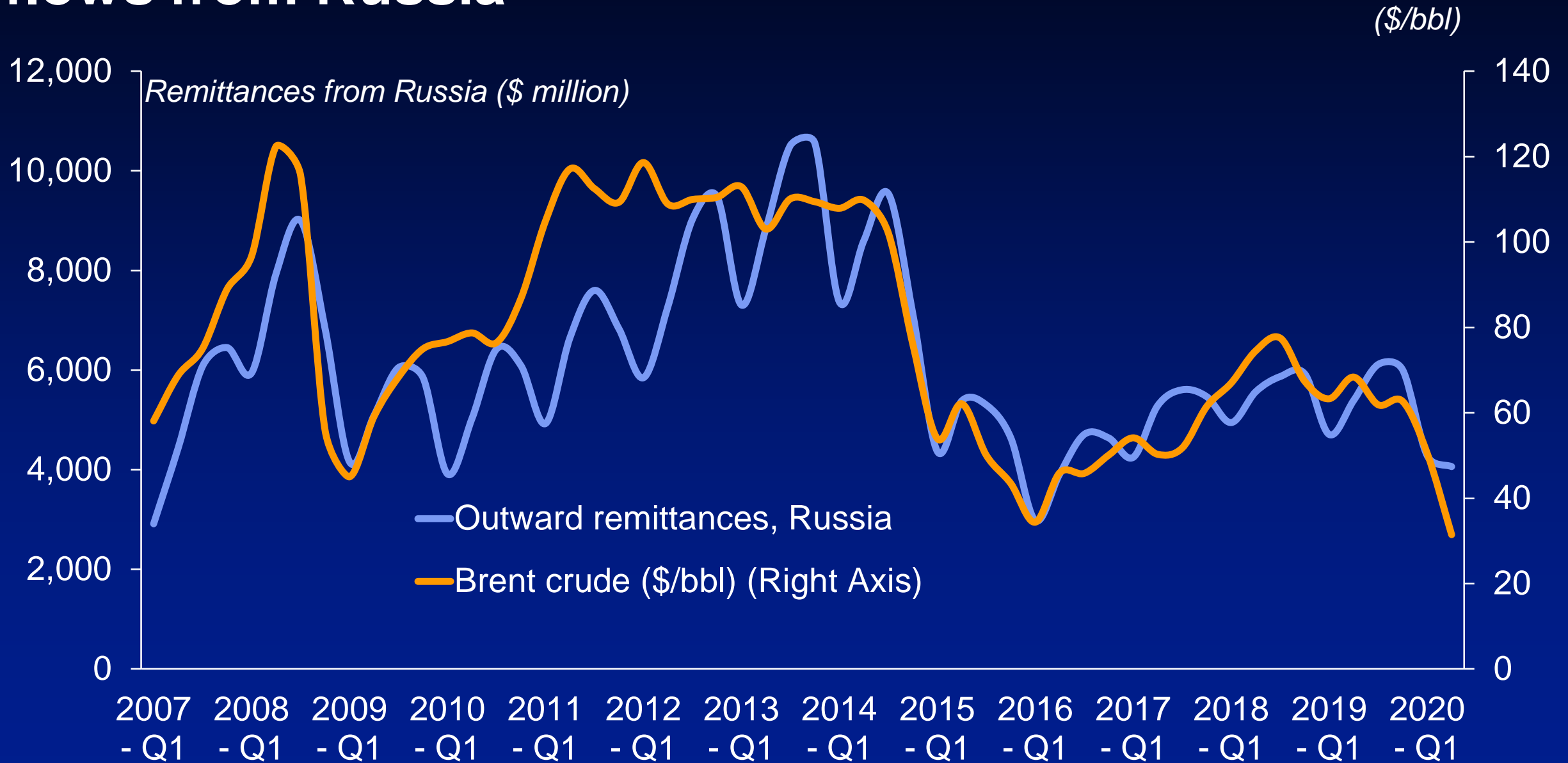
United States jobs fell more for foreign-born workers in the COVID-19

Index (Feb. 2020 = 100)

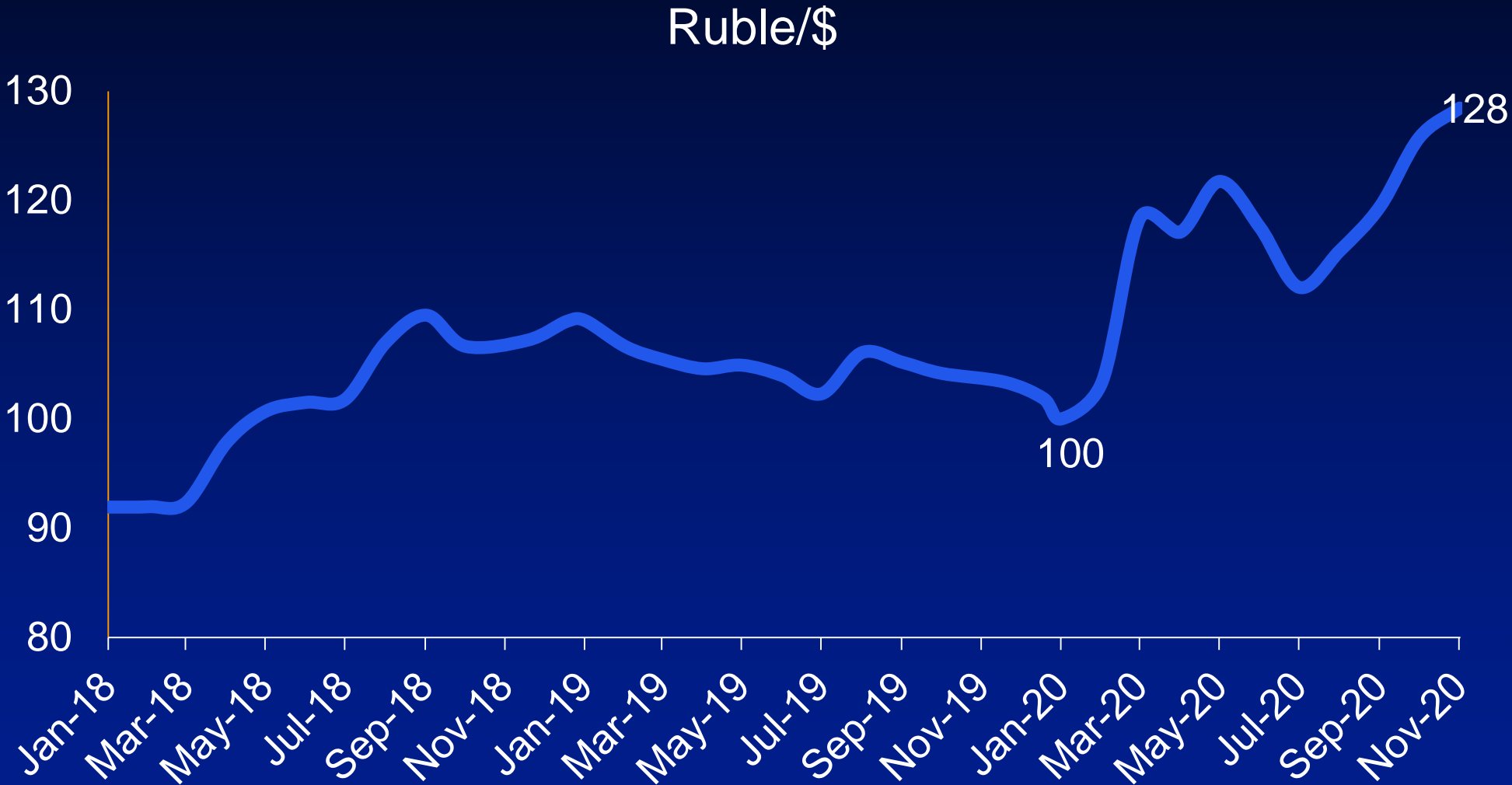


Source: US Bureau of Labor Statistics.

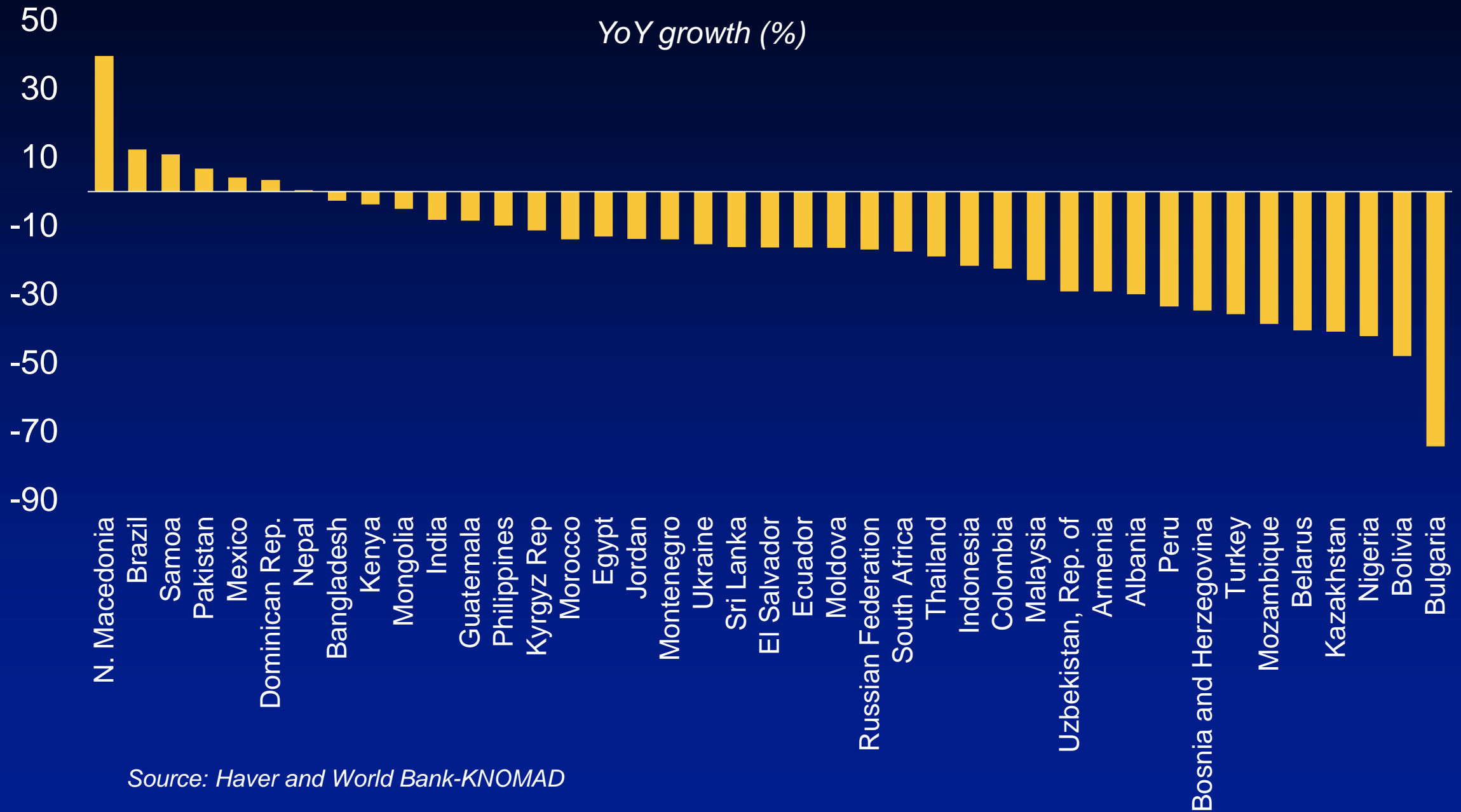
Lower oil prices have affected outward remittance flows from Russia



Currency depreciation also affects remittances

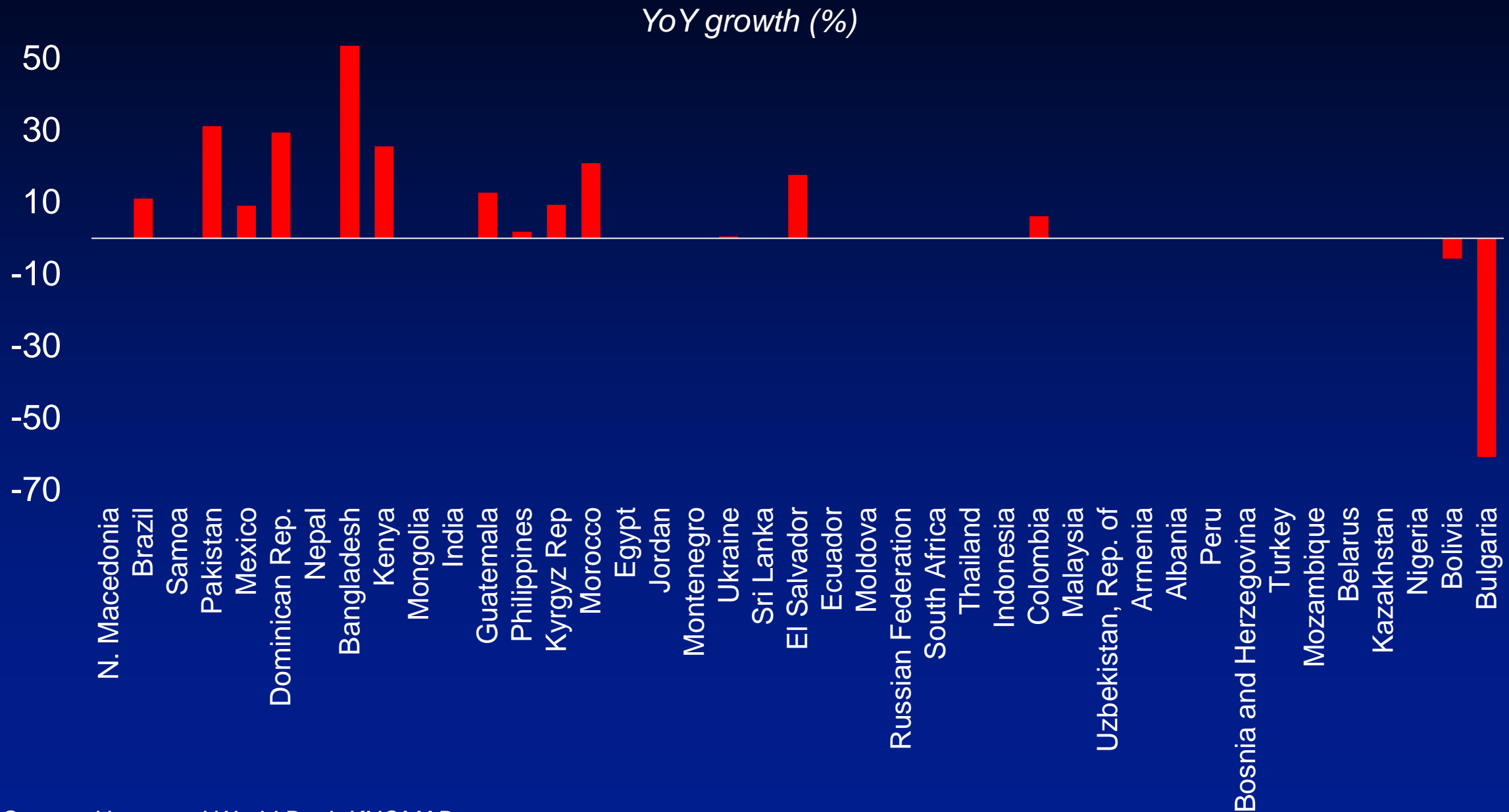


Remittance flows plummeted in Q2, 2020



Source: Haver and World Bank-KNOMAD

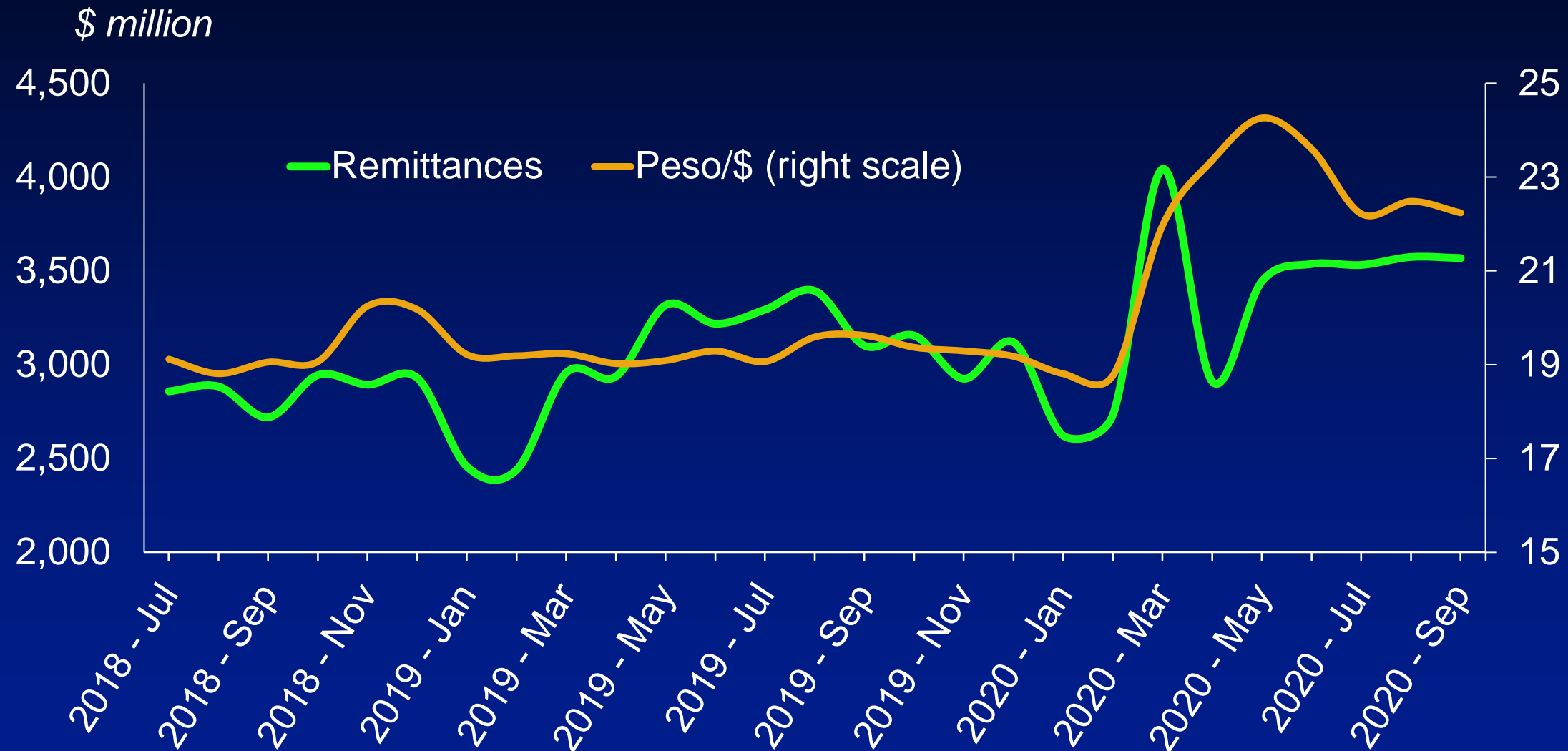
Remittance flows recovered partially in some countries in Q3, due to pent-up remittances



Source: Haver and World Bank-KNOMAD

* Bulgaria, and the Philippines are for July and August only.

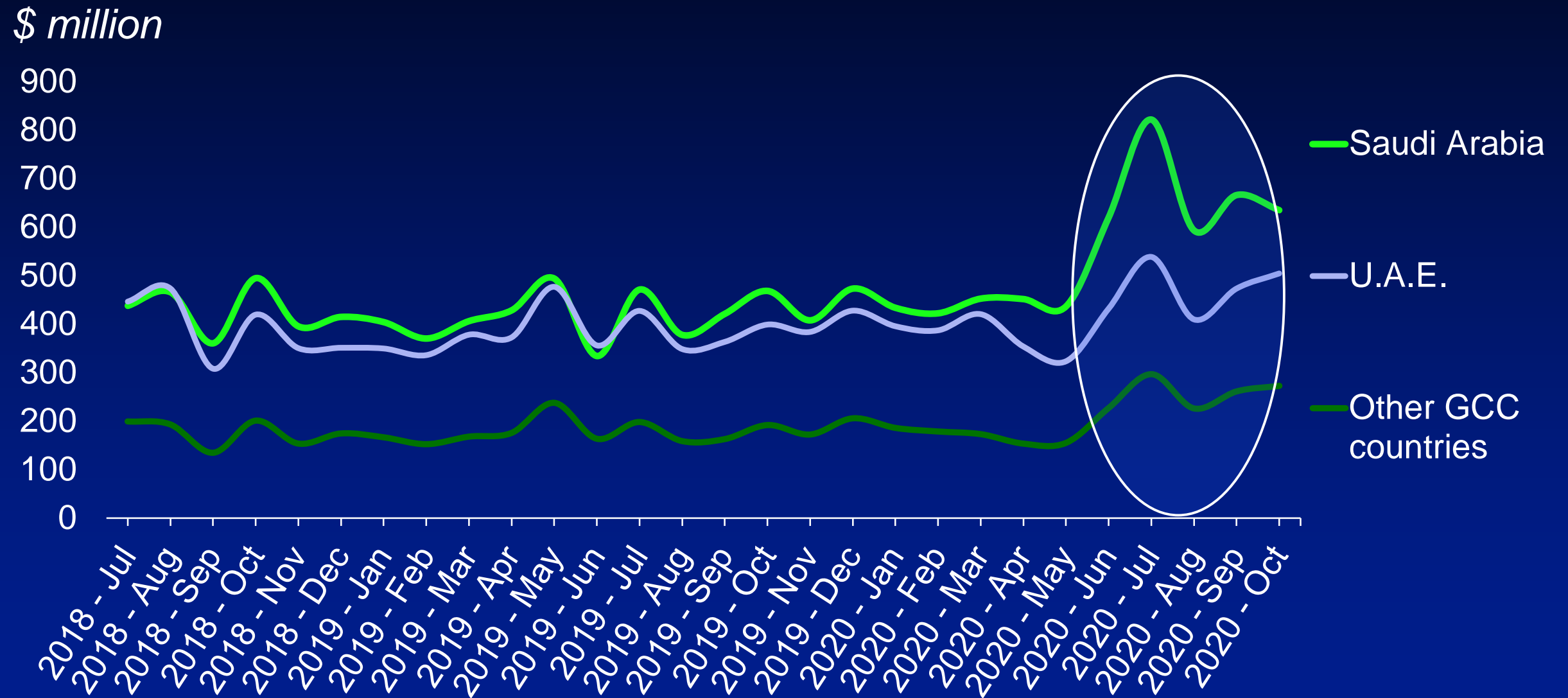
Remittances to Mexico rose in Q2 in response to peso depreciation...



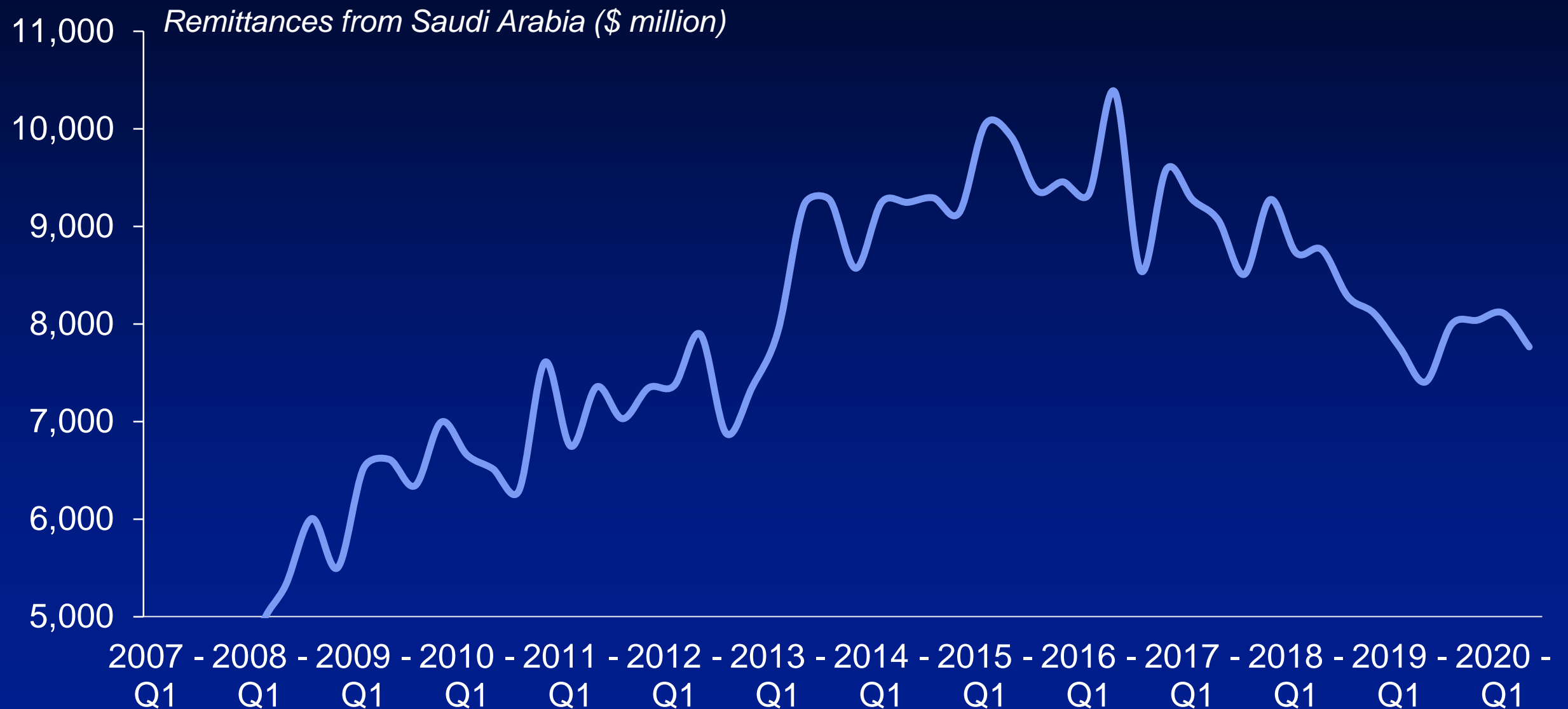
Source: KNOMAD, Respective Central Banks

Pakistan: Post-COVID19 – Haj effects

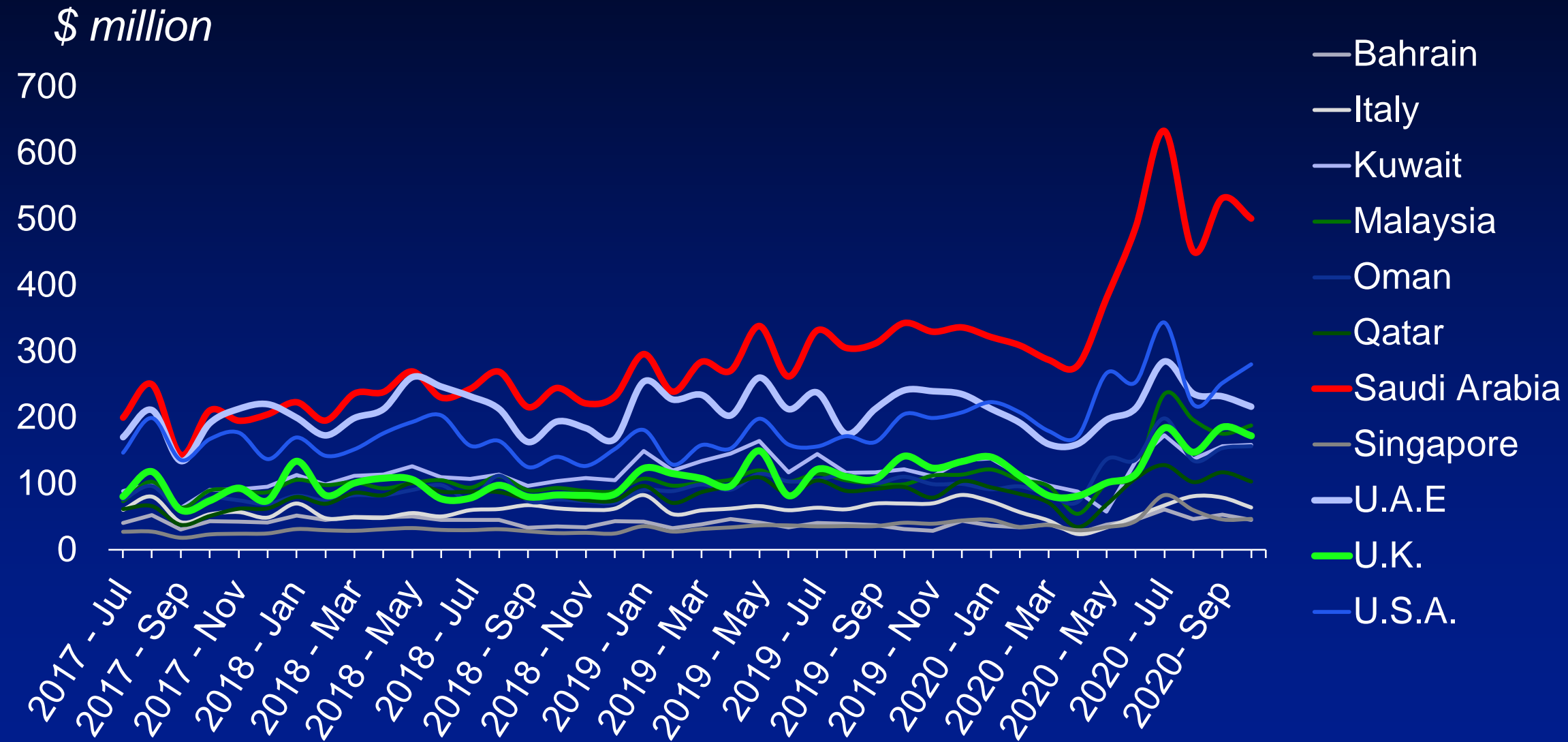
Pre-COVID19: Flat or declining trend due to Nitaqat



Lower oil prices have affected outward remittance flows from Saudi Arabia

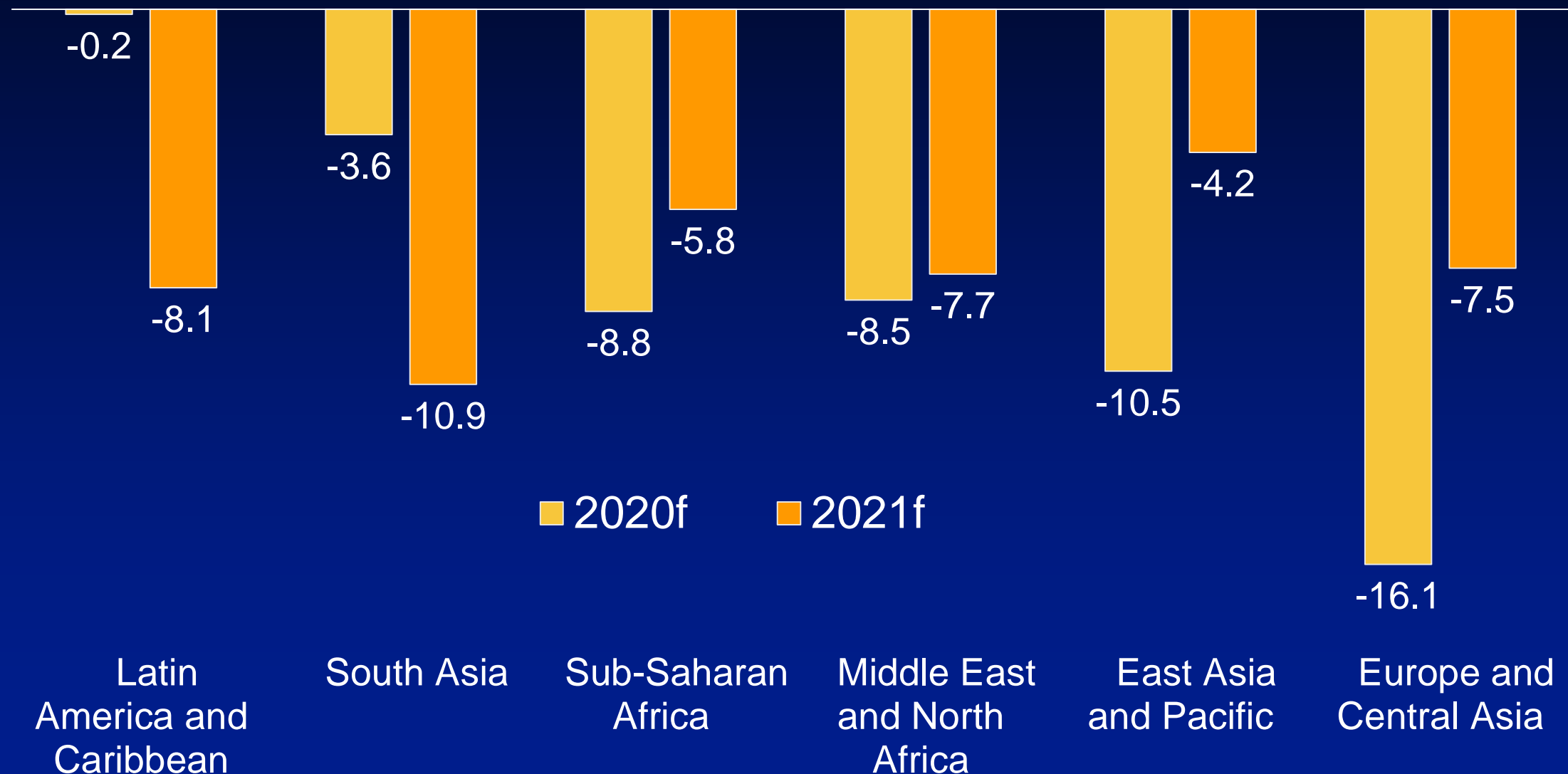


Bangladesh: Flows have risen post-COVID19, in response to floods in July 2020



Remittances to fall across developing-country regions in 2020

Annual growth (percent)



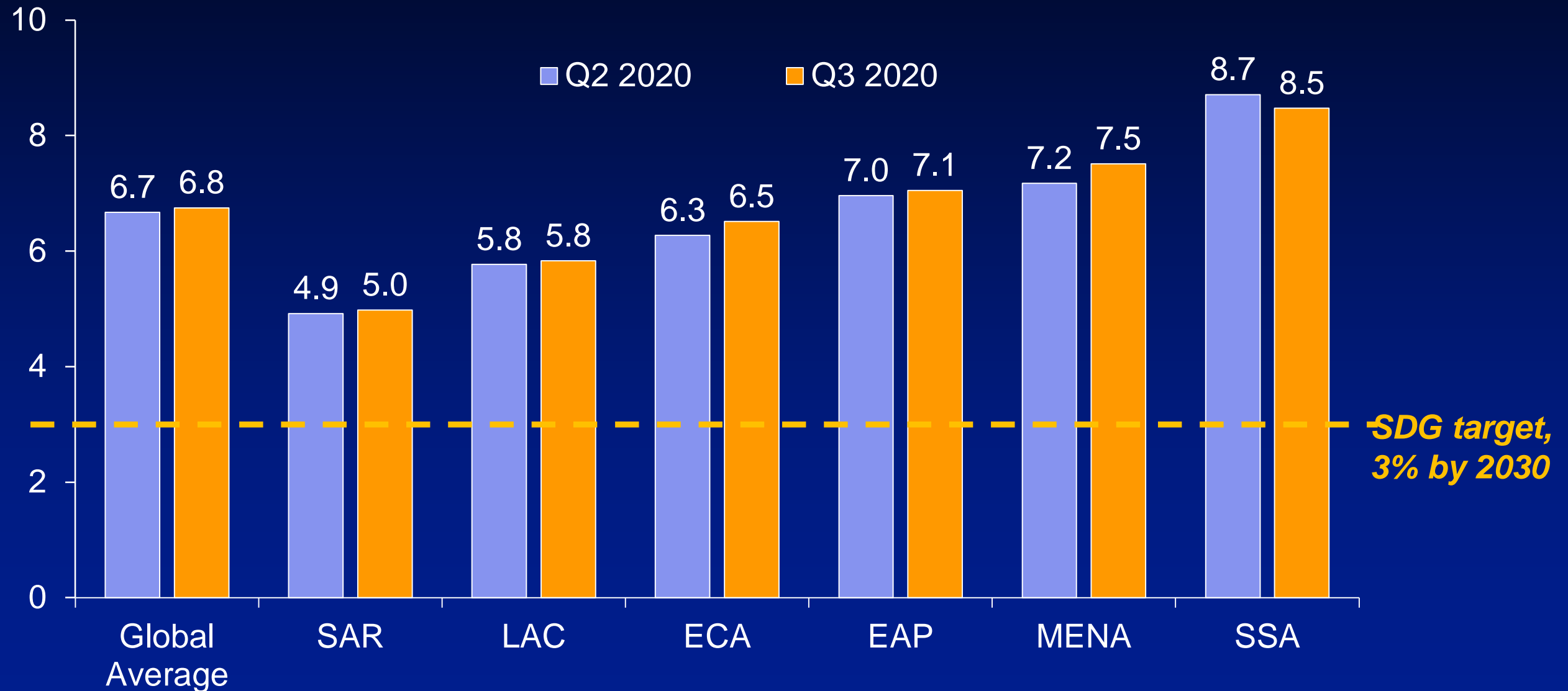
Source: World Bank-KNOMAD Staff estimates.

International Working Group on Improving Data on Remittances

- Need for high-frequency data, bilateral flows, corridor-specific flows, instrument-specific flows
- Clarification of concepts, classifications and methodologies
- Participants: National Statistics Offices, Central Banks, IMF, Eurostat, World Bank

Remittance costs did not decline in Q3 – increase efforts to reduce remittance costs

(Costs to send \$200, percent)



Source: Remittance Prices Worldwide database and World Bank-KNOMAD

Suggested policy responses

	Supporting migrants	Access to social services for migrants, their families	Supporting remittance infrastructure
Short term	<p>Support stranded migrants.</p> <p>Grant temporary protected status to foreign nationals.</p> <p>Support informal businesses employing migrant workers.</p> <p>Support migrants when they return home.</p>	<p>Provide access to health services, education, and housing.</p> <p>Extend cash transfer programs to support internal and international migrants.</p> <p>Support social services and provide cash transfers to families left behind.</p> <p>Facilitate the provision of remote mentoring and medical advice by diaspora doctors, and the temporary return of such professionals.</p>	<p>Remittance service providers (RSPs) should be declared as essential services.</p> <p>Revisit AML/CFT requirements</p> <p>Increase access to banking of migrants and their families, and of remittance service providers</p>