

Latin America and the Caribbean and the COVID-19 pandemic Economic and social effects and the impact on women's lives



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Five characteristics of the COVID-19 crisis

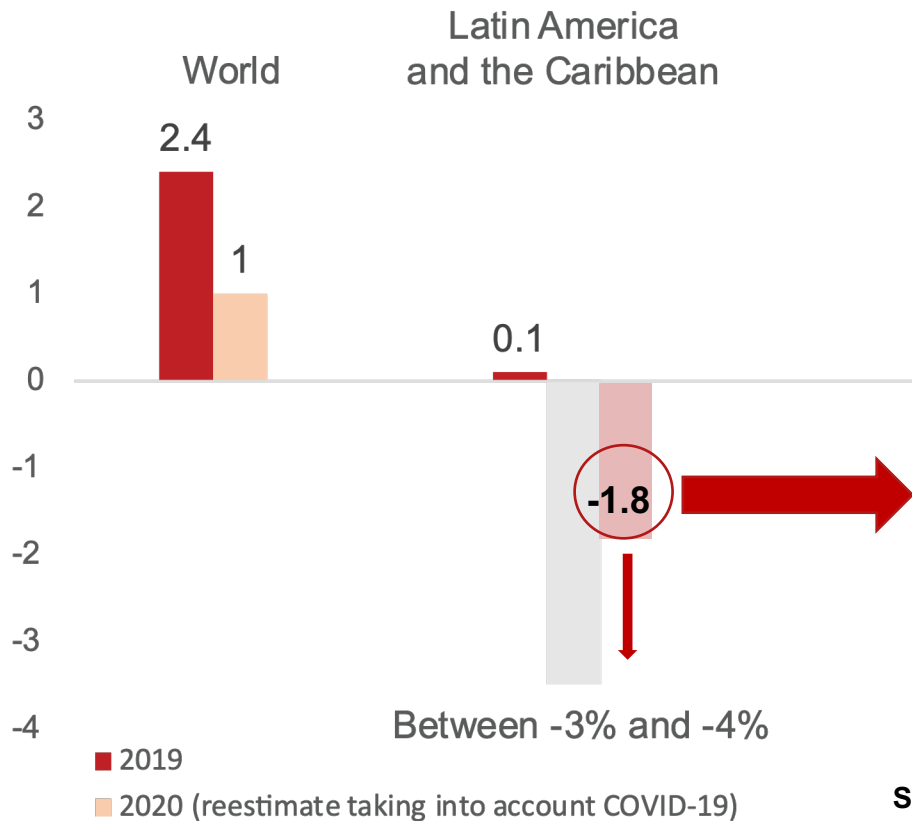
- 🌍 The world is facing a health and humanitarian crisis without precedent in the past century, in what is an already adverse economic context; unlike in 2008, **this is not a financial crisis but a crisis affecting people, health and well-being.**
- 🌍 The State, and not the market, has an essential role to play in the response to the current global economic situation. **States are therefore taking on a key role to contain the virus and the risks** that affect the economy and social cohesion.
- 🌍 To **flatten the curve of infection** will take measures to reduce interpersonal contact, which will cause **economic contraction**, paralyse production activity and destroy sectoral and aggregate demand.
- 🌍 **How not to flatten the economy:** strict and effective observance of quarantines and public health measures will be the fastest and most efficient way to reduce the economic costs.
- 🌍 **International cooperation:** the way out of the crisis will depend on the economic strengths of each country. Given the **asymmetries between developed and developing countries**, the role of the United Nations, the International Monetary Fund and the World Bank will be essential to ensure access to financing, safeguard social spending and support economic activities with out-of-the-box measures.



The start of a deep recession?

Facing the pandemic with weak economic performance

GDP growth rates: world and Latin America and the Caribbean, 2019–2020
(Percentages)



This projection considers only the external transmission channels of the crisis, and the effects of the economic contraction in China.

However, confirmed cases of infected people have spread to the European Union, the United States and LAC countries. Therefore, greater economic impacts for the region are expected. In that context, -1.8% fall in GDP should be considered as a baseline projection.

Latin America and the Caribbean:
GDP growth projections, 2020
(Percentages)

Institution	Rate	Date
Goldman Sachs	-3.8%	27/3
Capital Economics	-1.9%	27/3
Bank of America	-1.6%	19/3
Credit Suisse	-1.5%	17/3

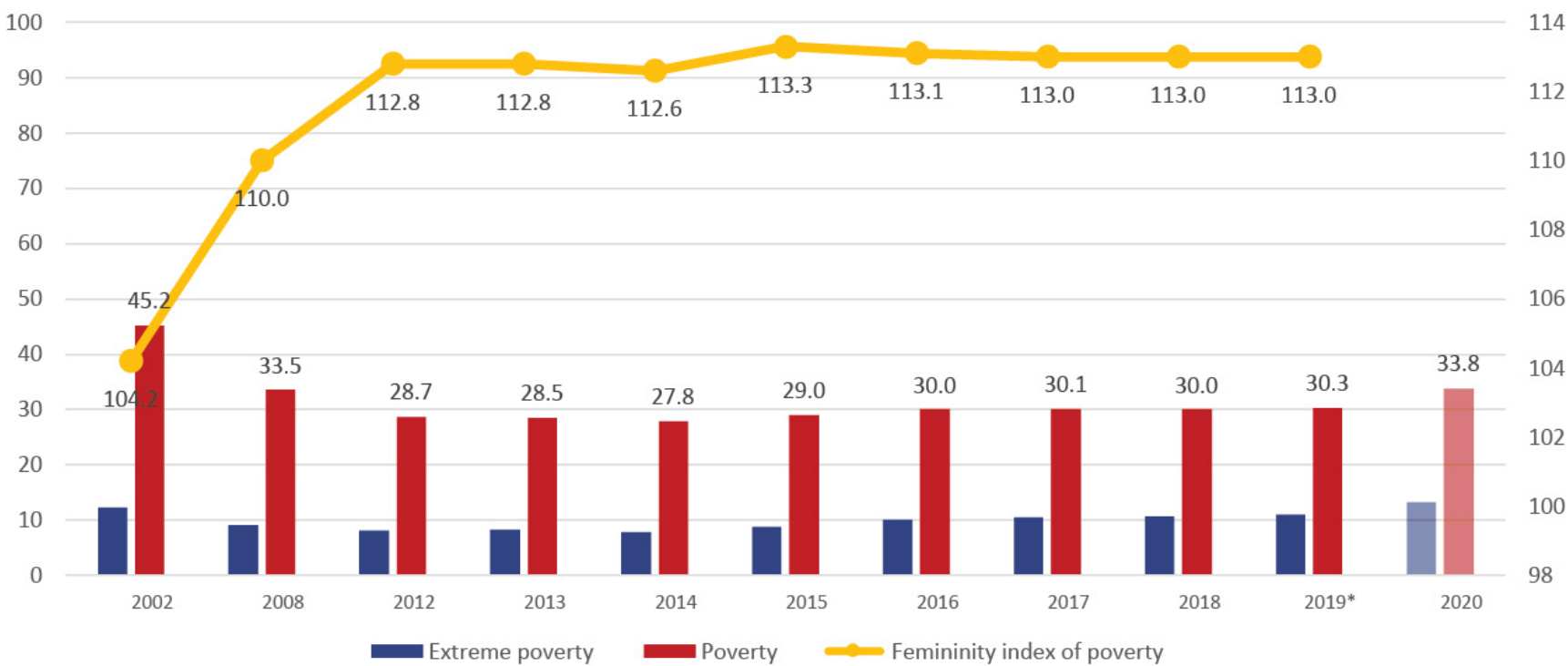
Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official data.





Latin America and the Caribbean: seven years of slow growth with rising poverty, extreme poverty and inequality, which could weigh heavily on women

Latin America (average for 18 countries): poverty and extreme poverty, and femininity index of poverty, 2002-2020
(Percentages)



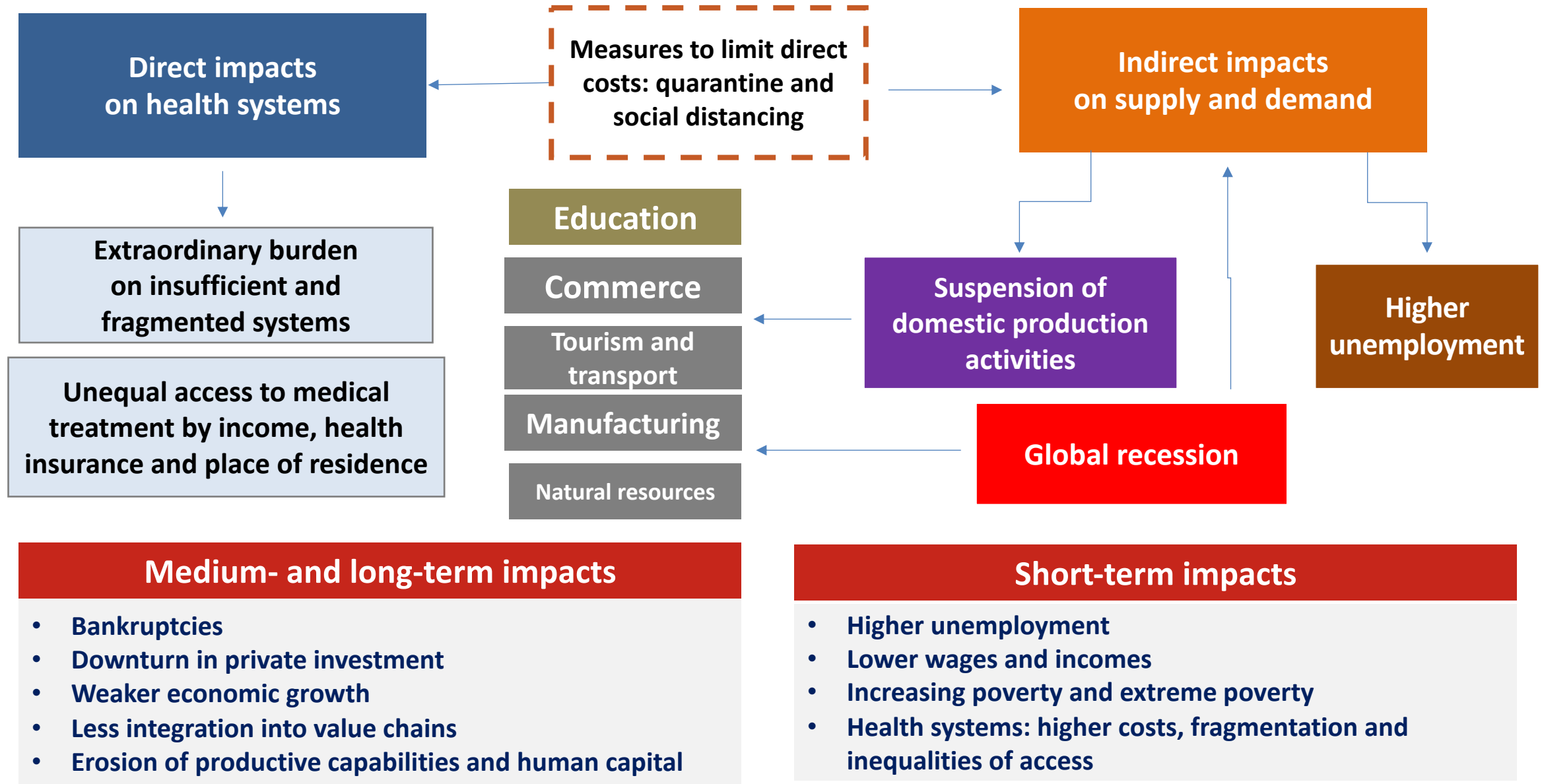
If the effects of COVID-19 result in the loss of income of 5% of the economically active population, poverty could increase by 3.5 percentage points.

107 million women in the region are reportedly living in poverty

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of the household survey data bank (BADEHOG).

* Poverty rates were estimated on the basis of a 5% decrease in income of the economically active population in 2020 and the femininity index of poverty was assumed constant for 2019 and 2020.

ECONOMIC IMPACTS OF COVID-19 IN LATIN AMERICA AND THE CARIBBEAN

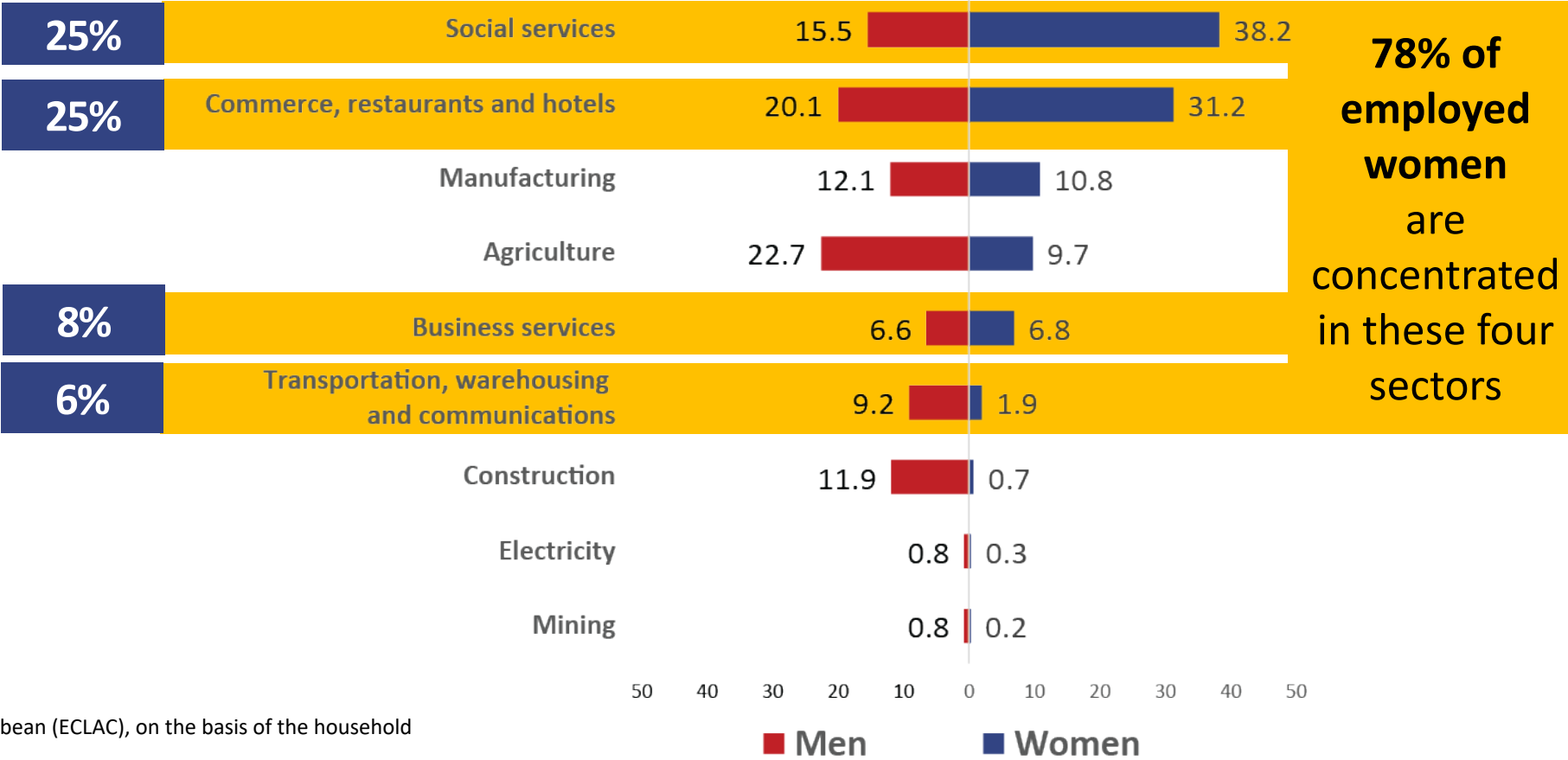




The pandemic containment measures could cause formal employment rates among women to fall because they are concentrated in the most affected sectors

Latin America (weighted average of 16 countries): employed population by sector of economic activity, around 2018
(Percentages)

64% of jobs are concentrated in sectors that could contract drastically

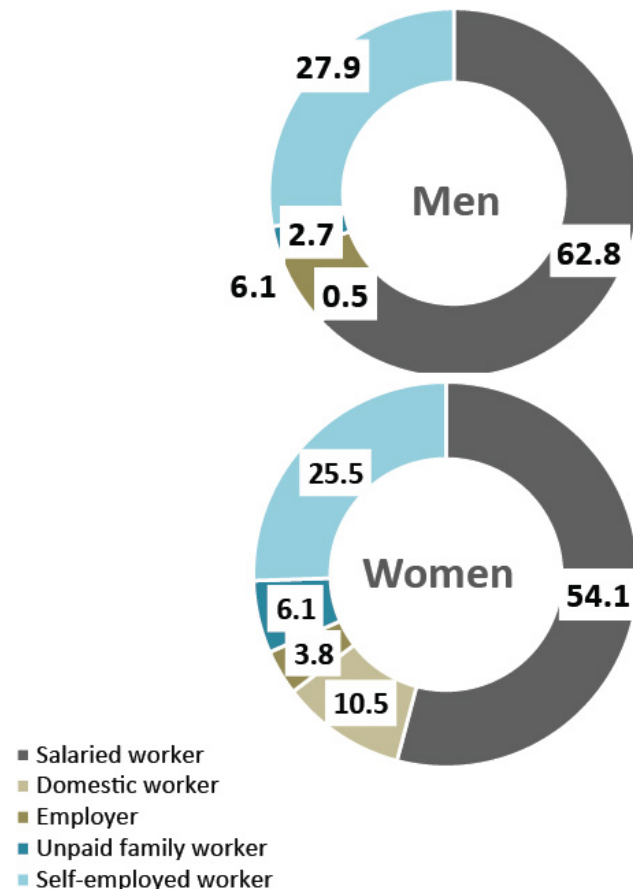


Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of the household survey data bank (BADEHOG).



Quarantine and public health measures will also have an adverse effect on people in the informal market and small businesses

Latin America (weighted average of 18 countries): structure of the employed population, by sex and occupational category, around 2017
(Percentages)



- 51.8% of women are employed in precarious sectors from the point of view of wages, employment formalization, job security or access to social protection.
- Self-employment and domestic service** are occupational categories with lower wages and highly precarious conditions (36% of female employment).
- Many of these **working women are entirely dependent on their work and daily income** to secure their livelihoods and those of their families.
- Although this is mainly a health crisis, **it is also a humanitarian crisis and requires comprehensive policies that address the economic and social effects** in addition to the impact on human health.

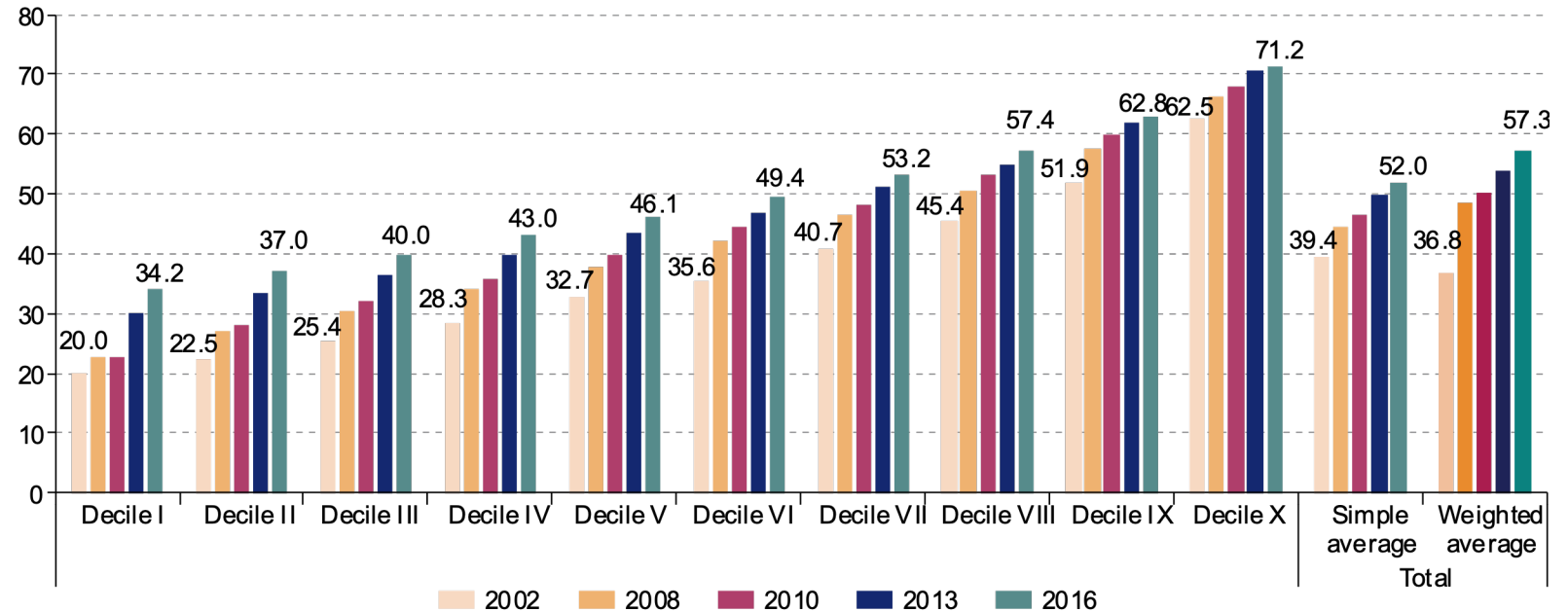
Limited and unequal health-system coverage affects access to care and increases unpaid work by women

Health-system coverage is highly segregated according to household income levels.

In the bottom income decile, just 34% of workers contribute to or are affiliated to a health system.

In light of limited coverage, the burden of health care falls on households, increasing unpaid work by women.

Latin America (14 countries): affiliation or contribution to health systems by employed persons aged 15 years and over, by per capita income deciles, national totals, 2002–2016
(Percentages)



Source: ECLAC, *Social Panorama of Latin America*, 2018 (LC/PUB.2019/3-P), Santiago.



Containment and quarantine measures are deepening the care crisis in the region



In the labour market

Health

The **pressure on health systems has a significant impact on women** (they account for 72.8% of people employed in that sector).

More intense working hours can affect working conditions.

An excessive workload combining work responsibilities with care demands at home.

Gender-based wage discrimination persists among health professionals.

Paid domestic work

The vulnerability of **paid domestic workers** (11.4% of employed women) is exacerbated:

- 77.5% of people who undertake this work are in the **informal sector**
- Increase in caregiving tasks related to school closures
- Higher demand for health care
- Movement restrictions prevent domestic workers from doing their jobs.



In households

Unpaid work

Before the health crisis, women spent between 22 and 42 hours per week on unpaid domestic work and caregiving tasks.

With school closures, social isolation and the increase in the number of sick people, **the unpaid work burden has grown more onerous.**



Quarantine or confinement poses a serious threat to the safety of many women and girls who are victims of domestic violence

- It means that women spend more time alone with their abusers and limits their ability to seek help:

In those countries of the region for which data are available, at least 1 in 4 women have experienced one episode physical or sexual violence at the hands of their partner.

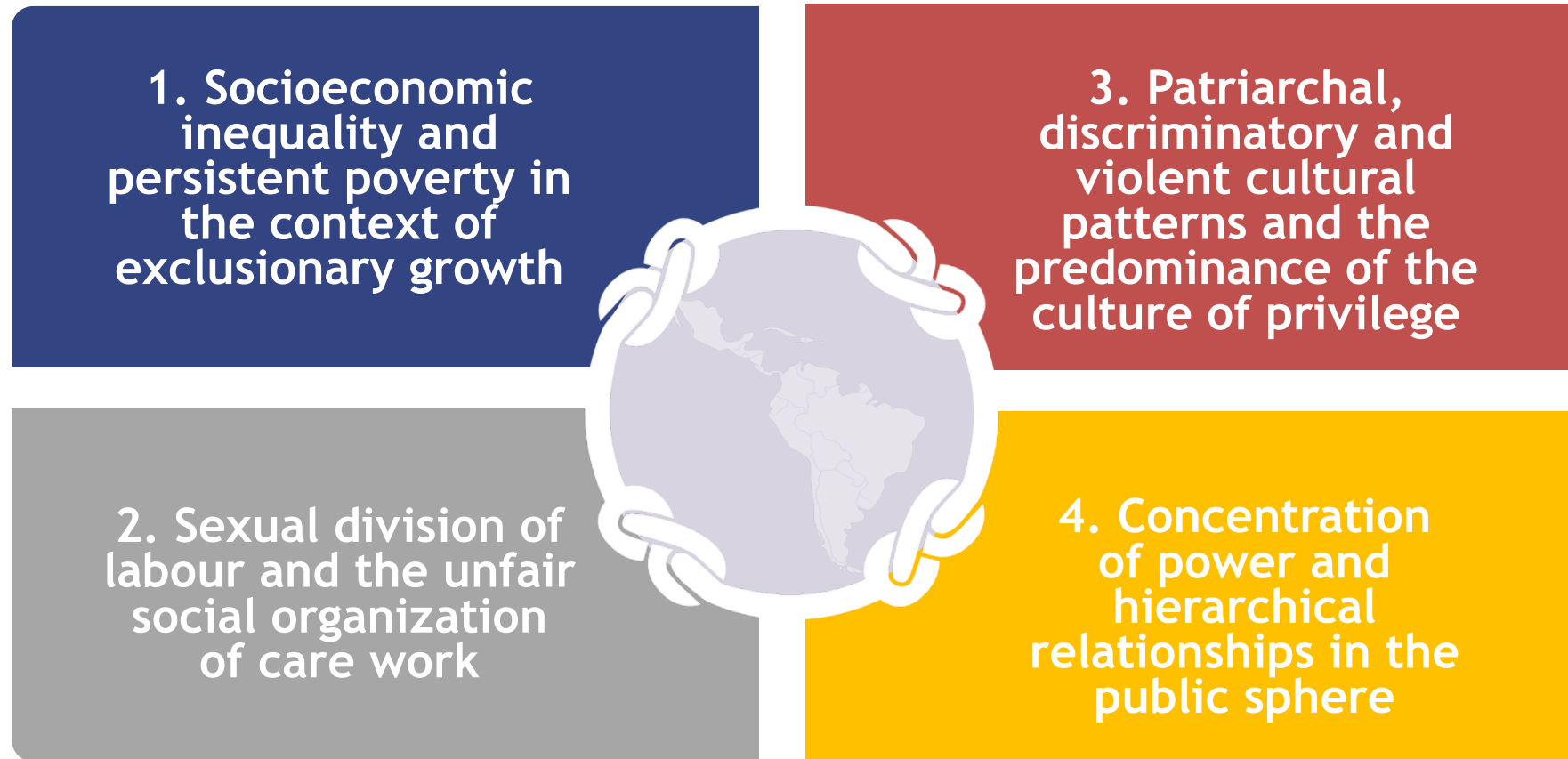
- Confinement could lead to an increase in gender-based domestic violence and femicide.

In most Latin American countries, the perpetrators of feminicides are partners or former partners of the victims. In Ecuador, Uruguay and Peru this type of femicide accounts for more than 85% of the national total.

- The barriers to access for essential services, such as health services, legal services and social services, including refuges and psychosocial support services, are greater.



Steps must be taken to ensure that structural obstacles to gender equality in the region are not exacerbated



What does promoting measures and policies with a gender perspective mean?

- 🌈 Acknowledging **the indivisibility of rights and women's specific needs** in response to the pandemic.
- 🌈 Taking into account the **diversity of women and the multiple forms of discrimination** that they face.
- 🌈 Adopting a **multi-scale approach** and an effective response at the territorial level.
- 🌈 Taking into account **urgent and structural issues and adopting a forward-looking approach in the medium and long term.**



How does the Montevideo Strategy contribute to the mainstreaming of a gender perspective into policies to address the COVID-19 pandemic and its consequences?

Communication

Promote large-scale campaigns to raise awareness of the services available to guarantee women's rights

Cooperation

Promote regional, subregional and bilateral cooperation initiatives on technical, financial, labour and rights-based matters

Information systems

Generate data on the impact on people and the economy, disaggregated by sex, and foresight studies

Participation

Encourage consultations through virtual platforms with women's and feminist organizations on strategies to address the pandemic

Financing

Expand the fiscal space to mobilize sufficient public resources to address the COVID-19 pandemic from a gender perspective

Government-led action to address the crisis in five key thematic areas for women's empowerment and gender equality

Prevention, treatment and response to violence against women during confinement

Women's hotline

Plans and protocols to tackle gender-based violence against women

Treatment for victims of gender-based violence

Extension of precautionary measures

Gender-based violence in digital media

Domestic and care work in households during confinement

Campaigns on the shared responsibility for caregiving

Care-related travel during mandatory isolation

Domestic workers' rights

Care for dependent persons

Employment protection and measures aimed at women working in specific sectors

Care leave

Paid leave

Employment protection

Employment protection for women victims of violence

Allowances, transfers and other social protection measures for all women

Several governments, including those of Argentina, Brazil, the Bolivarian Republic of Venezuela, Colombia, Chile, Ecuador, El Salvador, Panama, Peru, the Plurinational State of Bolivia and Uruguay, have announced or implemented specific transfers or bonuses in response to the COVID-19 emergency.

The amounts of and eligibility criteria for transfers vary by country.

Women's participation via digital media and their key role in containing the pandemic

Mechanisms to ensure equal and fair representation of men and women in local bodies.
Application of social criteria and affirmative actions in public procurement processes.

Support for small and medium-sized enterprises.

Measures encouraging women's social and civic participation via digital platforms.

Public policies and measures must be designed and implemented from a gender and rights perspective to respond to the pandemic in the short, medium and long term

In the short term, implement immediate measures to flatten the curve of contagion without flattening the economy

1. Address the health emergency

- Implement the containment measures suggested by WHO without delay
- Strengthen health systems and ensure universal access to tests, medicines and treatment
- Provide necessary protection for women health professionals, including the right to care

2. Address the social crisis (taking into account the diversity of women)

- Income protection measures for the most vulnerable groups
- Employment protection measures, unemployment benefits and basic emergency income
- Measures to support SMEs and self-employed workers

3. Address the economic crisis

- **Fiscal policy:** reorganize budgets (and if necessary access savings or take on debt) to implement fiscal stimulus packages in order to strengthen health systems, protect income and minimize the contraction of the economy.
- **Monetary policy:** stabilize exchange rates and maintain the solvency and operation of the banking sector
- **International cooperation:** rethink concessional lending and graduation policies imposed by international organizations. Facilitate low-interest loans and postpone debt servicing for developing countries as well as middle-income countries.



Ensure that the gender perspective is incorporated into macroeconomic, social protection and employment policies, among others

ECLAC provides an intergovernmental platform to bring together stakeholders from the public and private sectors, civil society and academia to develop policy solutions for the long-term impacts of the crisis and to monitor its impacts

- 🌍 The Regional Conference on Women in Latin America and the Caribbean is an intergovernmental forum on gender inequality and, in line with its mandate, seeks to address the regional situation regarding women's autonomy and rights and public policies on gender equality.
- 🌍 One of the pillars of the Montevideo Strategy for Implementation of the Regional Gender Agenda within the Sustainable Development Framework by 2030 is regional cooperation to support efforts undertaken to achieve gender equality and to guarantee women's rights.
- 🌍 Cooperation initiatives on technical, financial, labour standards and rights-based issues must be promoted as a matter of urgency in the face of this crisis.



ECLAC has created a COVID-19 observatory in the region containing detailed information on the policies being adopted at the regional and global levels



COVID-19 Observatory in Latin America and the Caribbean Economic and social impact



UNITED NATIONS



[COVID-19 Observatory in Latin America and the Caribbean](#)



[Latin America and the Caribbean and the COVID-19 pandemic: Economic and social effects](#)



[The COVID-19 pandemic is exacerbating the care crisis in Latin America and the Caribbean](#)

