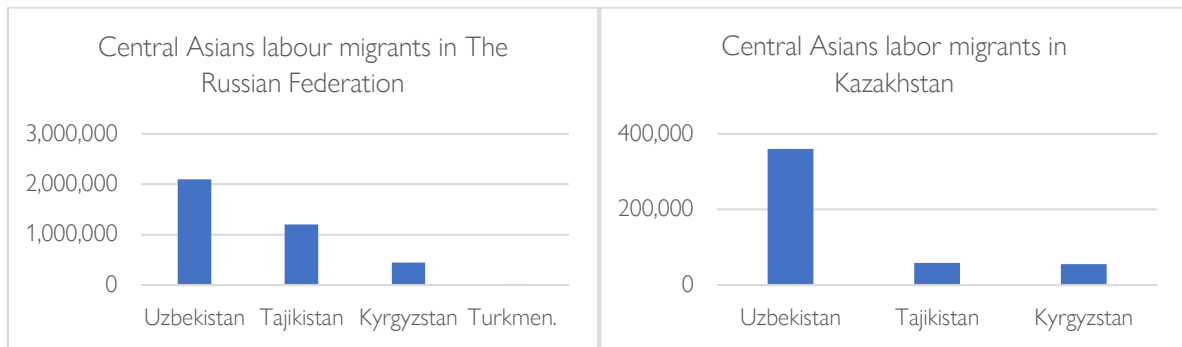


RESEARCH SUMMARY: THE IMPACT OF THE COVID-19 PANDEMIC ON THE STATE OF MIGRANTS AND REMITTANCES IN CENTRAL ASIA

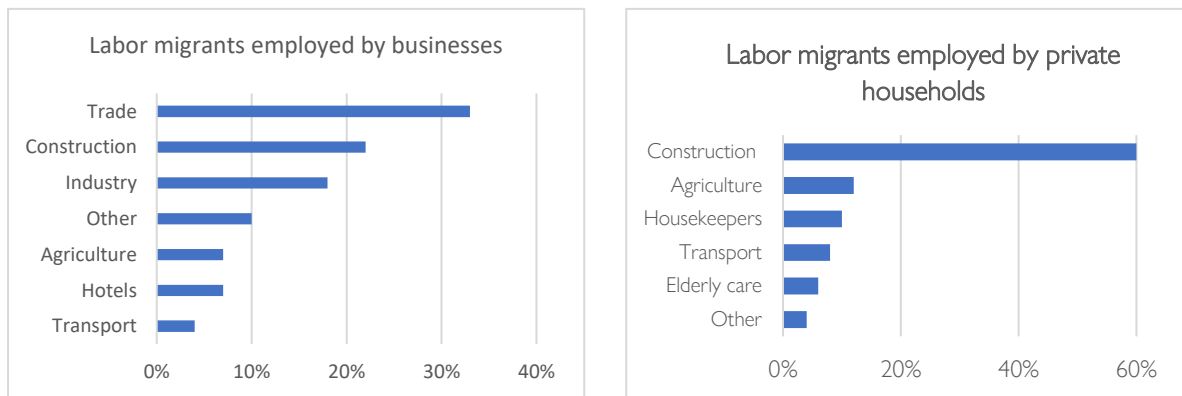
MIGRANT WORKERS FROM CENTRAL ASIA IN THE RUSSIAN FEDERATION AND KAZAKHSTAN – DEMOGRAPHICS AND EMPLOYMENT DURING THE COVID-19 CRISIS

2.7 to 4.2 million migrant workers, or **10%-16%** of the economically active population of Central Asia, migrate across the Central Asian region, primarily heading to the Russian Federation and Kazakhstan.

In 2019, approximately **3.9 million migrants** were registered in the Russian Federation. Most of them were the citizens of Uzbekistan, Tajikistan, and Kyrgyzstan. Approximately 420,000 migrant workers were registered in Kazakhstan.



Migrants from Central Asia primarily work in trade, construction, industry, and agriculture. Interestingly, Uzbek and Tajik citizens mainly work in construction, agriculture, industry, and transport; Kyrgyz citizens - in trade, services, catering and households; and Turkmen citizens in industry.



The figures and analyses of this research summary are based on the report conducted by IOM: “The Impact of the COVID-19 Pandemic on the State of Migrants and Remittances in Central Asia” – June 2020. The research was generously funded by the U.S. Department of State Bureau of Population, Refugees, and Migration.

The Russian Federation imposed restrictive measures starting from 5 March 2020. On 28 March to 5 April all restaurants, cafes, retail trade services and hairdressers were closed, and from 13 April taxi services and construction activities were put on hold. Kazakhstan closed its borders as well and imposed the State of Emergency. This wave of restrictions significantly affected the state of migrant workers from the Central Asian countries. As shown in the next section, a lot of people have lost their jobs and have been put on unpaid leave.

In parallel, all recipient and donor countries of labor migrants, including the Central Asian republics, began to close their borders. With travel restrictions, international mobility declined sharply, and by the beginning of April it had practically stopped.

As a result, many labor migrants from the Central Asian countries were left without work in the Russian Federation or stranded at the borders, unable to return to their countries. The situation of migrants remains difficult, as they are left without any means of subsistence and cannot pay for housing and food.

MAIN SOCIO-ECONOMIC AND LEGAL CHALLENGES FACED BY MIGRANTS FROM CENTRAL ASIA IN THE RUSSIAN FEDERATION

Central Asian migrants in the Russian Federation face several challenges, exacerbated by the COVID-19 crisis.

Lack of access to residency registration. Russian landlords refuse to register foreign citizens to avoid paying taxes. Many migrant workers are registered in other apartments or have false registration, hence violating the law.

Lack of labor contracts. More than 80% of migrants in the Russian Federation work without a formal labor contract. Labor exploitation is widely spread with an estimation of 600,000 victims.

Prohibitive price of the labor patent. The current price of the labor patent is 13,000 Russian Rubles. The process takes at least three weeks during which a labor migrant spends some additional 30,000 Rubles for meals, housing, and transportation.

Lack of access to affordable and adequate housing. High rental costs of a basic studio apartment in Moscow forces labor migrants to rent apartments in groups, usually in the outskirts of the city, with poor living conditions. Moreover, most landlords prefer to lease to slaves and Russian citizens.

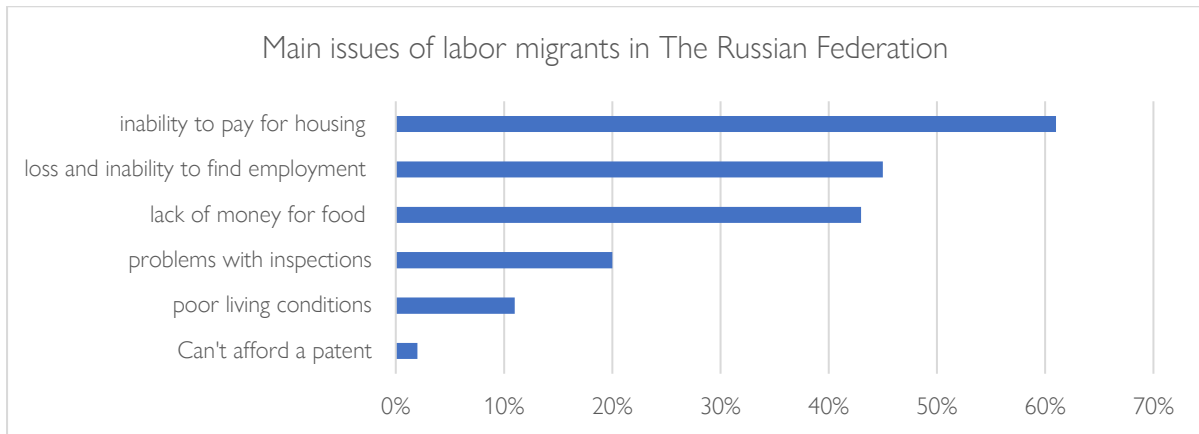
Lack of access to health services. Health insurance, although mandatory, does not cover most of the necessary services. Many migrants do not have access to free medical care, and women experience difficulties in obtaining special care (e.g. during pregnancy).

Rapid assessment of the impact of COVID-19 on migrant workers

In April 2020, an online survey was conducted among 717 migrant workers¹ to study the impact of the COVID-19 pandemic on migrants in the Russian Federation.

The main problems stated by the respondents during the pandemic were the inability to pay for housing, the loss of and inability to find employment, and the lack of money for food. About 28% of respondents were laid off and unemployed at the time of the survey and 37% were put on unpaid leave. **65% of all migrant workers surveyed during the pandemic did not have any sources of income, and 84% lost their income.**

Approximately one-third of migrants wanted to return home but were unable to do so due to border closures.



Employment and economic needs

37% of those who lost their jobs worked at construction sites. 21% - in restaurants and cafes, 18% - in trade, and about 6% - in taxi service. According to the survey’s findings, only 5% of the respondents received assistance from fellow migrants, 3% - from their employer, 1% - from the embassy of their country, 0.5% - from the Russian authorities. **About 87% of the respondents did not receive any material assistance in April 2020.**

Hygiene

Due to the suspension of work, many migrant workers ended up in confined, populated spaces with poor hygienic conditions, hence high COVID-19 contagion risks.

¹Average age: 36.4 years. Gender: 61% men, 39% women. Geographic distribution: 62% were citizens of Tajikistan, 14% of Uzbekistan, 10% of Kyrgyzstan, 1% of Kazakhstan, 14% from other countries. Education: 49% have high education, 28% specialized secondary education, 22% - secondary education and 1% said they did not finish school.

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Police violence

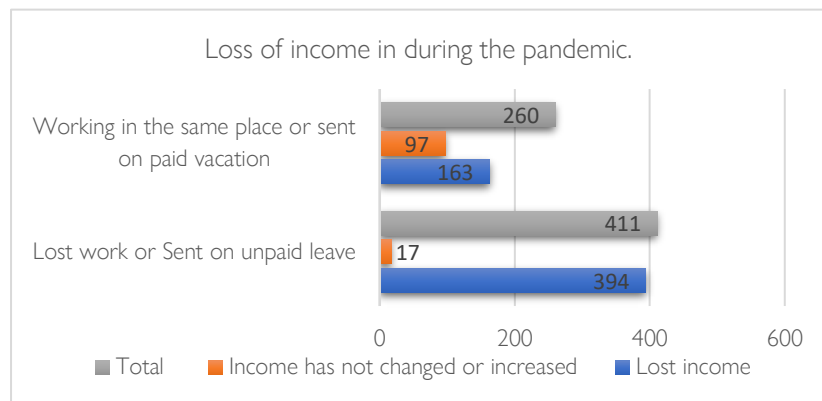
Although the Russian Federation authorities simplified migration procedures until 15 August 2020² (registration, patents, work permits, visas), in practice, cases of police violence and violation of the rights of labor migrants in the Russian Federation’s cities were regularly reported. Appeals for legal advice on unlawful detention and extortion of bribes by the police from foreigners increased sharply in March-April 2020 compared to 2019.

ANALYSIS AND ASSESSMENT OF KEY FACTORS LEADING TO THE REDUCTION IN REMITTANCES’ VOLUME TO CENTRAL ASIA

In the scope of the study, 24.3% of migrants had a secondary education or incomplete school education, and the remaining 75.7% had a secondary vocational or higher education. During the pandemic, 61.3% of migrants lost their jobs or were put on unpaid leave. Therefore, **both groups of migrants, with vocational education and without any education, faced equal risks of a job loss.**

Migrant workers’ remittances are commonly used to meet the educational, health and livelihood needs of families and communities in their countries of origin. These remittances often act as a substitute to missing social protection schemes in the countries with limited public welfare systems. **The impact of lost remittances will hit poor families the hardest, who are least likely to have access to social protection.**

83% of the respondents reported having lost their income, including 163 persons that were still employed. This can be explained by the fact that employers retain only basic salaries, while bonuses and other incentive payments may not be paid.

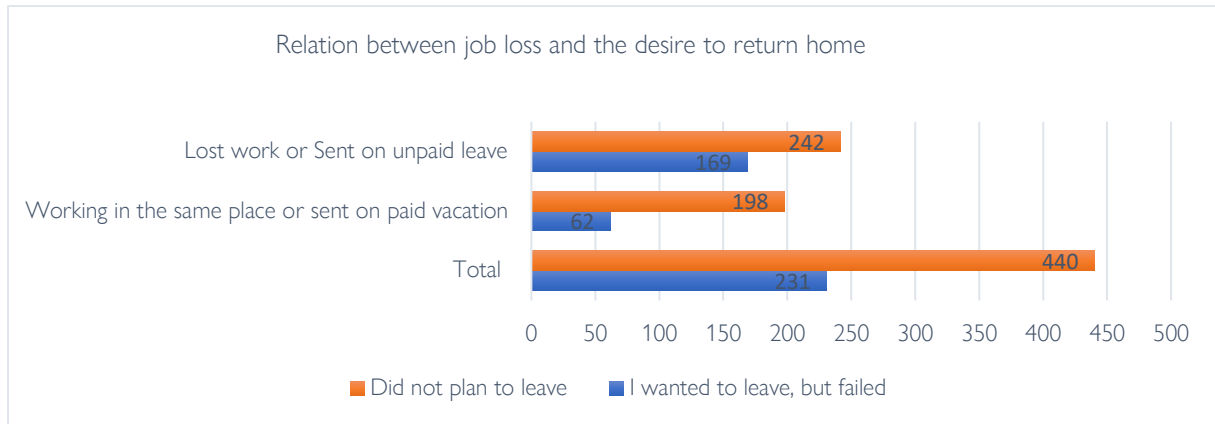


Two thirds of migrants who participated in the survey, didn’t want to return to their homeland, even despite the fact that they had lost their job. Migrants are fully aware of the risks of not being able to find work in their country of origin. This is explained by the Central Asian region being in a labor-surplus, also the current population growth rate is outstripping the rate of job creation.

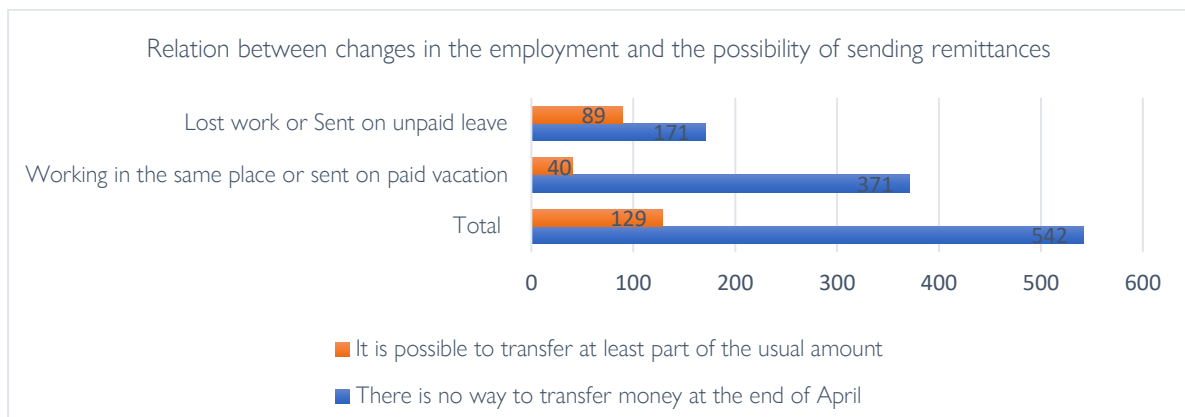
² This Decree was signed on 18 April 2020, and initially covered the period from 15 Marcp to 15 June 2020. It has been extended until 15 August.

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Moreover, staying in the Russian Federation during the pandemic can be a strategy to get employed quickly once the activities resume.



The change in the employment situation had a direct and immediate impact on the ability to send remittances. In the sample, 51.2% of the migrant workers regularly made money transfers to their homeland. After the start of restrictive measures, at the end of April, 78.8% were not able to transfer any money, and only 21.2% were able to do it at least partially. At the same time, many migrants note that the amount transferred is significantly lower than usual.



For Central Asian countries, a decrease in the volume of remittances entails an increase in poverty risks, since these transfers are the only source of income for most of the migrants' households. The most dependent in this regard are Tajikistan, Kyrgyzstan, and Uzbekistan, where remittances represent a significant share of the GDP. 90.2% of migrants who have lost their jobs were not able to transfer money to their homeland in the end of April. This suggests that **the overwhelming majority of migrants do not have a "safety cushion" in the form of savings**, and almost all their monthly income goes to daily consumption and transfers to support relatives in their home countries. Even within the group of migrants who retained their jobs, two thirds will not be able to transfer money to their homeland due to decreased level of income and different expenditure planning due to uncertainty.

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COVID-19 IMPACTS ON LABOR MARKET, MIGRANTS' EMPLOYMENT AND REMITTANCES

Unemployment

The largest number of layoffs was recorded in retail trade of non-food items, catering, and hotel business sectors. The share of migrants from the Central Asian countries in these sectors is quite high. Labor migrants face higher risks of dismissal, being the most vulnerable category of employees under restrictive measures.

Catering services

Many migrant workers are occupied in catering services, which is also considerably shrinking due to the pandemic. The sector expects a very significant decrease (up to 50%) in the employment rate it provides. The only mitigation could come from the reorientation to delivery, but about 60% of restaurants were unable to switch their work to a take-away mode during the period of restrictions. Overall, the average revenue of the sector does not exceed 30% from the last year's values.

Key figures

- ⇒ As of 28 May 2020, nearly 2 million people were officially registered as unemployed
- ⇒ More than 3 million people were in a state of underemployment
- ⇒ Since 1 April 2020 about 2 million people were laid off
- ⇒ Over 280,000 people are on unpaid leave.

Construction

About one third of all labor migrants are involved in the construction sector in the Russian Federation. Since April 2020 most construction projects have been closed, which led to the dismissal or vacation (paid or not) of a significant number of workers. In general, at the time of the survey construction firms expressed high degree of uncertainty in their future planning, with 45% thinking that the situation will deteriorate in the future. One third of them stated that the inability to pay salaries to employees was their main issue.

Changes in the volume of remittances

In 2018 the total volume of remittances from non-residents of the Russian Federation to Central Asia amounted to 10,776.09 million US dollars, and did not decrease in 2019.

In March 2020 statistics showed that the amount of remittances sent from the Russian Federation to the Central Asian countries decreased by more than a third. Despite the current unavailability of new May figures, the situation is likely to get worse since large numbers of migrants remaining in the Russian Federation have lost their income, hence are not able to send remittances. In Tajikistan, the decrease in remittances sent in March and April 2020 is estimated to be at least 50%. Likewise, in March 2020, about 138 million US Dollars was sent to Kyrgyzstan, which is the lowest figure over the past three years. Kazakhstan has also experienced drastic changes in

remittances' flows to the country. The volume of remittances in 2020 amounts to just 38.2% of April 2019's flow.

It is expected that the fall in demand of labor migrants and the reduced amounts of remittances will result in the growth of unemployment in the countries of origin, since potential labor migrants will have fewer financial resources to migrate and negative expectations from the job market in the Russian Federation.

The gradual removal of restrictions, the restoration of business activities and the need to attract labor migrants to perform seasonal agricultural works are likely to lead to a gradual and slow growth in remittances.

RESPONSE MEASURES OF THE GOVERNMENTS OF CENTRAL ASIA AND THE RUSSIAN FEDERATION

The Ministry of Internal Affairs (MIA) of the Russian Federation has eased the system of registration for foreigners due to COVID-19. As of 19 March 2020 all foreigners regardless of their reason of entry can approach any local MIA to extend documents such as visa, migration card, registration, etc. Labor migrants were also granted the right to obtain a patent without leaving The Russian Federation.

On 18 April 2020, the President of the Russian Federation signed a Decree, valid from 15 March to 15 June 2020 (it was later on prolonged until 15 August 2020) that lifts many requirements in place for labor migrants: i) hiring a foreign citizen is not conditioned anymore by a valid patent or work permit; ii) the legal stay in the Russian Federation is not conditioned by a valid patent; iii) payment for patents is suspended; iv) all documents expiring before 15 August are subject to automatic extension until 15 August 2020; v) no decision can be taken regarding deportations, prohibition of entry, readmission, etc.

Similarly, the diplomatic missions of Central Asia, like the one of Kyrgyzstan, started assisting migrants in March-April 2020. **On 17 March 2020, the Embassy of the Kyrgyz Republic established an Ops Unit, which included representatives of the Migration Service, The Ministry of Internal Affairs, representatives of international organizations, leaders of diaspora organizations. The headquarters processed 400-500 appeals daily. Migrants in need were provided with meals and necessities, and their accommodation in hostels was paid for with funds raised by embassy staff, sponsors, and diaspora organizations (1,300 thousand Rubles).**

According to the State Migration Service of the Kyrgyz Republic, as of 1 July 2020, 11,267 people had been repatriated to Kyrgyzstan from the Russian Federation. The Embassy is trying to help migrants who are left without work to find new jobs via its website.

Enormous work is also being done by various NGOs to support Central Asian migrants. A Special Center for Assistance to migrants has been established by NGOs to help with food, legal advice and employment. The Federation of Migrants in Russia in collaboration with diaspora leaders in Moscow have arranged the work of volunteers to distribute meals to migrants in hostels and dormitories, and to publish vacancies for migrants during the lockdown.

SHORT-TERM AND MID-TERM RECOMMENDATIONS

Recommendations at the international level:

- ⇒ Documents should substitute “social distancing” with “physical distancing” in relation to COVID-19, as the first carries discriminative, racial, and other negative connotations.
- ⇒ The countries should mutually coordinate cross border movements to the Russian Federation and within the borders of Central Asia.
- ⇒ NGOs, Governments of the Russian Federation and Central Asia as well as mass media should disseminate information on COVID-19-related protection measures to migrant population. It is recommended that IOM, WHO and the Red Cross should monitor health condition of migrant workers.
- ⇒ Banks in the region should temporarily enable a commission-free money transfer for migrants.

Recommendations for the Russian Federation and Kazakhstan as destination countries for migrant workers:

- ⇒ Develop volunteerism as a social governmental project to support migrants (homeless, elders, jobless) and encourage volunteerism among migrants.
- ⇒ Temporarily accommodate labor migrants and foreign students in hostels and empty resort areas.
- ⇒ Pay minimal welfare benefits to migrants who lost their job as a result of COVID-19.
- ⇒ Provide migrants with food and sanitary items in construction sites, hostels and hotels.
- ⇒ Provide information on vacancies in various fields such as food, delivery, farming, etc.
- ⇒ Give incentives to landlords to decrease rental costs for migrants, e.g. cancel the taxes landlords pay if they decrease the rental costs.
- ⇒ Provide migrants with the opportunity to contact a doctor or visit any medical facility without any compulsory medical insurance.

- ⇒ Stop any type of pressure on migrant workers, such as unjustified checks, violence, illegal detention, expulsion, taking bribes, invasion of homes, withdrawing passports, etc.

Recommendations for Central Asia:

- ⇒ Provide aid to migrants in terms of food, money, hygiene and medicines via diplomatic missions, NGOs and entrepreneurs.
- ⇒ Organize hotlines and Ops units with the support of Central Asian Embassies in the Russian Federation and Kazakhstan to resolve operational challenges, and issue documents to citizens who found themselves in difficult life situations during the COVID-19 pandemic. Ensure wide dissemination of information via SMS, social media and texting apps.
- ⇒ Assist migrants with return to their home countries.

“The Impact of the COVID-19 Pandemic on the State of Migrants and Remittances in Central Asia” research had been carried out by:

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