An Opportunity for Change: The Case for Economic Inclusion of Venezuelans in Riohacha

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Cover Photo Caption: Venezuelan refugees live in an informal settlement in Riohacha, Colombia. The community infrastructure has improved, notably the electricity network, which has helped the woman’s husband run a small shoemaking business from their home. © UNHCR/Santiago Esco-bar-Jaramillo
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Foreword

This case study is part of the Let Them Work Initiative, a three-year program of work led by the Center for Global Development and Refugees International and funded by the IKEA Foundation and the Western Union Foundation.

The initiative aims to expand labor market access for refugees and forced migrants by identifying their barriers to economic inclusion and providing recommendations to host governments, donors, and the private sector for how to overcome them. The primary focus is on refugees and forced migrants in Colombia, Peru, Kenya, and Ethiopia, with other work taking place at the global level.

In Colombia, we have already conducted two studies at the national level: From Displacement to Development: How Colombia Can Transform Venezuelan Displacement into Shared Growth\(^1\) and The Effect of COVID-19 on the Economic Inclusion of Venezuelans in Colombia.\(^2\) This paper focuses on the regional experiences of Venezuelans in Riohacha, where labor market access is difficult for locals and Venezuelans alike. The study draws from the experiences learned at the national level and focuses on the implementation of solutions at the local level.

To learn more about the initiative, please visit cgdev.org/page/labor-market-access and https://www.refugeesinternational.org/labor-market-access-program and get in touch.

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Executive Summary

The Colombian city of Riohacha has become a primary destination for forcibly displaced Venezuelans abroad. Riohacha is located in the northern Colombian department of La Guajira, in close proximity to the Venezuelan border, and hosts more than 47,000 Venezuelan refugees and other migrants. However, the city has struggled to integrate them. Furthermore, other vulnerable populations such as returned Colombians and the Wayúu—a binational Indigenous population living on both sides of the Colombian-Venezuelan border—also face dire conditions in Riohacha. The existing development challenges of the city call for a different approach to ensure the economic inclusion of Venezuelans and to promote better opportunities for all. This report explores the status of economic inclusion for Venezuelans in Riohacha, the existing barriers, and opportunities to generate growth. The case of Riohacha, where a wide range of development, security, and humanitarian challenges collide, showcases the need for greater solutions to host and integrate forcibly displaced Venezuelans throughout the regions in Colombia that experience similar circumstances.

In Riohacha, forcibly displaced Venezuelans face precarious conditions with limited livelihood opportunities. Most live in peri-urban settlements alongside returned Colombians and Indigenous Wayúus. In these settlements, displaced Venezuelans and other vulnerable populations struggle to access essential services and face violence and gang activity. Displaced Venezuelans also face a range of challenges to obtaining decent jobs, especially as there are limited opportunities in the region. The way Venezuelans in Riohacha integrate into the labor market is dependent on their type of mobility. For instance, Venezuelans in transit might look for short-term jobs in the region while they plan their departure to other cities. Similarly, circular migrants (coming back and forth from Venezuela to Colombia) might search for seasonal jobs in Colombia, which allow them to return to their homes and families in Venezuela. Finally, those settling in Riohacha likely seek more stable employment, which is hard to find. Ultimately, many of the Venezuelans who stay in Riohacha do so due to lack of funds to cover the expenses to move to another city where they might find better opportunities. Therefore, those who remain in Riohacha tend to face high levels of economic precarity.

The lack of job opportunities in the region affects Venezuelans and locals alike. However, Venezuelans face increasing challenges to integrate into the labor market. As a result, many have been pushed to work in informal jobs, where they face exploitation and abuse. This also has led to some distributional effects in the region, affecting real wages for those in the informal sector with educational attainment less than secondary education. Yet even with limited economic inclusion, Venezuelans have contributed to the economy in the region, as they consume local goods and services and pay taxes on such consumption. Greater Venezuelan economic inclusion could help mitigate some of the negative effects while also supporting the local economy and

5 Interviews, January 2022.
fostering an environment that promotes job creation and formalization. Furthermore, greater economic inclusion would allow Venezuelans to become more self-reliant, reducing their vulnerabilities. To achieve this, the municipality of Riohacha needs to address the specific barriers that Venezuelans face in the region, including the following:

1. **Difficulties with regularization.** Displaced Venezuelans and Venezuelan-returned Wayúu are struggling to access the Temporary Protected Statute for Venezuelan Migrants (ETPV, by its Spanish acronym), which allows them to stay and work in the country for up to 10 years. Some of the issues include the long distances to register for the permit and communication issues with Indigenous populations.

2. **Limited support from the local government.** Displaced Venezuelans are not included in municipal projects and policies, including the local development strategy. Furthermore, unlike other municipalities such as Barranquilla and Bogotá, Riohacha does not have a center to provide guidance to Venezuelans to access important programs and services.

3. **Increased challenges for Venezuelan women.** Many Venezuelan women in Riohacha are the sole caregivers for their families, yet they do not have access to childcare services. The lack of economic inclusion has pushed some to resort to survival sex as a coping mechanism.

4. **Lack of employment programs.** Displaced Venezuelans struggle to access the employment programs of the Public Employment Service in Riohacha, which supports individuals looking to find jobs in Colombia. Moreover, the city does not have a local employability office that could help advise Venezuelans about how to find jobs or obtain social protection.

5. **Inability to move to other areas with more labor market opportunities.** In Riohacha, Venezuelans have limited access to employment, but their financial precarity leaves them unable to move to other areas of Colombia to find jobs. This creates a cycle of economic instability that is difficult for many Venezuelans to overcome.

6. **Insufficient funding for integration.** The financial requirements to support integration efforts for Venezuelans in La Guajira are significantly underfunded. Donors have covered only US$16,887 of the total US$542,522 needed for integration in La Guajira.8

7. **Discrimination, xenophobia, and violence toward Venezuelans.** Criminal groups prey on vulnerable Venezuelans and Wayúu. Furthermore, 28 percent of Venezuelans in La Guajira do not feel safe in their communities, reporting general violence, sexual abuse, a lack of safe spaces, and harassment in public spaces such as bus stops and supermarkets.9

Even with the preexisting development challenges in Riohacha, improving the economic inclusion of Venezuelans could lead to positive labor market effects. Evidence from other contexts shows us that this is possible. Ethiopia is a good example. The communities surrounding the Aw Barre and Sheder refugee camps experienced a significant economic transformation, shifting from agriculture-based economies to bustling societies with flourishing businesses, trade, and oppor-

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7 Graham et al., “From Displacement to Development.”
8 Inter-agency Coordination Platform for Refugees and Migrants from Venezuela (R4V), “Funding Update” accessed February 2022: https://www.r4v.info/es/financiamiento
The support provided by humanitarian actors in promoting cash-based assistance and other types of aid and jobs has contributed to the dynamization of the local economy. The same can happen in Riohacha. Indeed, supporting greater economic inclusion for Venezuelans would allow them to earn better incomes, thus incentivizing consumption and mobilizing the local economy. Riohacha also needs to create more and better job opportunities for all. The Venezuelan displacement can open the door for development and humanitarian investments to mobilize the economy and spur growth in the region.

The wide range of challenges in Riohacha demands an integrated response that focuses on improving conditions in the region and generating more opportunities for Venezuelans and locals alike. Below, we lay out some recommendations to promote the economic inclusion of Venezuelans in Riohacha and improve conditions for all.

**To the Municipality of Riohacha**

- The municipality should update its development plan to include displaced Venezuelans, Venezuela-returned Wayúus, and Colombian returnees in its policies and programs.
- The municipality, in coordination with the Ministry of Labor, should create a unit within the Secretary of Tourism and Economic Development to promote Venezuelan employment, similar to units in Barranquilla and Bogotá. In the short term, it should strengthen the implementation of the Public Employment Service for Venezuelans.
- The municipality should assess the livelihood conditions of the Wayúu population and create a roadmap to overcome the challenges they face.
- The municipality should ensure that Venezuelan women can access the services available to local women, including childcare services.
- The municipality should open a reception center to provide services and support to Venezuelans, such as those in Barranquilla and Bogotá.

**To the Government of Colombia (GOC)**

- The GOC should improve its coordination mechanisms and financial and technical support for Venezuelans in La Guajira and its municipalities, including Riohacha.
- The GOC should strengthen the capacity of Migración Colombia in La Guajira to process the ETPV, taking into consideration the specific needs of secluded communities and Indigenous Wayúus.
- The GOC, through the Gerencia de Fronteras—which coordinates the response to human mobility in Colombia—should upscale the implementation of the Human Mobility Program, which links individuals and families in Riohacha with decent jobs in other areas of Colombia.
- The GOC should invest in infrastructure projects in La Guajira, instating a requirement to hire the Venezuelan and Wayúu populations.
- The GOC should expand the Special Economic Zones program to provide a fiscal benefit to companies that hire a percentage of the Venezuelan displaced population in La Guajira.

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To the UN’s Inter-Agency Group for Mixed Migration Flows (GIFMM) in La Guajira

- The GIFMM should conduct a market analysis in the region and design skills-training and livelihood programs with a gender lens to help boost the skills of Venezuelans and improve their integration.
- The GIFMM should implement programs to improve social cohesion with the goal of minimizing the perception that Venezuelans are taking jobs from locals.
- The GIFMM should expand support to Migración Colombia to facilitate the regularization process for the ETPV and to support the registration of individuals in remote areas.

To Donors and Multilateral Development Banks

- Donors should increase funding for the overall Regional Refugee and Migrant Response Plan 2022 in La Guajira and fully fund the integration efforts—increasing resources available for cash-based support—and livelihood and entrepreneurship programs.
- The World Bank and the Inter-American Development Bank should boost funding for infrastructure development in La Guajira, focusing on improving conditions in peri-urban areas where displaced Venezuelans and other vulnerable populations live and generating jobs for both locals and Venezuelans.
- Donors and development banks, in coordination with the GOC, should pursue a compact-like approach to foster the integration of Venezuelans and promote overall development in the country. The compact should encourage the right to work and rights at work and boost job creation in underdeveloped areas that host high numbers of Venezuelans, such as La Guajira.

To the Private Sector

- Companies in the Special Economic Zones should implement programs to formally hire Venezuelans, Venezuela-returned Wayúus, and Colombian returnees.
- Companies in other regions of Colombia should spread awareness of the benefits of hiring displaced Venezuelans and support the engagement of Venezuelans through core businesses and value chains.
Introduction

With more than 6 million forcibly displaced Venezuelans abroad,\(^{11}\) the Venezuelan exodus has become one of the largest displacement situations worldwide. Second only to Syria’s, it is the largest displacement in the history of Latin America.\(^ {12}\) Colombia is the main destination for Venezuelans seeking refuge abroad, hosting more than 1.8 million Venezuelan refugees and migrants as of August 2021.\(^ {13}\) The Colombian government has been welcoming to Venezuelans, taking proactive measures to regularize their status and integrate them into the economy. For instance, in March 2021, Colombia issued the Temporary Protected Statute for Venezuelan Migrants (ETPV, by its Spanish acronym), which will allow Venezuelans to remain in the country for up to 10 years, granting them work authorization and opening pathways to citizenship.\(^ {14}\) However, despite these efforts, Venezuelans still face a range of other challenges to their economic inclusion in Colombia.

Economic inclusion, defined as the achievement of labor income commensurate with one’s skills and decent work, is essential for refugees to achieve self-reliance and to contribute their skills and knowledge to their host communities.\(^ {15}\) In the case of Colombia, a study by Refugees International and the Center for Global Development found that greater economic inclusion for Venezuelans in Colombia could yield nearly $1 billion in annual GDP gains.\(^ {16}\) It would also generate a wide range of benefits for the country including higher rates of formal employment, increased self-reliance for Venezuelans, and better productivity for businesses.\(^ {17}\) Acknowledging the importance of integrating Venezuelans in the economy and the long-term nature of their displacement, the Colombian government implemented the “Income Generation Strategy” in 2019.\(^ {18}\) This strategy identifies the main barriers to Venezuelan economic inclusion and provides a roadmap to overcoming them.

The Income Generation Strategy is an important step toward helping Venezuelans access formal and decent work. However, conditions vary across Colombia’s regions, and the barriers that preclude Venezuelan refugees and migrants from accessing the labor market in major urban areas differ from those in more remote and smaller towns. Currently, most Venezuelans in Colombia live

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\(^{11}\) We define forcibly displaced Venezuelans as those who have been forced to flee from their country of origin due to economic, political, or security challenges. This definition includes refugees, asylum seekers, and migrants from Venezuela.


\(^{15}\) Graham et al., “From Displacement to Development.”

\(^{16}\) Graham et al., “From Displacement to Development.”

\(^{17}\) Graham et al., “From Displacement to Development.”

in large cities such as Bogotá, Barranquilla, and Medellín, where job opportunities are vast and diverse. However, many Venezuelans live in smaller border cities, such as Cúcuta or Riohacha—hosting 5.4 and 2.7 percent of the total Venezuelan population in Colombia, respectively—where economic opportunities are limited for both Venezuelans and locals (see Figure 1).¹⁹

**Figure 1. Number of Venezuelans per Administrative Department in Colombia**

![Map of Venezuela with annotations indicating the number of Venezuelans per department.](image)

Source: Migración Colombia, January 31, 2021.²⁰

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²⁰ Migración Colombia, “Distribución de Venezolanos en Colombia corte 31 de enero 2021.”
Riohacha, in particular, is one of the cities in Colombia with the largest percentage of Venezuelans relative to its local population—with displaced Venezuelans representing 26.3 percent of the total population.\(^{21}\) Given its proximity to Venezuela, Riohacha has become a primary destination for displaced Venezuelans in Colombia. However, the city has struggled to integrate them, as conditions are difficult for everyone in the region. The municipality of Riohacha faces significant development challenges including high poverty rates, water and food scarcity, low institutional capacity, limited access to services, and high levels of corruption and mismanagement.\(^{22}\) The existing challenges in Riohacha call for a different approach to ensure the economic inclusion of Venezuelans in the region and to promote better opportunities for all.

This policy note focuses on the specific conditions of Riohacha and the areas of opportunity to promote Venezuelan economic inclusion and overall growth in the region. It builds on the 2020 Colombia case study from the Let Them Work Initiative, which analyzed how economic inclusion can transform Venezuelan displacement into a development opportunity. The study first explores the conditions of Venezuelans in Riohacha and reviews how the different migratory flows affect their economic integration. Then it reviews the existing economic and social conditions in Riohacha and the impact of Venezuelan displacement in the region. The paper also lists the existing barriers to Venezuelan economic inclusion in Riohacha and identifies potential opportunities for integration. Finally, the policy note provides recommendations for a comprehensive response in Riohacha and the region that harnesses the benefits linked to Venezuelan economic inclusion in Colombia.

### The Status of Venezuelans in Riohacha

Riohacha is the capital city of the Colombian department of La Guajira, which neighbors the Venezuelan state of Zulia—the most populated state in Venezuela. Historically, La Guajira and Zulia shared tight commercial bonds and a dynamic circular migration that included a binational Indigenous group, the Wayúu (see Box 1). In the past, Venezuela received more than 1 million displaced Colombians, many of whom were escaping from the long-lasting armed conflict in Colombia.\(^{23}\) However, with the social and economic collapse of Venezuela, more than 500,000 Colombians have returned, and hundreds of thousands of Venezuelans have crossed and continue to cross the border into Colombia.

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21 Migración Colombia, “Distribución de Venezolanos en Colombia corte 31 de enero 2021.”
Box 1. The Wayúu: A Binational Indigenous Population

La Guajira has a dynamic transfrontier community with Venezuela, mainly represented by the Wayúu Indigenous group. The Wayúus are a binational Indigenous population living on both sides of the border. Historically, they lived between Colombia and Venezuela even before these countries existed, and they have moved back and forth from one country to the other without major inconvenience. The Wayúus live on reservations throughout La Guajira and are present in Riohacha, with a total of eight Indigenous reservations (also called rancherías) in the rural areas of the city.

Overall, the Wayúus in La Guajira face significant challenges due to their Indigenous status. Many live in poverty and struggle to access services such as health, education, and water. A five-year drought in La Guajira has exacerbated conditions for the Wayúus who rely on agriculture and livestock. Food and water scarcity has led to malnutrition among the Wayúus in La Guajira. These conditions have been exacerbated during COVID-19, as many Wayúus rely on tourism to sell their crafts and earn an income.

Given the current conditions in Venezuela, many Wayúus are returning and settling in Colombia. As a result of this migration, some interclan conflicts have erupted as Wayúu groups fight over access to their ancestral land and access to scarce resources such as water. This has led to violence and xenophobia against those Wayúus coming from Venezuela seeking opportunities back in Colombia. Furthermore, Wayúus coming from Venezuela face additional challenges once they return to Colombia. For instance, while the Colombian constitution does recognize their right to their Colombian nationality (article 96), Wayúus returning from Venezuela struggle to obtain a Colombian nationality and identification. Consequently, many are unable to regularize their status or obtain recognition of their Colombian nationality.

Riohacha and Maicao, in La Guajira, are among the Colombian cities with the largest percentage of Venezuelans relative to their local population, with 26.3 and 32.1 percent, respectively (see Figure 2). Official sources indicate that by May 2021, more than 47,000 Venezuelan refugees and migrants were living in Riohacha. But organizations on the ground mentioned to the research team that the number is up to 44 percent, much larger than the one recorded.

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28 Casey, “El colapso de Venezuela.”
30 Migración Colombia, “Distribución de Venezolanos en Colombia corte 31 de enero 2021.”
32 Interviews with actors in Riohacha, December 2021.
The porous nature of the Colombian-Venezuelan border has led to more than 130 informal crossing points between La Guajira and Zulia. While some Venezuelans cross through the border check point of Paraguachón and into the city of Maicao, many others enter La Guajira through these informal checkpoints.

**Figure 2. Map of La Guajira and Zulia**

![Map of La Guajira and Zulia](image)

*Source: Authors’ illustration created using Piktochart.*

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As conditions in Venezuela have worsened in recent years, the level of vulnerability among displaced Venezuelans in Colombia has been increasing. Actors in Riohacha report that many arrive with few funds, struggle to cover their basic needs (such as shelter and food), and depend on humanitarian assistance. They face a range of challenges to obtain decent jobs, especially as there are limited opportunities in the region. In general, the lack of employment options in Riohacha affects both locals and Venezuelans alike.

The economic precarity among Venezuelans in Riohacha has pushed many to live in informal peri-urban settlements since many cannot afford rent. In such neighborhoods, displaced Venezuelans reside alongside other vulnerable populations such as returned Colombians or Indigenous Wayúus. Currently, there are at least 15 squatter settlements on the outskirts of Riohacha, 80 percent of which have been established for at least three years (see Figure 3). Some of these squatter settlements are located in neighborhoods such as Villa del Sur and Brisas del Norte, where water scarcity was a problem even prior to their arrival. As a World Bank study from 2018 indicates, in Riohacha, 33 percent of individuals living in informal settlements do not have access to shower services, bathrooms, or any other type of lavatory facility. NGOs report that in these communities, Venezuelans also struggle to access electricity, Internet, and transportation. Moreover, these neighborhoods experience higher rates of other problems such as lack of access to health, shelter, and education; gang activity; and gender-based violence.

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35 Interviews with local actors, December 2021.
38 Interviews, January 2022.
39 Equipo Humanitario Colombia, “Informe Final MIRA.”
Despite the government’s efforts, most Venezuelans in Riohacha do not have documentation to regularize their stays in the country. Access to regular status is an issue in La Guajira overall, where 56.4 percent of the Venezuelan population is undocumented. In Riohacha, by August 2021, only 13,067 of Venezuelans held the Special Stay Permit, which gives them access to regular status and work authorization. This means that almost 70 percent of the population does not have permits to stay in the country, and sources on the ground indicate that the actual number is even higher. This seems likely, as the number of Venezuelans entering irregularly significantly increased during the border closures.

43 Interviews, December 2021.
Every day, many Venezuelans cross into La Guajira through dangerous unofficial routes called trochas, which are often operated by armed criminal groups. In the past, the passport requirement to enter Colombia pushed many to use these unofficial routes. While the Colombian government waived the valid passport requirement in March 2019, the COVID-19 border closures in place until June 2021 left most Venezuelans with few options to enter Colombia regularly.\textsuperscript{45} NGOs reported that as the lockdown ended in Colombia, an increasing number of Venezuelans were reentering La Guajira through the trochas. As one NGO worker noted,

\begin{quote}
There is an invisible influx to Colombia. Around 300 to 500 Venezuelans have been entering [La Guajira] every day through illegal points since the economic recovery started, and this is not registered. And they are coming with their families.\textsuperscript{46}
\end{quote}

Since the border reopened, informal entries have continued, but there has been an increase in the number of Venezuelans entering through official checkpoints. By September 2021, immigration authorities at the Paraguachón border registered almost 20,000 entries.\textsuperscript{47} NGOs report that a surprising number of Venezuelans are now entering with valid passports, which are normally very hard to obtain in Venezuela. One NGO representative mentioned to the research team,

\begin{quote}
People are coming, and they are coming with passports! I believe that remittances are helping families in Venezuela to obtain a passport and leave the country.
\end{quote}

While irregularity will continue to be a problem in Riohacha, the reopening of the border paired with the new ETPV will continue to support the regularization of Venezuelans in the region.

\section*{Venezuelans’ Mixed Mobility and Labor Market Participation}

Given Riohacha’s location and historical connections, there are different types of mobility among forcibly displaced Venezuelans in the city. It is simultaneously a city of destination for many displaced Venezuelans, a city of transit for those moving on, and a city used by people going back and forth to Venezuela (also known as circular migrants). In order to determine the way in which Venezuelans integrate into the local economy, it is important to understand these different types of mobility and whether people intend to settle in the city. For instance, those who intend to seek residency might be more inclined to find more stable jobs, whereas those who are there for only a couple of months might seek temporary or seasonal employment. While this report does not include analysis of data around mobility and intentions, it will categorize the different types of mobility and its potential effects on the labor market.

\section*{Circular Migrants}

Historically in Riohacha and La Guajira overall, Venezuelans have crossed the border back and forth for trade purposes. However, as the economic conditions in Venezuela deteriorate, many

\begin{footnotesize}
\textsuperscript{46} Interview, August 2021.  
\end{footnotesize}
of the Venezuelans crossing into Riohacha increasingly do so to look for goods, medicines, and other services that they cannot obtain in their home country.48

In May 2017, the Colombian government created a special permit to facilitate regular crossing from Venezuela to Colombia called the border mobility card (Tarjeta de Movilidad Fronteriza, or TMF). The TMF allowed Venezuelans to enter and stay regularly in Colombia for up to seven days. While the TMF did not provide work authorization, many of the Venezuelans crossing with the TMF engaged in informal temporary jobs in Colombia along the border in order to get the resources necessary to survive back in Venezuela. In January 2019, the government of Colombia (GOC) suspended issuing TMFs. Now, most Venezuelans can enter Colombia with only their identification. This change allows for many Venezuelans to enter the country through official checkpoints without major inconvenience, especially if they are pendular migrants. However, NGOs report that without the TMF, identifying pendular migrants has become a challenge, especially as there are few data around them.49 The lack of data collection targeted at pendular migrants creates challenges when planning for the response in the region and for creating programs that respond to their specific needs.

**Venezuelans in Transit**

The Venezuelan population in Riohacha is mobile. Many of those arriving in Riohacha plan to settle in other cities within Colombia or in another country. Given its proximity to Zulia and the vast network of Venezuelans in Riohacha, the city is a natural stop for many Venezuelans in transit. Riohacha hosts many Venezuelans whose intentions are to reunite with family or start a new life abroad, whether they stay in Riohacha for a few days or for months before moving to other places. Venezuelans in transit likely seek temporary jobs within Riohacha until they can settle into their new locations.

The conditions in Riohacha itself have pushed some to seek a better life in other places, even if they had the original intention to remain in Riohacha. For instance, some Venezuelans who cannot find job opportunities in Riohacha or in La Guajira in general move to cities such as Cartagena, Valledupar, and Barranquilla. Depending on their financial capacity, some even move to Bogotá.50 However, it is important to highlight that the ability to move out of Riohacha is linked to the financial capacity to do so. Therefore, those who ultimately stay in Riohacha are likely to have higher rates of economic precarity.

In interviews, local actors reported that many of the Venezuelans currently entering Colombia through La Guajira are in transit and that many come with job offers from other countries such as the United States or Mexico. There is a growing concern among local actors that these job offers are scams or phishing tactics used by criminal groups to prey on vulnerable Venezuelans looking for opportunities. Such situations already exist in other contexts such as in Trinidad and Tobago, where there has been an increase in the number of Venezuelans who are victims of trafficking.

49 Interviews with NGOs in Riohacha, January 2022.
50 Interviews with NGOs in Riohacha, January 2022.
and sexual slavery.\textsuperscript{51} A study conducted in 2019 estimated that around 4,000 Venezuelans had been sold by human trafficking cartels to criminal elements in Trinidad and Tobago during a six-year period.\textsuperscript{52} NGOs in La Guajira expressed a concern that a similar situation is happening in the region. One representative said,

\begin{quote}
We believe that those job offers are suspicious. There is a possibility that criminal groups are behind them with the intention of exploiting Venezuelans.
\end{quote}

**Venezuelans Settling in Riohacha**

The precarity among Venezuelans, paired with their need to access aid and social networks for support, remains a determining factor for many who settle in Riohacha. In interviews with the research team, local officials mentioned that many Venezuelans stay in Riohacha because they simply cannot afford to move to another city, either within Colombia or abroad.\textsuperscript{53} This trend is rising as the level of vulnerability of those moving increases. As Adriana, a Venezuelan woman in Riohacha, mentioned in an interview,

\begin{quote}
Now people stay, tired of the situation in Venezuela and come without anything.
\end{quote}

Scarce job opportunities in Riohacha and limited access to aid reduce the ability of Venezuelans to move to other regions of Colombia where they might find more job opportunities. Their extreme vulnerability not only limits their freedom to choose suitable locations in which to settle but also affects their opportunities to access the labor market.

Others stay in Riohacha because they want to remain close to the border, where it is easier to send back remittances and visit their families in Venezuela. It is common to see Venezuelan men leaving for other areas to work while the rest of the family stays in Riohacha in close proximity to Venezuela. For female-headed households, moving a whole family from city to city can be expensive. Therefore, many decide to remain in Riohacha, where they might have more networks to care for their families. Furthermore, the existing Venezuelan communities in Riohacha create a welcoming environment for displaced Venezuelans to find safe ground after they flee their country. Ramon, an NGO worker, told us in an interview,

\begin{quote}
In previous years, Venezuelans were seen living in the streets, but that has changed over the past year as their networks have strengthened. The growing networks allow Venezuelans to have a place to stay for a few days before looking for livelihoods and their own housing.
\end{quote}

This also creates a sense of community and security, which, paired with humanitarian aid, allows many Venezuelans—in particular Venezuelan families—to settle in Riohacha despite the poor conditions.


\textsuperscript{53} Interviews with NGOs in Riohacha, January–April 2021.
Riohacha’s Compounded Challenges

Currently, La Guajira has the fifth highest Venezuelan population among all Colombian departments, hosting more than 106,000 Venezuelan refugees and migrants across its 15 municipalities. Many of these Venezuelans live in Riohacha. The arrival of many individuals in great need of protection has, naturally, produced additional strains on local government service provision—especially as the region was already facing significant development challenges. Indeed, the department of La Guajira is one of the poorest and most underdeveloped regions of Colombia, where poverty and insecurity are pervasive. In 2019, more than 60 percent of people in La Guajira lived below the poverty line—earning less than $37 a month—and 33.5 percent of the population lived in extreme poverty. In Riohacha, multidimensional poverty levels—which measure variables beyond income such as access to health, employment, shelter, and water—reached 34.1 percent in 2018. This is reflected in the living conditions of the residents of Riohacha, where 18.3 percent of households fail to meet basic needs, 11.1 percent face barriers to accessing health, and 43.1 percent have low levels of education.

The remote northern location of La Guajira has left the region largely disconnected from the rest of the country and removed from the authority and support of the central government. Between 2013 and 2019, the department experienced political instability and a continual change of leadership. In Riohacha, a cycle of corruption and institutional instability have strained growth. In particular, the presence of the Ejercito de Liberación Nacional—a left-wing guerrilla group that is fighting for control of territory on both sides of the border—creates increasing security and stability concerns throughout La Guajira and contributes to the deterioration of living conditions.

Riohacha’s development challenges are highly intertwined with the limited employment opportunities in the region. For instance, more than half of the economically active population in Riohacha works independently, and more than 86 percent works in the informal sector. Furthermore, Riohacha has rampant unemployment, with levels reaching an all-time high of 15.2 percent in 2019. Indeed, Riohacha is the Colombian city with the fifth largest proportion of unemployed persons and the second largest proportion of youth unemployment—with a youth unemployment rate of 15.2 percent in 2019.

55 The National Administrative Department of Statistics or DANE calculated the poverty line for 2019 in $137,350 Colombian pesos per capita (US$37) per month.
59 Trejos, “Política e ilegalidad en La Guajira.”
61 The economically active population in Colombia includes individuals who are 12 and older in urban areas or 10 and older in rural areas. DANE, “Preguntas frecuentes,” accessed on November 5, 2020, https://www.dane.gov.co/files/faqs/faq_ecn.pdf.
62 DANE, “Preguntas frecuentes.”
rate of 28.9 percent among individuals between 14 and 28 years old.\textsuperscript{63} The limited labor market capacity and proliferation of informal employment in the region have pushed many to rely on illicit activities such as trading in contraband. For example, fuel smuggling has become the only income for many families in the department.\textsuperscript{64} This situation is prevalent in both Riohacha and Maicao, the two major cities of La Guajira.\textsuperscript{65} Displaced Venezuelans and Indigenous Wayúu are particularly vulnerable to recruitment, and coercion by these criminal groups provides livelihood opportunities for them to survive.

Currently, the main economic activities in Riohacha are tourism, commerce, and services (see Figure 4), some of which are reliant on cross-border trade with Venezuela.\textsuperscript{66} COVID-19 has deeply affected the economy of Riohacha, as it decreased tourism in the region. Furthermore, the closing of the border in March 2020 led to a 58 percent decline in trade between Colombia and Venezuela.\textsuperscript{67} The halt of trade between Venezuela and Colombia, paired with the tensions between the two countries and the continued economic and political collapse of Venezuela, has negatively affected the livelihoods of both locals and Venezuelans in the region.

Figure 4. Economically Active Population Labor Participation in Riohacha, by Sector

![Figure 4](image)

Source: National Administrative Department of Statistics (DANE), Gran Encuesta Integrada de Hogares (GEIH) 2019.

\textsuperscript{63} DANE, “Preguntas frecuentes.”
\textsuperscript{64} Danna Rodríguez, “Contrabando de combustible en La Guajira: complicidad fronteriza,” Crudo Transparente, 2019, https://crudotransparente.com/2019/09/27/contrabando-de-combustible-en-la-guajira-compli-
cidad-fronteriza/.
It is likely that with the border reopening, the local economy will bounce back as Venezuelans are able to enter La Guajira. This situation shows the historical economic interdependency between Zulia and La Guajira, where trade and migration have created a dynamic border economy and supported local businesses. Indeed, the economy of Riohacha and the region overall is significantly stimulated by the number of Venezuelans consuming local goods and services and paying taxes on such consumption. This is because Venezuelans are active economic contributors in the region and their presence mobilizes the local economy.

Yet it is important to acknowledge the distributional effects that the arrival of so many Venezuelans has had on wages among at least some in the labor force. A study conducted in 2019 found a significant negative effect on real wages for locals in La Guajira, particularly for those in the informal sector with educational attainment less than secondary education. It is likely that the limited employment opportunities in Riohacha led to competition for the few jobs available, pushing many Venezuelans to accept lower incomes and exploitative work conditions. Yet as described in the report “From Displacement to Development: How Colombia Can Transform Venezuelan Displacement into Shared Growth,” increasing economic inclusion of Venezuelans in the region could help mitigate these negative effects while supporting the creation of an environment that promotes job creation and formalization.

### Barriers to Venezuelan Economic Inclusion in Riohacha

The development challenges in Riohacha affect the local population but are even more prevalent among the Indigenous and forcibly displaced populations. The lack of employment opportunities in the region affects both Venezuelans in Riohacha and locals. The number of jobs in the formal sector is small, and due to their limited connections, resources, and legal status, Venezuelans are more likely to end up working informally. Self-employment is often an option for many Venezuelans and binational Indigenous groups to survive. As a Venezuelan lawyer in Riohacha said,

> There are very few opportunities, so people are informally employed selling vegetables, plantain, or recycling.

Riohacha’s economy has major structural challenges that affect the labor market overall. Some of these challenges include high rates of informality, rising unemployment, poverty rates, limited access to social protection, difficulties applying Occupational Safety and Health measures, decline in working conditions, high income gaps, and risk of exploitation. Beyond these structural challenges, there are some barriers that particularly affect the way Venezuelans integrate into Riohacha’s economy (see Box 2).

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68 Leonardo Peñaloza, “Living with the Neighbors.”
69 Graham et al., “From Displacement to Development.”
Box 2. Main Barriers to the Economic Inclusion of Venezuelans in Riohacha

1. Difficulties with regularization
2. Limited support from the local government
3. Increased challenges for Venezuelan women
4. Lack of employment programs
5. Inability to move to other areas with more labor market opportunities
6. Insufficient funding for integration
7. Discrimination, xenophobia, and violence toward Venezuelans

While most Venezuelan-specific barriers to economic inclusion, such as access to regularization and difficulties verifying credentials, are acknowledged in the Colombian government’s Income Generation Strategy, there are other barriers that are particularly acute for Venezuelans in Riohacha.

**Difficulties with Regularization**

Access to regular status is an essential precondition to obtaining formal jobs. Without it, Venezuelans cannot enter the formal labor market, access important services, and prevent abuses and exploitation. However, regularization alone is not enough to ensure access to the labor market for Venezuelans. In Riohacha, for instance, most of the local population works informally. As a result, it is unlikely that obtaining regular status will result in a significant increase in formal-sector jobs for Venezuelans. Nevertheless, securing regularization in the region is an essential first step in any broader effort to promote economic inclusion for Venezuelans. With regular status, those Venezuelans who can obtain formal jobs will legally be able to be formally hired. And those who continue working in the informal sector can advocate for better conditions. Furthermore, regular status would provide Venezuelans with the protections necessary to remain in the country without fear of deportation.

In 2021, the Colombian government announced a mass regularization project, establishing the ETPV. The process to obtain the ETPV is divided into several phases, including the creation of a Unique Registry of Venezuelan Migrants and the processing of the new permits. The first phase focuses on an online preregistration process wherein a Venezuelan need to register his or her profile and answer a socioeconomic survey. In the second stage of the process, an applicant needs to make an appointment in specific offices of Migración Colombia—called Puntos Visibles—and complete an in-person biometric registration. Once this process is completed, an applicant automatically starts the process of obtaining the new permit linked to the ETPV, called the Temporary Protection Permit. After 90 days, if the government approves the request, the applicant will receive his or her Temporary Protection Permit that will allow the applicant to remain in the country for up to 10 years.

By January 2022, more than 1.8 million Venezuelans in Colombia had preregistered to benefit from the Puntos Visibles. Data from Migración Colombia indicate that more than 100,000 Ven-

70 Graham et al., “From Displacement to Development.”
Venezuelans have completed the first step of the process in La Guajira. Yet less than half of the reported Venezuelan population in Riohacha has signed up to obtain the new permit, with only 20,000 preregistrations by August 2021. Many Venezuelans are not applying to the ETPV due to several issues, including the following:

- Fear of providing their information
- Problems accessing the registration portal (i.e., lack of access to the Internet or a computer)
- Lack of understanding of the process
- Limited understanding of the importance of regularization
- Difficulties filling out the application

For Indigenous Wayúus, there is also a language barrier that prevents many from completing the initial survey. Furthermore, actors on the ground indicate that there have been several issues in the second stage of the process to obtain the ETPV, wherein applicants must conduct in-person biometric registrations. Many Venezuelans in La Guajira struggle to get to the puntos visibles for their appointments—especially those who live in rural or secluded areas. In Riohacha, there are only two puntos visibles, and they are far away from the settlements where Venezuelans live. The cost of transportation to get to these offices is sometimes too high for Venezuelans and their families. Furthermore, NGOs report a lack of sufficient personnel to process applications and significant delays in the registration process.

The delivery of the permit cards also has proven complicated. NGOs report that an individual needs to get online to verify whether his or her card arrived to pick it up at one of the offices of Migración Colombia. However, access to the Internet and a computer has been difficult in many of these settlements. And similar to the issue with biometric registration, the cost of transportation is difficult for many to cover. Finally, NGOs report that Migración Colombia has experienced significant delays in issuing the cards. As a result, some cards arrive once people have left Riohacha.

While several organizations are supporting the government’s registration process in the region, more funds and personnel are needed to get to the most remote communities and most of the Venezuelan population in the area. Ultimately, as many Venezuelans in Riohacha continue without or are unable to apply to the ETPV, it is likely that a significant proportion of the Venezuelan population in Riohacha will continue to lack documented status in the country.

**Limited Support from the Local Government**

The local authorities play an important role in promoting and enabling the socioeconomic inclusion of displaced Venezuelans. While the federal Colombian government has developed a plethora of programs and initiatives to facilitate the integration of Venezuelans, it is ultimately at the local level where the implementation of such initiatives takes place. However, in Riohacha, Venezuelans are not explicitly included in any of the projects and policies of the municipality, undermining the effectiveness of the national strategy.

For instance, at the national level, the document of the Consejo Nacional de Política Económica

72 Migración Colombia, “Estatuto Temporal de Protección.”
y Social (CONPES) 3950 establishes a national plan of response for the Venezuelan population in Colombia.\(^{74}\) It considered the development challenges and opportunities of the Venezuelan population and supported the creation of policies to promote their integration.\(^{75}\) In Riohacha, the local development strategy includes plans to alleviate poverty, promote education, and increase access to services (among other interventions) but does not include any specific plans or dedicated budget for Venezuelans.\(^{76}\) Instead, it mentions Venezuelans as a security concern and a factor undermining social cohesion.\(^{77}\) The rhetoric in Riohacha heavily contrasts with the national-level strategy focused on integration and regularization. Furthermore, it differs from the approach of other municipalities, such as Bogotá, where local development plans do facilitate the inclusion of the migrant and refugee populations.\(^{78}\) Without the identification of barriers that affect their inclusion and the creation of programs and policies to promote it, Venezuelans in Riohacha will continue to face many challenges accessing services and the labor market.

Currently in Riohacha, the only type of government support offered to Venezuelans is through the “Point of Attention and Orientation to the Population from Venezuela” at the Ombudsman Office, which provides Venezuelans with information about their rights and duties. The services provided in this office are very limited, unlike services at other centers such as the Reception Center of Barranquilla, which provides advice about different issues such as access to jobs and the social security system. Furthermore, NGOs on the ground report a general lack of information about Venezuelans among municipal public servants, which inhibits the ability to develop policies to support Venezuelan integration.\(^{79}\) Venezuelans in Riohacha also have been used as scapegoats by government officials and have experienced xenophobia and discrimination by the municipal government. For instance, early in 2020 before the border closures, the recently elected mayor of Riohacha stated that “many Venezuelans come [to Riohacha] to commit crimes and not to work.”\(^{80}\) The negative narrative around Venezuelans from municipal leaders not only affects the local response but potentially can influence local perceptions and spur xenophobia in the host community.

**Increased Challenges for Venezuelan Women**

Riohacha hosts a large number of young, displaced, Venezuelan women with children, who are between the ages of 18 and 29.\(^{81}\) These women face increasing challenges to their economic inclusion. Due to traditional gender dynamics, Venezuelan men are responsible for bringing in

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\(^{75}\) Consejo Nacional de política Económica y Social, “CONPES 3950.”


\(^{77}\) The development plans also underline their need for protection and refer to the CONPES 3950 to provide any response to Venezuelan population needs in the municipality. Alcaldía de Riohacha, “Plan de desarrollo Riohacha,” 148.


\(^{79}\) Interviews with local NGOs, January–April 2021.


\(^{81}\) Interviews with local actors, January–April 2021.
income, often migrating to other cities such as Valledupar in search of work. As a result, many Venezuelan women are left behind in Riohacha to care for their families. Despite this requirement, most Venezuelan women in Riohacha do not have access to childcare services. What’s more, many children are unable to attend school due to issues such as limited resources to buy school supplies; lack of transportation; and in the COVID-19 context, pandemic restrictions. 82 In some instances, Venezuelan social networks can serve as a support mechanism for childcare. However, most Venezuelan women in Riohacha must take care of their children without external support. These responsibilities affect their labor market integration, pushing them to look for jobs with flexible work hours and conditions. As a result, it is common to see Venezuelan and Wayuu women selling goods on the street accompanied by their children.

Even though the municipality does have programs to promote the economic inclusion of women, these programs are often unavailable to displaced women. For instance, the Casa de las Mujeres Empoderadas is a program that aims to connect women with job opportunities and reduce gender-based violence. While NGOs and international organizations provide some support to displaced women, childcare responsibilities often prevent them from taking advantage of these programs. As NGOs reported, even if women can receive training to start their own businesses or find jobs, childcare responsibilities leave them unable to benefit from this support. 83 Finally, it is important to mention that most of these women are young and many have had to curtail their own education during their migration process. With limited education, few resources, and irregular status, their work prospects are even more limited.

Violence against women is a concerning issue in the region—particularly when paired with xenophobia and discrimination. This violence is prevalent at the workplace, where Venezuelan women are more exposed to abuses and harassment. Many Venezuelan women are forced to adopt negative coping mechanisms to make ends meet. In particular, an increasing number of Venezuelan women are resorting to survival sex in Riohacha. This situation has been exacerbated with the pandemic. As the municipal development plan of Riohacha states,

[The lack of resources to cover basic needs] forces many women and adolescents and especially those in an irregular situation, to mechanisms of adaptation employment, including the employment of precarious workers in the informal sector or sex for survival. 84

Lack of Employment Programs

Employment programs are paramount to link labor opportunities with skilled individuals looking for jobs. In Colombia, the Public Employment Service (SPE, by its Spanish acronym) is a nationwide system led by the Ministry of Labor that serves as an employment agency. Some of the SPE’s programs are exclusively designed to connect Venezuelans with job opportunities throughout Colombia, especially in sectors with vacancies that are hard to fill. In addition, the SPE and its agencies conduct vocational trainings and skills certifications for refugees and migrants with regular status in the country. In Riohacha, the SPE works with Comfaguajira 85—a privately operat-

83 Interviews with local actors, January–April 2021.
84 Alcaldía de Riohacha, “Plan de Desarrollo Riohacha.”
85 It also works with other agencies such as the Public Employment Agency from the National Learning Service.
ed local employment agency—to help locals and Venezuelans to find jobs.\(^{86}\) However, many Venezuelans face challenges in accessing these services. Often, Venezuelans do not have Internet connections or have little knowledge of how to register their resumes in the system.

In other cities, the local government has employability offices that advise Venezuelans about how to find jobs and benefit from social protection. For instance, they support Venezuelans in preparing their resumes or validating their skills to employers. In many instances, the local Secretary of Development is in charge of creating special units to promote local employment in coordination with the SPE. Such is the case in Barranquilla and Bogotá, where they have the Centro de Oportunidades and Bogotá Trabaja, respectively.\(^{87}\) These services are essential for both locals and Venezuelans to receive advice about how to integrate into the labor market. In the case of Riohacha, the Secretary of Tourism and Economic Development would be the agency in charge of developing such a program.\(^{88}\) This type of unit does not exist in Riohacha, partly due to the limited resources of the municipality. Overall, the lack of such initiative affects both Colombians and Venezuelans. Without the support and orientation to access jobs or start a business, many Venezuelans struggle to navigate an unfamiliar and foreign labor market.

**Lack of Resources to Move to Another City**

In the past year, many of the Venezuelans who arrived in Riohacha have faced extreme poverty and have been unable to move from Riohacha and its vicinity. Some arrived with big families and are dependent on aid to survive. The lack of economic opportunities in Riohacha leaves them without the possibility of finding jobs and earning decent incomes. It also leaves them unable to find job opportunities in other regions of Colombia. These Venezuelans end up stuck in Riohacha, even when they have the inclination to move to other areas of the country with more economic prospects.

Some programs, such as the Human Mobility Program designed by the GOC in collaboration with the United Nations High Commissioner for Refugees, provide an opportunity to support the mobilization of Venezuelans to other regions of Colombia where they can find decent jobs. The implementation of such an initiative has the potential not only to improve the lives of Venezuelans but also to minimize the competition and impact in the local labor market. In its pilot, the Human Mobility Program successfully connected Venezuelans in Riohacha with opportunities in Barranquilla: a city in Colombia known for its dynamic labor market. It aims to support Venezuelan workers and their families by providing skills training, connecting them with decent jobs, supporting their voluntary mobility both financially and psychosocially, and ensuring their integration into their new communities. While this program is a major step in the right direction, it has yet to be fully implemented to affect a larger number of Venezuelans in the region.

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Insufficient Funding for Integration

In Colombia, the Inter-Agency Group for Mixed Migration Flows (GIFMM), led by the International Organization for Migration and the United Nations High Commissioner for Refugees, oversees the in-country implementation of the Regional Refugee and Migrant Response Plan (RMRP) for the Response for Venezuelans. La Guajira is among the top three departments in Colombia with the highest budgetary needs and target beneficiaries. Out of the $802 million articulated requirements from the total Colombia response, La Guajira’s response requires $118.8 million to cover a bit more than 167.8 thousand people. Yet the number of people in need is much greater according to estimates from NGOs on the ground. Therefore, the current financial assessment is not enough to cover the number of people in need in the region.

While emergency needs are vast in the region, funding for integration efforts—which support programs that could serve to improve Venezuelans’ economic inclusion—in the overall country response has been systematically low. For instance, in the 2021 RMRP appeal, of the $641 million for the total Colombia response, $72.6 million was dedicated for the integration sector and only 14 percent was funded. Furthermore, the integration sector of La Guajira is significantly under-funded, with only 3 percent of the total sector needs currently covered by February 2022—this means that donors have covered only $16,887 of the total $542,522 needed for integration in La Guajira. Without enough funds to develop comprehensive livelihood programs, Venezuelans’ prospects for economic integration are severely limited.

In Riohacha, specifically, NGOs report that there is almost no financing for integration programs. Due to the extreme vulnerability of the Venezuelan population in Riohacha, the response has been understandably focused on humanitarian and emergency needs rather than on socioeconomic inclusion. However, with limited funding and increasing needs, sustainable approaches that allow Venezuelans to become self-reliant are necessary.

Discrimination, Xenophobia, and Violence toward Venezuelans

As previously mentioned, La Guajira is plagued with criminal groups and guerillas. Venezuelans, due to their immigration status, are an easy target for these groups. Lack of documentation and irregular status among displaced Venezuelans increase their vulnerability, especially during irregular border crossings. Some Venezuelans might fall under the control of illegal groups that recruit and harass them. For the Wayúu, this is an increasingly important issue, as NGOs report many Wayúu children’s falling prey to criminal groups. However, there is not enough research on how these criminal groups recruit Venezuelans or operate in the trochas.

Beyond the threats of criminal groups, overall xenophobic violence is a risk for many Venezue-

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90 Inter-agency Coordination Platform for Refugees and Migrants from Venezuela (R4V), Página 107: https://www.r4v.info/en/document/rmrp-2022
91 Interviews with local NGOs, December 2021.
93 Inter-agency Coordination Platform for Refugees and Migrants from Venezuela (R4V). “Funding Update” accessed on February 2022: https://www.r4v.info/es/financiamiento
94 Ebus, “Bajo un sol inclemente.”
lans in Riohacha. As a 2019 needs assessment report states, 28 percent of Venezuelans do not feel safe in their communities, reporting general violence, sexual abuse, a lack of safe spaces, and harassment in public spaces such as bus stops and supermarkets.\textsuperscript{95} In addition, many Colombians in Riohacha and neighboring communities believe that Venezuelans are competing with locals for jobs, which further exacerbates xenophobia and rejection from the local population.\textsuperscript{96} In spite of these issues, in Riohacha there are no programs or campaigns to combat xenophobia using innovative approaches, such as promoting interpersonal contact\textsuperscript{97} among locals and the displaced population and perspective-taking exercises\textsuperscript{98} that allow individuals to empathize with the experiences of refugees and migrants.

**Turning Displacement into Growth for Riohacha**

Riohacha needs to create more and better job opportunities for all. Venezuelan displacement can open the door for development and humanitarian investments to mobilize the economy and foster development in the region. This section will discuss potential projects and investments to stimulate inclusive economic development and to support the displaced population in Riohacha and La Guajira. In particular, we will discuss the following investments and their potential impact in the region:

1. Boosting cash-based assistance and upscaling livelihood and entrepreneurship programs
2. Investing in Special Economic Zones (ZESEs, by their Spanish acronym) and providing trade concessions
3. Mobilizing infrastructure investments for job creation

**Boosting Cash-based Assistance and Upscaling Livelihood and Entrepreneurship Programs**

Evidence shows that hosting large groups of refugees can have positive labor market effects in many communities that experience development problems, as in the case of Riohacha. Ethiopia is a good example. The areas surrounding the Aw Barre and Sheder refugee camps have undergone a significant economic transformation, shifting from agriculture-based economies to bustling societies with flourishing businesses, trade, and opportunities.\textsuperscript{99} The support provided by humanitarian actors in promoting cash-based assistance and other types of aid and jobs have contributed to the dynamization of the local economy. The same can happen in Riohacha. Indeed, supporting greater economic inclusion for Venezuelans would allow them to earn better incomes, thus incentivizing consumption and mobilizing the local economy.

\textsuperscript{95} R4V, “Colombia: Needs Report of La Guajira—ACTED.”
\textsuperscript{96} R4V, “Colombia: Needs Report of La Guajira—ACTED.”
\textsuperscript{99} Graham and Miller, “From Displacement to Development.”
Beyond benefiting from increased cash-based assistance and its effects on the local economy, the region could benefit from more employment and livelihood programs. These programs would connect Venezuelans and other vulnerable populations with decent job opportunities, thus reducing their precarity and increasing their self-reliance. These types of initiatives would inject resources into the local economy, help strengthen local institutional capacity, promote decent working conditions, and improve the skills of both the local and the displaced populations. They also would improve the conditions of Venezuelans living in peri-urban settlements in Riohacha, allowing many to afford housing in the city.

Some organizations in La Guajira are starting to conduct skills training, provide seed capital for entrepreneurs, support the design of business plans, strengthen institutional and technical capacity, and pursue other livelihood initiatives. However, these projects are still limited in scale. Therefore, it is essential to upscale investment in these projects to have a tangible impact on Riohacha and La Guajira. For instance, the International Labour Organization and the International Organization for Migration could replicate in Riohacha some of the projects implemented in other cities in Colombia to accompany Venezuelans during their process of getting jobs. Plus, the SPE, through Comfagujira and the National Learning Service, could participate and provide skills training for displaced Venezuelans in Riohacha. The benefits of upsaling these programs in Riohacha would be even greater if these initiatives reflected a long-term view and supported the development of industries and capacity in the region. One example is the Barrios Resilientes (or Resilient Neighborhoods) program, implemented by GOAL, which integrates a livelihoods strategy in a plan to develop fish markets in the region. Ultimately, the development of programs that support livelihoods and have a sustainable impact on the local community is paramount to promoting overall growth in the region.

**Investing in ZESEs and Providing Trade Concessions**

Initiatives like ZESEs—designed to promote foreign investment to generate jobs and improve social conditions overall—have tremendous potential to improve the conditions of Venezuelans and locals alike. The GOC created the ZESEs in 2019 to combat unemployment in five regions of Colombia, including La Guajira, Norte de Santander, and Arauca, which receive high numbers of Venezuelans. The businesses that benefit from this new regime must increase hiring by 15 percent and work within the industrial, agriculture, or commercial sectors. In return, they will benefit from a special fiscal model, which exempts them from corporate taxes during the first five years.

The ZESEs show significant promise regarding job creation for the local population. Furthermore, they open a window of opportunity to employ Venezuelan workers. Lessons can be drawn from

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100 Fundación Panamericana para el Desarrollo (FUPAD), Renacer, Aldeas Infantiles S.O.S., Pastoral Social, International Organization for Migration (IOM), Danish Refugee Council (DRC), and Corporación Minuto de Dios are among the organizations conducting such activities. For more information see the R4V Platform Integration group page: https://r4v.info/en/working-group/224.


102 ZESEs are Special Economic Zones with special tax regimes. They were put in place by the national government to create job opportunities through tax incentives given to businesses. Decreto 2112 de 2019, Departamento Administrativo de La Presidencia de la Republica, November 24, 2019, https://dapre.presidencia.gov.co/normativa/normativa/DECRETO%202112%20DEL%2024%20DE%20NOVIEMBRE%20DE%202019.pdf.

the Jobs Compact in Jordan, which took a similar approach to promote refugee employment. As part of the Jobs Compact, the European Union reduced tariffs on imports from companies in designated ZESEs that hired at least 15 percent refugees in their total workforce. As a result, the Jordan Jobs Compact helped create a more welcoming policy environment toward refugees and supported businesses in the region. Colombia can learn from the Jordan Jobs Compact and implement a similar approach to incentivize investment, job creation, and Venezuelan inclusion throughout the country, prioritizing areas with limited economic opportunities such as La Guajira. And donors and trade partners can use such an approach to support Colombia in hosting and integrating displaced Venezuelans.

Such an approach should pay particular attention to the drawbacks of the Jordan Jobs Compact, which curtailed its effectiveness. Some of the lessons learned from the Jordan Jobs Compact are in the design of the strategy. For instance, one major shortcoming of the Jordan Jobs Compact was a failure to adequately engage refugees and locals early in project design. Other lessons relate to creating jobs that match refugees’ skills and aspirations, promoting the right to work and rights at work, among other objectives. Colombia can improve the areas where the Jordan Jobs Compact fell short and create a win-win situation that promotes growth for all.

Mobilizing Infrastructure Investments for Job creation

Riohacha and the region could benefit from investments in infrastructure, institutions, and services. This could include investments to build and improve roads, hospitals, and schools and to expand access to electricity, water, and sewage systems, to name a few examples. Improving infrastructure in La Guajira would create better conditions for locals and generate thousands of jobs in the region—jobs in which Colombians, Wayúus, and displaced Venezuelans could work. The GOC already has access to funds to scale up investments in infrastructure in La Guajira. One major source of funding is the concessional loans provided by multilateral development banks to the GOC. In particular, the GOC has benefited from concessional financing to support the socio-economic integration of Venezuelans and spur development in the country. Indeed, in November 2021, Colombia received an $800 million loan from the World Bank and Inter-American Bank to integrate Venezuelans. The Colombian government could use some portion of this loan to support investment in much-needed infrastructure and job creation in La Guajira.

The GOC could use other loans for broader development investment to foster development and
infrastructure in La Guajira and to employ the displaced population. For instance, the GOC could direct some funds from the $750 million World Bank loan to infrastructure projects in La Guajira. To ensure that these investments are inclusive toward the displaced and Indigenous populations, the authorities could implement a requirement to hire vulnerable and displaced populations as some percentage of the workforce. That way, both the local and the displaced populations would benefit from the additional jobs. Currently, there are existing infrastructure projects in the region that could have such a component. For example, in 2022, the Colombian government is investing in alternative sources of energy, such as wind farms, in La Guajira. This public-funded project could serve as a pilot to add the requisite of hiring the displaced population. However, it is important to highlight that such investments should always entail a participatory process that considers the needs of the local population where the investment takes place, especially if these projects are developed in Indigenous lands.

Recommendations

Without a doubt, the Colombian government and its partners have made substantial progress toward the economic inclusion of Venezuelans in the country. However, in Riohacha, important challenges remain. Beyond the challenges listed above, there is a need for more studies and disaggregated data on the situation in Riohacha and La Guajira in general. Aspects such as insecurity and remoteness, paired with the ongoing pandemic, have significantly affected the development of studies and analyses in the region. Moving forward, we call on the international community, NGOs, and national and local governments to conduct and make available rigorous studies in the region. Some of these studies could analyze the impact of Venezuelans on both overall economic growth and on wages in Riohacha and Maicao, the effects of insecurity and violence in the integration of Venezuelans, and the specific challenges that Venezuela-returned Wayúus face.

The range of challenges presented in Riohacha demand an integrated response that focuses on improving conditions in the region and generating more opportunities for Venezuelans and locals alike. Below, we offer recommendations to promote the economic inclusion of Venezuelans in Riohacha and improve conditions for all.

To the Municipality of Riohacha

- The municipality should update its development plan to include displaced Venezuelans, Venezuela-returned Wayúus, and Colombian returnees in its policies and programs. The municipality should ensure that the plan is aligned with needs on the ground, drawing on participatory processes to ensure that the needs of the local population are considered.

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best practices from other Colombian municipalities and emphasizing the economic inclusion of those populations.

- The municipality should create, in coordination with the Ministry of Labor, a unit to promote employment within the Secretary of Tourism and Economic Development, similar to those in Barranquilla and Bogotá. In the short term, it should strengthen the implementation of the SPE for Venezuelans, reducing any barriers that affect the effectiveness of this program in Riohacha.

- The municipality should assess the livelihood conditions of the Wayúu population and create a roadmap to overcome the challenges the Wayúu face.

- The municipality should ensure that Venezuelan women can access the services available to local women, including childcare services.

- The municipality should open a reception center to provide services and support to Venezuelans, similar to those in Barranquilla and Bogotá.

To the Government of Colombia (GOC)

- The GOC should improve its coordination mechanisms and financial and technical support for Venezuelans in La Guajira and its municipalities, including Riohacha. In particular, the Gerencia de Fronteras—the office in charge of coordinating the response to Venezuelan displacement—should ensure that all the programs and policies instated at the national level are also implemented in Riohacha.

- The GOC should strengthen the capacity of Migración Colombia in La Guajira to conduct the regularization process for the ETPV. The government must ensure that Migración Colombia visits the settlements where Venezuelans live to conduct the preregistration and biometric registration processes and to deliver permit cards. In addition, Migración Colombia should hire local Wayúus as translators to reduce the language barrier that inhibits Indigenous Wayúus from registering.

- The GOC should upscale, through the Gerencia de Fronteras, the implementation of the Human Mobility Program, which links individuals and families in Riohacha with decent jobs in other areas of Colombia. The government should ensure the continuous implementation of the program and provide enough resources for its activities.

- The GOC should invest in infrastructure projects in La Guajira, instating a requirement that all public-funded infrastructure projects in La Guajira hire a minimum percentage of the Venezuelan and Wayúu populations in the workforce.

- The GOC should expand the ZESE program to provide a fiscal benefit to companies that hire a percentage of the Venezuelan displaced population in La Guajira.
To the UN’s Inter-Agency Group for Mixed Migration Flows (GIFMM)

- The GIFMM should conduct a market analysis in the region and design skills training and livelihood programs with a gender lens to help boost the skills of Venezuelans and improve their integration, especially young Venezuelans and Venezuelan women. Such programs should also consider increased support and financing for Venezuelan entrepreneurs and independent workers, contributing to business development.

- The GIFMM should implement programs and campaigns to improve social cohesion with the goal of minimizing the perception that Venezuelans are taking locals’ jobs in Riohacha, such as perspective-taking exercises or an interpersonal contact approach.

- The GIFMM should expand support to Migración Colombia to facilitate the regularization process for the ETPV. In particular, they should support the registration of individuals in rural or remote areas of La Guajira, prioritizing Indigenous communities.

To Donors and Multilateral Development Banks

- Donors and development banks should pursue, in coordination with the GOC, a compact-like approach to foster the integration of Venezuelans and promote overall development in the country. The compact should encourage the right to work and rights at work as well as boost job creation in underdeveloped areas that host high numbers of Venezuelans, such as La Guajira. Such an approach should support industry development in La Guajira, expanding the ZESE program to promote Venezuelan employment. It should also draw lessons from other countries where similar approaches have been implemented, such as Jordan. Through the compact, donors and development banks should expand the funds available to Colombia to support the integration of Venezuelans. In return, they should require policy commitments and reforms from the Colombian government to support the regularization and integration of Venezuelans, especially in areas such as La Guajira where Venezuelans have not received enough support.

- Donors should increase funding for the overall RMRP 2022 in La Guajira and fully fund integration efforts, increasing resources available for cash-based support as well as livelihood and entrepreneurship initiatives.

- The World Bank and Inter-American Development Bank should boost funding for infrastructure development in La Guajira, focusing on improving conditions in the region and generating jobs for both locals and Venezuelans. The multilateral development banks should ensure that the projects be subject to a consultation process involving affected communities and include the displaced population as workers and beneficiaries of these investments. In particular, projects should support infrastructure development and capacity building in the peri-urban informal settlements of Riohacha, where Venezuelans and other vulnerable populations live. These investments could prioritize expanding access to water and sewage systems, electricity, roads, health, and education, which are some of the main development issues affecting Venezuelans and locals. If these investments ensure the hiring of Venezuelans and other vulnerable local populations, they also have the potential to improve the economic inclusion of the displaced population in the region.
To the Private Sector

- Companies in the ZESEs should implement programs to formally hire Venezuelans, Venezuela-returned Wayúus, and Colombian returnees.
- Companies in other regions of Colombia should spread awareness of the benefits of hiring displaced Venezuelans to companies and the government in La Guajira and in Riohacha, supporting the engagement of Venezuelans in core businesses and value chains.

Conclusion

Riohacha is a city with many challenges to overcome. Structural issues such as poverty, unemployment, and informality, as well as security concerns, affect Venezuelans and locals alike and influence the ways in which they join the labor market. While Venezuelan displacement has increased the level of vulnerability and need in the region and increased pressure on an already delicate labor market, it presents new opportunities for investment and growth. Venezuelan displacement has put the spotlight once more on a region that is commonly referred to as “forgotten,” reaffirming the need for development, humanitarian assistance, and investment.114

As the GOC renews its commitment to improving the integration of Venezuelans in the country, the international community and humanitarian and development actors should continue to support Colombia’s plan. This entails supporting regions such as Riohacha that experience prevailing development and humanitarian challenges for Venezuelans and locals alike. If properly supported, hosting Venezuelans in Riohacha opens the door for a renewed commitment to foster job creation, formalization, skills training, job promotion, growth, and better opportunities for all.

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About the “Let Them Work” Initiative

The “Let Them Work” initiative is a three-year program of work led by the Center for Global Development (CGD) and Refugees International and funded by the IKEA Foundation and the Western Union Foundation. The initiative aims to expand labor market access for refugees and forced migrants, by identifying their barriers to economic inclusion and providing recommendations to host governments, donors, and the private sector for how to overcome them.