

## Negative Consequences of Ending Temporary Protected Status (TPS) for U.S. Investment in El Salvador and Honduras

Briefing Points | March 2019

The United States has allocated over \$2.6 billion to the U.S. Strategy for Engagement in Central America since FY 2016.<sup>i</sup> The strategy describes three lines of work—security, prosperity, and governance—aimed at addressing the root causes of migration. Failing to pass a permanent solution now that the administration has terminated TPS for Hondurans and Salvadorans would have profound negative impacts on these goals, undermining U.S. investments in improved security, prosperity, and governance in the region.

### Undermining public safety and security

- **Deported TPS holders would return to an extremely unstable security situation.** Their vulnerability may be higher than most deported migrants who have only been in the United States for a short time, as they may have limited familial and social networks and knowledge of their home country due to their long time away.
- Returned migrants would be at **high risk for extortion and being targeted for gang recruitment**, thus potentially strengthening organized criminal networks in the region.
  - Extortion is incredibly common in El Salvador and Honduras: 92 percent of Salvadoran and 80 percent of Honduran small businesses have reported extortion.<sup>ii</sup>
  - Deportation of TPS holders could provide a boom to the extortion industry due to the perception that they have financial resources from living in the United States.
- **Security challenges in Honduras and El Salvador:**
  - **Homicide rates** in the two principal cities of Honduras and El Salvador, to which many TPS recipients would likely return if deported, remain above each country's already high average.
    - In Honduras, Tegucigalpa had 41.25 homicides per 100,000 inhabitants and San Pedro Sula had 45.51 homicides per 100,000 inhabitants in 2018.<sup>iii</sup> In the first two weeks of 2019, 23 people were killed in six massacres across Honduras, representing a 100 percent increase when compared to the same period of the previous year.<sup>iv</sup>
    - In El Salvador, where the homicide rate was ranked the second highest in Latin America in 2018, there were 51 homicides per 100,000 inhabitants.<sup>v</sup>
  - **Sexual and gender-based violence** is especially concerning and impunity is likely. According to the United Nations Economic Commission for Latin America, countries of the Northern Triangle of Central America are the most dangerous for women in the region.<sup>vi</sup>
    - Femicides (gender-motivated killings of women) remain high, with 380 women murdered in Honduras<sup>vii</sup> and 365 murdered in El Salvador in 2018.<sup>viii</sup> Of the estimated 6,200 femicides between 2002 and January of 2019 in Honduras, 90 percent of cases remain in impunity for lack of investigation.<sup>ix</sup>
    - In addition, 25 LGBTI individuals were murdered in Honduras in 2018, with 303 LGBTI persons murdered since 2009.<sup>x</sup> Over 95 percent of the cases since 2009 remain in total impunity.<sup>xi</sup> In El Salvador in 2018, 19 transgender individuals were murdered.<sup>xii</sup>
  - **Internal displacement** is substantial and ongoing in both countries.
    - According to the Internal Displacement Monitoring Centre (IDMC), a total of 190,000 Hondurans have been internally displaced as of December 31, 2017.<sup>xiii</sup>
    - In El Salvador, the IDMC estimates 296,000 new internally displaced persons in 2017, equating to 5.1 percent of homes in El Salvador with at least one displaced person.<sup>xiv</sup>

- The state security strategy by Honduras and El Salvador rely on hardline, “*mano dura*” strategies that have led to **serious human rights abuses by security forces**. In Honduras, the Military Police play a major role in repression of social protest and restricting freedom of speech and assembly, especially following contested presidential elections at the end of 2017. In El Salvador, the Ombudsman’s office reports 69 cases involving 114 victims of alleged extrajudicial executions between 2014 and 2016, the majority by police.<sup>xv</sup>

#### Threatening prosperity in El Salvador and Honduras

- **Deporting TPS holders would devastatingly hit Salvadoran and Honduran economies due to the loss of stability provided by remittances.**
  - Two studies by the Inter-American Development Bank described the role of remittances as a social safety net in El Salvador and Honduras. According to that research, one in every five people in El Salvador and one in six in Honduras receives remittances.<sup>xvi</sup>
  - Remittances totaled 22 percent of El Salvador’s total GDP in 2018<sup>xvii</sup> with an estimated 20 percent of coming from TPS holders.<sup>xviii</sup> Remittances totaled 20 percent of Honduras’ total GDP in 2018<sup>xix</sup> with an estimated 12 to 15 percent coming from TPS holders.<sup>xx</sup>
- **Deporting TPS holders would end a critical source of contributions to the countries’ tax base.**
  - There is ample evidence that TPS holders are a significant source of Value Added Tax (VAT) revenues. The sum contributed to VAT from remittances exceeded the total amount that El Salvador spent on anti-poverty programs that year by more than 600%.<sup>xxi</sup>

#### Undermining governance and security objectives due to lack of capacity for return/reintegration<sup>xxii</sup>

- **Lack of capacity for return/reintegration of deported migrants**
  - El Salvador and Honduras have weak and insufficient programs to receive deportees. They cannot support the flow and are often limited to reception services near airports.
  - There are no comprehensive programs to support migrants’ reintegration into society and to ensure that they do not fall prey to dangerous situations once again. A large group of deportees, such as TPS holders, would overwhelm the already overburdened system.
  - Services for repatriated migrants by government entities and nonprofits are limited by location, age, and other qualifying criteria, which means that the vast majority of deported migrants have no support upon return to their home country. The local nonprofits building repatriation and reintegration models that can, alongside policy changes, make a lasting impact would be unable to provide services and operate successfully if TPS holders were deported.
- **Lack of access to justice & fragile governance systems**
  - The overwhelming perception of vulnerable populations in Honduras and El Salvador is that the state is unwilling or incapable of protecting victims of violence.
  - Public opinion survey results from El Salvador show that, of the 13.2 percent that had been a direct victim of crime, only 38.9 percent reported the crime. Of those that reported the crime, 70.8 percent said that the authorities did nothing about it.<sup>xxiii</sup>
  - Public opinion survey results from Honduras also show large distrust of government justice and security forces. Of those surveyed, 58 percent distrust both the National Police and the municipal authorities and 56 percent have no trust in the Public Ministry nor the Supreme Court of Justice.<sup>xxiv</sup>

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- <sup>i</sup> The Congressional Research Service notes that 2.1 billion has been allocated to the U.S. Strategy for Central America in FY16, FY17, and FY18. An additional \$527 million was included in the FY19 omnibus. Peter J. Meyer, U.S. Strategy for Engagement in Central America: Policy Issues for Congress, January 8, 2019, Congressional Research Service, accessed March 1, 2019, <https://fas.org/sgp/crs/row/R44812.pdf>.
- <sup>ii</sup> Jaime López, "INFOGRAFÍA: Extorsiones afectan a 9 de cada 10 empresas," El Salvador.com, January 13, 2018, accessed March 1, 2019, <http://bit.ly/2ED16NQ>.
- <sup>iii</sup> "En siete puntos baja tasa de homicidios en San Pedro Sula y Tegucigalpa" La Prensa, December 20, 2018, accessed March 1, 2019, <http://bit.ly/2IHeEvS>.
- <sup>iv</sup> "Honduras: 23 personas han muerto en masacres en 2019," Proceso Digital (Tegucigalpa, Honduras), January 13, 2019, accessed March 1, 2019, <http://bit.ly/2XunoJ6>.
- <sup>v</sup> Chris Dalby and Camilo Carranza, "InSight Crime's 2018 Homicide Round-Up," InSight Crime, January 22, 2019, accessed March 1, 2019, <http://bit.ly/2EBIQnO>.
- <sup>vi</sup> "Honduras vive un estado crítico en derechos humanos: Mesa de Derechos Humanos," Criterio.hn (Tegucigalpa, Honduras), February 26, 2019, accessed March 1, 2019, <http://bit.ly/2GWKNh8>.
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- <sup>viii</sup> Cecilia Fuentes, "Una mujer ha sido asesinada por día en lo que va del año en El Salvador," ElSalvador.com, February 14, 2019, accessed March 1, 2019, <http://bit.ly/2VsJZ6G>.
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- <sup>x</sup> "Muertas Violentas de LGTTBI por Orientación Sexual Identidad de Género por Año CATTRACHAS (Honduras)," infographic, CATTRACHAS, accessed March 1, 2019, <http://bit.ly/2VqCf5p>.
- <sup>xi</sup> Honduras vive un estado crítico en derechos humanos: Mesa de Derechos Humanos."
- <sup>xii</sup> Nelson Rentería, "Organización LGBTI de El Salvador pide investigar crimen de deportada por EEUU," Reuters, February 22, 2019, accessed March 1, 2019, <https://reut.rs/2TpeXiT>.
- <sup>xiii</sup> Internal Displacement Monitoring Centre, "HONDURAS," infographic, IDMC, <http://bit.ly/2Syy35d>.
- <sup>xiv</sup> Wilson Center, The Hidden Problem of Forced Internal Displacement in Central America, August 21, 2018, accessed March 1, 2019, <http://bit.ly/2EFKRj7>.
- <sup>xv</sup> The Latin America Working Group Education Fund, Between a Wall and a Dangerous Place, March 2018, accessed March 1, 2019, <http://bit.ly/2DiUUsm>.
- <sup>xvi</sup> Lukas Keller and Rebecca Rouse, Remittance Recipients in El Salvador, comp. Multilateral Investment Funds, September 2016, accessed March 1, 2019, <http://bit.ly/2NFXnH2>  
Lukas Keller and Rebecca Rouse, Remittance Recipients in Honduras, comp. Multilateral Investment Funds, September 2016, accessed March 1, 2019, <http://bit.ly/2NAfRng>.
- <sup>xvii</sup> The Inter-American Dialogue, Fact Sheet: Family Remittances to Latin America and the Caribbean in 2018, February 8, 2019, accessed March 1, 2019, <http://bit.ly/2GKF6mz>.
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- <sup>xx</sup> Miriam Jordan, "Trump Administration Ends Protected Status for Thousands of Hondurans," The New York Times, May 4, 2018, accessed March 1, 2019, <https://nyti.ms/2Ucgg1J>.
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- <sup>xxiii</sup> James Bargent, "US, El Salvador Tough Talk on Security Distracts From Core Issues," InSight Crime, July 28, 2017, accessed March 1, 2019, <http://bit.ly/2Tpf9P9>.
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